

Ricegrowers' Association of Australia Inc.

**Submission to the
Murray Darling Basin Authority
in response to the**

Draft of the Proposed Murray-Darling Basin Plan

April 2012



**RICEGROWERS' ASSOCIATION
OF AUSTRALIA INC**

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Introduction

The Ricegrowers' Association of Australia Inc (RGA) welcomes the opportunity to make a formal submission to the Murray Darling Basin Authority (MDBA) in response to the Draft of the Proposed Murray-Darling Basin Plan (the Draft).

This submission is in response to the release of the Draft by the MDBA in November 2011 and attendance at confidential meetings prior to the release and then public consultation meetings which were held throughout the Murray-Darling Basin (the Basin) following that release.

The RGA has not attempted to respond to all of the matters raised in the Draft. The RGA is a member of the National Farmers' Federation (NFF), the National Irrigators' Council (NIC), and the New South Wales Irrigators' Council (NSWIC), and fully supports their submissions on the Draft. These submissions cover issues which are common across irrigation industries and the communities which are dependent on and supported by those industries. Our submission is limited to making comment on issues most relevant to the rice industry.

The RGA has also supported community based groups such as the Murrumbidgee Valley Stakeholders Group and the Murray Group of Concerned Communities to provide a voice for the communities in the Murrumbidgee and NSW Murray Valleys who stand to see their social and economic future imperilled if the Draft were to be implemented in its current form.

The RGA is aware that many irrigation farmers, local businesses, and community members have made individual formal submissions on the potential impact on their businesses and their communities if the recommendations in the Draft were to be implemented. The RGA has strongly supported these efforts to ensure that the voices of those who live and work and have investments in the Basin are heard.

In seeking to address matters raised in the Draft, the RGA remains committed to water reform in the Murray Darling Basin. We will play our part in a change process which will deliver healthy ecosystems, sustainable food production and strong regional communities in the Basin. We will not, however, sit back and watch our businesses, our industries and our communities in the Murrumbidgee and NSW Murray Valleys devastated by a Plan which may or may not protect environmental assets at the expense of all other assets in the Basin.

The Ricegrowers' Association of Australia Inc

The RGA is the collective voice of rice growers in Australia. The RGA represents over 1600 voluntary members in the Basin in NSW and Victoria on a wide range of issues.

As much of the Riverina region has been built upon rice, and rice is still the mainstay of many towns today, it is important that RGA members have strong and effective representation. RGA fulfils this role by representing and leading growers on issues affecting the viability of their businesses and communities.

A Central Executive committee, comprised of representatives elected by each Branch, manages the RGA. They are supported by a small secretariat based in Leeton, NSW consisting of an Executive Director, a Policy Officer, two Environmental Programs Regional Coordinators and an Office Manager.

General Submissions on the Draft

The RGA submits that unless the basis on which the Draft has been developed is changed then a balanced outcome will not be possible.

The RGA strongly agrees with the statement in the Foreword by the Authority in *Delivering A Healthy Working Basin* that “managing a basin and river system as big as the Murray-Darling does not lend itself to instant responses”.

While we acknowledge that there has been progress since the release of the Guide in 2009, many of the amended concepts and approaches in the Draft have not been able to be fully developed in the timeframe available. The Proposed Basin Plan (the Legislative Instrument) therefore does not describe and define how many of these concepts can and will be implemented.

The RGA has been actively involved in discussions about water reform since the early 1990s. We supported the National Water Initiative (NWI), as agreed by all Basin States in 2004, and we assert that the NWI should remain the driver for water reform nationally. The NWI sought to achieve economically efficient water use and investment that maximizes the economic, social and environmental value of Australia’s water resources. In accordance with the Water Act 2007, the Draft Basin Plan cannot contemplate a trade-off between these considerations, which would deliver a balanced outcome. The NWI is widely understood, is generally supported by irrigators and their communities, and its benefits and impacts have not been allowed to accrue before an entirely different process was developed as a political response to extremely serious drought conditions which some feared would not allow the Basin to return to wet healthy conditions.

The RGA submits that the following alternative approach should be adopted:

- Step 1 - Determine the Basin’s environmental objectives
- Step 2 - Develop environmental watering plans and calculate the environmental water requirements
- Step 3 - Identify works and measures and more efficient water delivery systems to meet these objectives
- Step 4 - Debate the trade-offs
- Step 5 - Set the Sustainable Diversion Limit
- Step 6 - Implement the plan
- Step 7 - Monitor and audit performance
- Step 8 - 10 year review

We support the MDBA’s recommendation to Government in *Delivering a Healthy Working Basin* that government should have an investment bias towards infrastructure and environmental works and measures to mitigate the social and

economic effects of the water recovery process. However, the RGA submits that the MDBA should consider this more logical step-by-step approach to developing the final plan for the Basin. It remains unclear how any necessary volume of water to be recovered can be determined before environmental requirements are fully understood. Modelling and choosing particular flow regimes does not of itself constitute meeting environmental objectives.

We are strongly of the view that our preferred approach would ensure the co-operation of Basin governments and stakeholders essential to achieving a Plan which can be implemented.

Specific Submissions on the Draft

The following submissions are made in respect of specific provisions of the Draft Basin Plan released by the MDBA in November 2011.

1. Accounting for water recovered

The RGA is particularly concerned that the current statutory instrument only allows for the SDL gap to be closed by transferring “held” irrigation entitlements to the Commonwealth Environmental Water Holder (CEWH) for environmental use. This completely undermines clear assurances given by the MDBA and the Federal Government that the burden on irrigators for closing the gap could be lessened by environmental works and measures and more efficient river operations. Currently, the RGA is unable to see how savings from environmental works and measures could be able to be transferred to the CEWH as “held” entitlement.

The legislative instrument should reflect the policy intent, expressed repeatedly in the media and forums with irrigation communities, that all types of water recovery measures contribute to meeting the gap between ‘current’ (2009) diversions and the Authority’s Long Term Average SDL. If water recovery achieved via environmental works and measures are not included, this would represent a significant breach of trust for irrigation communities that have provided input into these measures, undermining future efforts to implement the Plan using the principles of “localism” espoused by the MDBA.

We refer to the youtube video from the MDBA in September 2011 titled ‘More than just a volume of water’ as a clear expression of the MDBA’s policy intent in this area and request that the statutory instrument be amended accordingly.

2. Third party impacts

Any implementation of the Basin Plan must ensure that General Security water entitlement holders are treated fairly and equitably and that there are no unintended third party impacts.

The RGA is primarily concerned with maintaining the current reliability of water entitlements for all water holders. This concern arises in the context of the Commonwealth Environmental Water Holder carrying significant volumes of entitlements in each catchment. Any prioritization for use and access to that water could have adverse effects on other water holders. As a starting point, the RGA submits that all water entitlements recovered for the environment should carry the same characteristics as those retained by irrigators and other users.

However, given the significant volume of water held by one entity then rule changes may be required in the future to offset any unintended consequences which become apparent. The RGA submits that irrigators must be fully included in discussions and agree to any such changes.

3. 2015 Review

The RGA supports a mid-term review of the long term average SDLs based on developments in environmental works and measures, rules changes, new knowledge about environmental requirements, and other water saving measures which may be identified.

The RGA submits that the review process should start as soon as the Basin Plan is adopted. The review must be comprehensive, adequately resourced, and take into account the views of all stakeholders including input from experience and knowledgeable local people. Clear outcomes and recommendations from the review must be made fully available to all stakeholders in the Basin.

This review (and in fact all efforts to determine an SDL) should be informed by the most recent data available on Basin inflows and new knowledge, rather than relying on information up to an arbitrary and out of date cut off point.

Conclusion

The RGA continues to provide constructive input into the development of the Basin Plan at local, state and federal level. We remain committed to working with the MDBA and the Commonwealth Government to ensure the final plan will deliver a healthy working Basin.

In our view, a healthy working Basin must ensure the long term viability of the irrigation businesses, industries and communities within the Basin.