

**MINUTES OF MEETING OF THE WAKOOL BRANCH OF THE RICEGROWERS ASSOCIATION OF AUSTRALIA
INC. HELD ON WEDNESDAY, 23 JANUARY 2019 COMMENCING AT 4.00 P.M.**

Attendance: Jeremy Morton, Graeme Kruger, Sarah Martin, Belinda Lambert, Michael Chalmers, Troy Mauger, Danyon Williams, Donald Willox, Charles McDonald, Paul Fitzpatrick, Michael Gorey, Marcus Booth, Arnold Hall, Ian Polkinghorne, Adrian Polkinghorne, Heidi Polkinghorn, David McDonald, Robert Glenn, Allison Glenn, Charleton Glenn, Chris Mertz, Glenn McCalmin (MIL), Janet Mansin (MIL), Tom Mullholland, Sean Collins, Helen Collins, Amy Lolicato, Andy Arthur, Laurie Arthur, Roger Knight, Emma Mickleson.

Apologies: Apologies noted were Leigh Vial and Blair Flight.

Minutes: Moved by Mr S Collins, seconded by Mr D McDonald;

That the minutes of the Branch meeting held on 7 June 2018 are a true and correct record of that meeting.

CARRIED

Wakool Branch Presidents Report (Michael Chalmers)

- a) Congratulations to Troy Mauger on his new role as Rice Extension Coordinator. Troy is now looking for two extension officers, one for Murray and Murrumbidgee areas.
- b) Thank you BR&C Agents for sponsoring beers tonight.
- c) Thank you Belinda Lambert and Sarah Martin for organising the meeting.
- d) Local ricegrower Gary Hare's granddaughter Mika has a rare form of cance, a GoFundMe page has been set up to help the family.
- e) If anyone knows of any 50 year growers that haven't been recognised to please let RGA know.

RGA Presidents Report (Jeremy Morton)

- a) Water Policy from Rachel Kelly – Since 2000, RGA have been looking for opportunity to get water allocated and there has been none available which is hard to reconcile when looking at dams. This leads to the bigger discussion with other groups in the region and trying to understand why reliability and entitlement is diminished compared to what it has been in the past. Whether it is rules, the way the water is managed and trying to understand these aspects.
- b) In relation to the 450GL up water that is part of the basin plan which the RGA has never supported, it was a last minute deal to get SA to sign up. The basin ministers agreed in December to criteria for the rollout of the projects that were on far, that criteria are extremely rigorous and it would be extremely difficult to get a project up, so ideally RGA would prefer that it just went away but political reality, but government is going to continue with the plan. Operations to the river system have also been looked at to see whether efficiency's can be registered there.
- c) Ministerial council in December are talking about constrains which is a concern, not just delivery of environmental water, but also consumptive water. RGA will push hard on this concern, downstream effects from here are not ideal.
- d) Extension to the water resource plan – was supposed to be done by mid-2019 as part of basin plan requirement, but there has been a 6 month extension granted.
- e) Productivity commission released a report on the implementation of the plan which identified constraints including aligning water recovery of the 450GL.
- f) RGA have more allocation work and market information to work through, must maintain pressure on the neutrality test on any project that arise. Opportunity for RGA or councils to have input into the projects. RGA will continue to advocate on supply measures and constraints and finalise water resource plans.
- g) Question from the floor about diminish allocations, and the accumulating impact. Seeking information from the MDBA about state shares and seeing if NSW have been affected. RGA also looking for the hard data to discuss water sharing arrangements, dry years make it more obvious. NSW may not have negotiated well with some of these changes over the years. SA have done very well.
- h) Business and productivity- R&D levy review has gone up, thanks to all involved. Was a solid majority, extra funding is important for research and development particularly around water efficiency. Levy will be taken to department and that will be made a legislative change. Will apply to the next crop.
- i) Environmental sustainability – There is a program called sustainable rice platform, Neil Bull working on this project with Sunrice and NSW Government to generate environmental credentials to generate a higher price and demand a better price in the market.
- j) Leadership development – 3 tiered program is rolling out very well. Next program in February.

- k) Sunrice vote to list on the ASX was a success, allow Sunrice to get access to capital to get rice price up to competitive status.

Sunrice Chairman's Report (Laurie Arthur)

- a) Looking at 52000t rice crop for 2019 season, contract price is \$500/t for reziq.
- b) Half yearly accounts have been announced, profit is down a bit, gross is ok, sticking to announced 30-35 million npac.
- c) 2018 crop will be \$360-400/t. Sunrice is trading well despite some headwinds including rice travelling on conveyer belts at Deniliquin mill in hot weather which is decreasing millouts.
- d) Rob Gordon and Laurie will tour around to rice farmers in about April to talk about devoting water to rice. Sunrice managing pretty well, but there are consequences including running out of premium rice to export internationally and rice is rationed around. Sunrice want to build high value markets and maximise that value, but need to secure that rice from growers in Australia. Sunrice are confident they can deliver a strong price going forward and to deliver to premium markets. Mill in Vietnam has been commissioned, rice has been traded with China and rice is going all around the world. Particularly tough for Sunrice to build premium markets. Going forward, Sunrice want to discuss with farmers the next 18 months.
- e) Sunrice will ensure they operate on a very tough commercial basis. The company will go forward, but very difficult for fixed assets in the Riverina. Sunrise want to ensure that when there is the opportunity to grow a big crop, they can fulfil the premium prices. Sunrice want to back growers to grow rice, programs will be rolled out going forward to enable this.
- f) Thank you for support on ASX listing, will happen in March.
- g) Sunrice chasing feedback on the A class shares. Currently there are 700 a class share holders, and that is serious control of Sunrice. If there are redemptions, there will be 500 shareholders by the end of this season. Numbers will decline as the tough years go on. Sunrice want to hear from shareholders on what constitutes the controllers of this industry. Confident that ASX is the right decision, and will build a company that can support growers in a tough year.
- h) Laurie clarified how many shares there are, and how many to qualify. This will be discussed with the board and other growers.

Murray Irrigation Limited (Glenn McCalmin and Janet Mansin)

- a) MIL will need to have group meetings at certain channels to discuss demand on the channel.
- b) Channel operations between now and the end of the season. The survey was done to determine what channels could be run at different heights, another survey may be sent out in February. Some sections of spurr channel that are not being used may be dried out and save water through conveyance, and repairs and maintenance may be able to begin earlier in Winter. Bridges will be checked as there have been load limits put on some of the bridges.
- c) Stock and Domestic water – temporary points have been put in, and can be installed. If people have alternative ideas, please talk with MIL to estimate water use. Water must run through pipes rather than channels.
- d) Order and supply satisfaction orders – new system does not allow orders to be put in for 4 days this year. Glenn informed that it is to make sure that water is delivered down the channel, but MIL baliffs should call client to bring order forward if they can get it in less that 4 days. MIL agreed there is room for error.
- e) The system will be drained to do inspections, but where not necessary there will not be water taken from channel. Credit escapes between Deniliquin and Mulwala will happen to do PIOPP 3 projects. Hopefully works completed by the commencement of this year.
- f) Supplementary water yet to be determined.
- g) MIL staff are working on a roster. Please call if you see any algal blooms.
- h) Janet discussed the NSW rebate confusion. In august water NSW announced a rebate on the fixed charges for water entitlements to a maximum of \$4000 on a per landholding basis. Is on and as of 1st April 2018.
- i) Credit will come off the next bill, but if you would like the cash a form can be filled out. Discussion around that people were disappointed because there were meant to be no negative consequences for people that had amalgamated land.
- j) Potentially some water on the MIL account that could be given out as an efficiency distribution.

Motion:

Moved by Mr C Mertz, Seconded by Mr P Fitzpatrick;

The Wakool Branch enquire as to whether MIL has any water in their licence that could be allocated as efficiency distribution, and communicate to MIL that any allocation however small would be greatly appreciated.

General Business

- a) Rebates coming from RMS prove that money can be raised, need to look at different approaches on rebates to irrigators, especially for this area of NSW. Laurie highlighted that it is not sustainable that farmers are copping it from media and with charges.

Motion:

Moved by Mr L Arthur, Seconded by Mr R Glenn;

RGA in conjunction with other impacted parties investigate approaches to Government around direct first subsidy of the Murray Irrigation area to enable it to offer food security options for this area.

- b) Belinda announced that the Honorary councillor nominations are now open, as are the Greg Graham Memorial Scholarship applications.
- c) Rice Extension Field Day is happening on 7 March at Old Coree, Jerilderie.

Meeting Close 5.30 P.M.