

RGA Water Policy and Advocacy Activity for 2019-20

RGA Water Policy Positions Book

The RGA Water Policy book continues to be updated through consultation with the RGA Branches and Water Committee. The document summarises our key policy positions on Federal and State water issues (summary below). The book can be found at www.rga.org.au → Policy → Policy Areas → Water.

The overarching water policy objective of the RGA is:

“To maximise water availability (supply and access) and to mitigate the negative impacts of water reform for growers.”

The 2020 objectives identified by the RGA Water Committee are:

1. **Objective 1:** Free up water to increase General Security allocations, particularly in dry years.
2. **Objective 2:** NSW Murray and Murrumbidgee water sharing plans amended to include 75% of RGA recommendations.
3. **Objective 3:** Commonwealth to support structural adjustment that does NOT require water recovery.

Key RGA Water Policy Advocacy Activities

Objective 1: Free up water to increase General Security allocations, particularly in dry years.

1. RIVER OPERATIONS, DELIVERABILITY AND SYSTEM CONSTRAINTS
<ul style="list-style-type: none"> • OBJECTIVE: <ul style="list-style-type: none"> ○ Seek improvements and efficiencies in river operations (including management of the Lower Lakes) so that these efficiencies can be reallocated for production. ○ Better regulate demand from downstream irrigation development so that these do not result in increased river losses. ○ In the short term, a moratorium on new irrigation development (outside of the Irrigation corporations). ○ Ensure system constraints are respected to reduce river losses (reduce the occurrence of overbank events). This will also reduce environmental degradation. ○ Agreement between NSW and Vic on the sharing of the Choke capacity. • ACTIVITIES: <ul style="list-style-type: none"> ○ Lobbying of the NSW and Federal Water Minister and the MDBA about the need to address new irrigation development and increasing downstream demand for water.

- Public statement including numerous articles in local and metropolitan newspapers and on TV and Radio.
- Participation in numerous recent government inquiries on these matters including the Interim Inspector General Mick Keelty's Inquiry into management of Murray–Darling Basin water resources, the CSIRO Lower Lakes Independent Science Review and the ACCC Murray–Darling Basin water markets inquiry.
- Participation in the NSW Irrigators' Council and National Irrigators Council Working Groups that are advocating for these objectives.

- **WINS:**

- Agreement from Basin Water Ministers to review the issue. The Basin Water Ministers have engaged a consultant to review the issue and make recommendations on management. We are awaiting to hear the outcome of this review.

- **ADVOCACY PARTNERS:** NSW Irrigators' Council, National Irrigators' Council.

2. UNDERUSAGE

- **OBJECTIVE:**

- Increase Murrumbidgee and NSW Murray water use/take up to each valleys Sustainable Diversion Limit. Currently water use is tracking below the valley water use limits.
- Achieve this by increasing General Security water allocation limits and reducing restrictions on supplementary water access.

- **ACTIVITIES:**

- Intense and ongoing lobbying of the NSW Government (Minister and Department), in particular through the Water Sharing Plan review process.
- Ongoing consultation with the Murray Darling Basin Authority – supported by the SunRice RMCG report and the recent MDBA 'Trends in water use' report.
- Consultation with the Interim Inspector General, who has taken up the matter on our behalf.

- **WINS:**

- Inclusion of 'underusage' provisions in the Water Sharing Plans – provides a pathway for increasing water allocations in the event that we continue to use less water than the valley limit on use.
- Confirmation from the MDBA that some level of underuse is likely to continue. This helps inform our advocacy efforts with the NSW Government.

- **ADVOCACY PARTNERS:** SunRice, Coleambally Irrigation, Murray Irrigation, NSW Irrigators' Council.

3. ALLOCATION ANNOUNCEMENTS IMPROVEMENT

- **OBJECTIVE:**
 - More timely, predictable and understandable allocation announcements.
- **ACTIVITIES:**
 - Lobbying of the NSW Water Minister and Department through meetings, phone calls, emails and letters.
 - RGA's has public shared its predictions and suggestions with respect to the allocations for each valley to try and build accountability for the Department.
- **WINS:**
 - NSW Department had advised that they will undertake an in-depth review of the allocation system as part of their 'Regional Water Strategy' consultation process that is due to commence at the end of this year for our two valleys.
- **ADVOCACY PARTNERS:** Murray Irrigation.

4. WATER FOR RICE

- **OBJECTIVE:**
 - Secure a parcel of water for rice production in 2020/21. Options include:
 - Repurposing some or all of the last 60 gigalitres of the 'Water for Fodder' program water. This water is yet to be distributed,
 - Running a new 'Water for Rice' program on the same premise as the Water for Fodder program, or
 - A 'Snowy Borrow' arrangement.
- **ACTIVITIES:**
 - Lobbying of the NSW Premier, Deputy Premier and Water Minister through meetings, phone calls, emails and letters.
 - Lobbying of the Prime Minister and Federal Water, Agriculture and Environment Ministers, and Senator Perin Davey, through meetings, phone calls, emails and letters.
 - Lobbying of local councils for their support of our proposal.
 - Public statements on the risk of running out of Australian produced rice in late 2020.
- **WINS:**
 - Federal government is currently considering the options proposed by the Rice Industry.
- **ADVOCACY PARTNERS:** SunRice.

Objective 2: NSW Murray and Murrumbidgee water sharing plans amended to include 75% of RGA recommendations.

5. WATER SHARING AND RESOURCE PLANS

- **OBJECTIVE:** NSW Murray and Murrumbidgee water sharing plans amended to include 75% of RGA recommendations. Recommendations are focused on Increasing General Security water allocations to address underusage, addressing impacts from Planned Environmental Water rules.
- **ACTIVITIES:**
 - Intensive lobbying of the Minister for Water and Department, by meetings, phone calls, emails, letters and public statement, seeking that the NSW Government:
 - include additional provisions and amendments to improve water entitlement reliability; and
 - seek an extension of time for the development of the water sharing/ resource plans to allow for further consideration of proposed amendment.
 - Drafting a 'model' water sharing Plan and list of 'essential' changes in partnership with Murray stakeholders. Documents both sent to the Minister and Department.
 - Drafting of key measures of entitlement reliability and key changes sought two the Water Sharing Plan document at a State level in partnership with NSW Irrigators Council.
 - Submissions to the NSW Murray Lower Darling and Murrumbidgee Draft Water Sharing Plans.
- **WINS:**
 - Deadline for completion of the Water Sharing Plans extended to June 2020 to allow time for further consultation. We are currently seeking a further extension of this deadline.
 - We have been advised that other changes suggested by the RGA and partners have been adopted, but are still awaiting an update in this regard.
- **ADVOCACY PARTNERS:**
 - Murrumbidgee and NSW Murray Stakeholder Advisory Panel Irrigator Organisations and Individual Representatives¹.
 - NSW Irrigators' Council

¹ Coleambally Irrigation, Murrumbidgee Irrigation, Murrumbidgee Private Diverters, Yanco Creek and Tributaries Advisory Panel, Murray Irrigation, Murray Valley Private Diverters, Southern Riverina Irrigators.

6. DROUGHT OF RECORD

- **OBJECTIVE:** Ensure that the proposed Drought of Record Bill is not passed in the NSW Parliament
- **ACTIVITIES:**
 - Meetings, phone calls, emails and letters with the NSW Water Minister, NSW Opposition Water Minister, Members of the Shooters, Fishers and Farmer Party (including Member for Murray Helen Dalton) and Independent Members.
 - Public campaign to highlight the negative impacts to General Security allocation if the Bill was passed.
- **ADVOCACY PARTNERS:** Efforts coordinated with NSWIC and its members and local stakeholder groups (Coleambally Irrigation, Murrumbidgee Food and Fibre, Murray Irrigation, Murray Valley Private Diverters).
- **WINS:**
 - Vote in the Lower House deferred due to 'lack of numbers' and matter put to a committee for review. RGA has been invited to provide input into this review.

Objective 3: Commonwealth to support structural adjustment that does NOT require water recovery.

7. Murray Darling Basin Plan

- **OBJECTIVE:**
 - No further Water Recovery – including for the purpose of the 450 GL.
 - Delivery of the 605GL Water Recovery Offset projects without negative socio-economic impacts. In particular an extension to the timeframe is sought to allow for more time to adequately address community concerns about the projects.
 - Acknowledge and address the severe socioeconomic impacts for irrigation communities due to the Basin Plan (and other water recovery programs).
- **ACTIVITIES:**
 - Ongoing lobbying of the Federal Government, and the State Government with respect to the 605GL Water Recovery Offset projects.
 - Review of National Farmers Federation 450 position.
 - Review of the NSW Irrigators' Council Basin Plan policy position.
 - Participating in the following inquiries:
 - The Independent Panel investigation of social and economic conditions in the Murray-Darling Basin.
 - Independent Panel Review of the Water for the Environment Special Account [450 GL money].

- **ADVOCACY PARTNERS:** Efforts coordinated with National Farmers Federations, National Irrigators Council, NSW Irrigators Council and Murray Regional Strategy Group.
- **WINS:**
 - 450 GL socio economic test appears to be working, with minimal water recovery or applications despite the On-farm projects program being open for 12 months.
 - The NSW Government is reconsidering the design of some of their key SDL projects, to address community concerns.
 - The NSW Government has been lobbying their Basin Water Minister colleagues for an extension of time for the SDL Projects.
 - Previous Federal Water Minister David Littleproud sought an independent review of the socio economic impacts in the Basin. The outcomes of this review will inform our future water advocacy.

***Note:** Much of the RGA's work in the Productivity and Industry Affairs policy area is focused on supporting structural adjustment.*

Submissions

RGA has provided submissions to the following inquiries:

- Productivity Commission Review of the National Water Initiative (to be completed).
- NSW Parliament Inquiry into the Drought of Record Bill (to be completed).
- Interim Inspector General Mick Keelty's Inquiry into management of Murray–Darling Basin water resources.
- CSIRO Lower Lakes Independent Science Review
- Independent Panel Review of the Water for the Environment Special Account [account sets aside \$1.7 billion to recover another 450GL and address constraints].
- The Australian Competition & Consumer Commission (ACCC) Murray-Darling Basin water markets inquiry.
- The NSW Department of Industry – Water, Draft NSW Murray and Lower Darling Surface Water Sharing and Resource Plans.
- The NSW Department of Industry – Water, Draft Murrumbidgee Surface Water Sharing and Resource Plans.
- The Independent Panel investigation of social and economic conditions in the Murray-Darling Basin.

RGA's full submissions can be found at www.rga.org.au → Policy → Submissions.

RGa WATER POLICY MEDIA RELEASES

River Operations, Deliverability and System Constraints

- Lower Lakes Freshwater in doubt 13/05/2020
- Keelty report misses the mark - 29/04/2020
- IIG Mick Keelty Water Sharing Report – RGA's Response 17/04/20
- Interim Inspector General Inquiry - RGA survey responses 21/01/2020

Allocation Announcements Improvement

- High inflows justify a 1 June General Security allocation 28/05/2020
- RGA attempts to estimate tomorrow's allocation announcements 14/05/2020
- Whats going on in the northern Basin - 09/03/2020

Water for Rice

- ABARES false comfort COVID-19 21/04/2020
- Further water related job losses in the Rice industry 26/11/2019

Water Sharing and Resource Plans

- Crunch time for Water Sharing Plans 22/06/2020
- Have your say on the water sharing plans 06/01/2020
- Outrage over Water Sharing Plans 01/12/2019

Drought of Record

- Misguided Drought of Record Bill 16/06/2020
- DOR Bill – Political move at the expense of Irrigators 02/06/2020

Murray Darling Basin Plan

- RGA Still at the Table (Basin Water Ministers Meeting) 17/12/2019
- Welcome News: Nationals reject further water recovery 16/09/2019
- Murray-Darling Basin Plan Review a NoGo ScoMo 19/08/2019
- Time for Water Ministers to have faith in Murray Darling Communities 25/07/2019
- 4Corners Cash Splash - Shallow facts 09/07/2019

RGa's media releases can be found on our website at www.rga.org.au → news & events → media releases.

Summary of RGA Water Policy Book

RGA WATER POLICY POSITIONS – FEDERAL LEVEL

1. Water recovery for the environment and the Murray Darling Basin Plan

The RGA'S Policy Positions:

- No compulsory acquisition of water. Water recovery must be appropriately compensated.
- The characteristics of entitlements purchased for the environment should not change.
- Third-party impacts must be avoided, including to entitlement accessibility and reliability.
- Basin Governments should address non-flow issues contributing to poor river health.

2. The Baseline Diversion Limit (BDL), Sustainable Diversion Limit (SDL) and Water Recovery

The RGA'S Policy Positions:

- Basin Governments should take a whole of catchment approach to improving river health, including non-flow related issues.
- The modelling and assumptions used to calculate the SDLs should be made public.
- Water recovery must be prioritised by third-party impacts, as follows:
 - The SDL Adjustment Mechanism
 - PIIO (Private Irrigation Infrastructure Operators Program)
 - OFIEP (On-farm Irrigation Efficiency Program)
 - No further buybacks.
- The SDL implementation time frame is too short for communities to adjust.
- Water recovery reduces supply and pushes up prices, which may reduce rice planting.

3. The SDL Adjustment Mechanism:

The RGA'S Policy Positions:

- RGA supports Supply Measures (offset projects) to reduce the Sustainable Diversion Limit.
- Basin Governments should ensure the maximum offset of 650 gigalitres is achieved.
- Supply projects to be flexible to incorporate new knowledge and open to new proposals
- Projects must be subject to consultation with landholders, industries and communities.
- The 5% limit on the total SDL adjustment must be removed.
- Complementary measures should be part of the SDL offset.
- Any shortfall in the proposed 605GL of offsets will be met through alternative projects.

3.1. Efficiency Measures '450GL Up-Water'

The RGA'S Policy Positions:

- No further water recovery from the productive pool.
- Another 450GL can't be delivered without third-party flooding impacts.

3.2. Constraints Measures

The RGA'S Policy Position:

- No third-party impacts from relaxing constraints, incl. property and entitlement reliability.

3.3. Policy Pre-Requisite Measures (PPMs)

The RGA'S Policy Position:

- No third-party impacts (incl. reliability and accessibility of GS and supplementary licences).

4. Held (Licenced Entitlement) Environmental Water

The RGA'S Policy Position:

- Held Environmental Water must retain its original entitlement characteristics.

5. Managing and Monitoring Environmental Water Outcomes.

The RGA'S Policy Positions:

- No unmitigated third-party impacts from the use of Held Environmental Water.
- Environmental water trade should not affect water market access for all water users.
- Clear objectives to be agreed and communicated. Progress to be reported regularly.

6. Water Markets and Trade

The RGA'S Policy Positions:

- An open and transparent water market that minimises transaction risk and costs.
- A southern Basin trading exchange to increase transparency and reduce transaction costs.
- Regulation of water brokers to minimise risk for market.
- Instantaneous trade of water.
- Standardisation of national laws and rules for water trade.
- Inter-valley trade rules enforced.

7. Murray Darling Basin Agreement

The RGA'S Policy Position:

- The RGA seeks a review of the Murray Darling Basin Agreement.

RGA WATER POLICY POSITIONS – STATE LEVEL

8. The Allocation System

The RGA'S Policy Positions:

- The RGA seeks the following improvements to the allocation system:
 - Real-time announcements of allocations.
 - Increased use of technology to monitor inflows and determine allocations.
 - Increased transparency regarding inflows and water demands influencing the allocation system.

9. Water Sharing/Resource Plans

The RGA'S Policy Positions:

- The RGA will not support any changes that negatively impact upon water entitlements.
- The RGA supports changes that will improve the security of water entitlements.
- The RGA insists on meaningful consultation with State Government on the Water Resource Plan rules and regulations to ensure property rights are not eroded.
- The RGA seeks an extended deadline to accredit the Murray and Murrumbidgee Water Resource Plans from June 2019 to June 2020.

9.1. Carry-over

The RGA'S Policy Position:

- Carryover is supported as a “risk” management tool providing access to more water earlier in the irrigation season.

9.2. Planned (Non-Licensed rules based) Environmental Water

Planned environmental water (PEW) is required to be set aside under the Water Sharing Plans. Unlike Held Environmental Water, Planned Environmental Water is not licenced water.

The RGA'S Policy Positions:

- Increased transparency on the volume and use of planned environmental water.
- PEW use must be optimised to improve environmental outcomes, and be counted as a Supply Measure under the Basin Plan.

9.3. Inter-Valley Transfer (IVT) Accounts

The RGA'S Policy Position:

- The RGA supports the current system of Inter-valley transfer accounts.

9.4. Cultural Water

The RGA'S Policy Positions:

- The RGA recognises and supports Indigenous traditional and cultural uses of water.
- The RGA favours cultural water being managed and included via environmental water entitlements and environmental watering strategies.
- Water for any commercial use should be attained through the existing market.
- No rule changes that negatively impact upon existing entitlements.

9.5. Cap-factors, Planning Assumptions and Compliance with the Baseline/Sustainable Diversion Limit (BDL/SDL)

The RGA'S Policy Position:

- Water Resource Plan should support a level of take as close as possible to the BDL/SDL.

10. Water Operations and Charges

The RGA'S Policy Position:

- The RGA supports efficient and cost-effective water delivery – provided efficiency and/or cost reduction measures do not reduce reliability or accessibility of existing entitlements.

11. Snowy Hydro Licence

The RGA'S Policy Position:

- The current balance between the competing needs for electricity generation and irrigation water use must be maintained unless a win-win outcome can be established.

12. Land Use Planning – Irrigation Development

The RGA'S Policy Positions:

- Robust, pragmatic planning regulations to address risks of new irrigation developments.
- Conveyance losses factored into delivering water allocation downstream.
- A moratorium on any new irrigation development below the Barmah Choke.

13. Water Security Infrastructure

The RGA'S Policy Positions:

- Further exploration of infrastructure solutions to provide water and benefits to the entire Basin, including those listed in Water NSW's "20 Year Infrastructure Options Study".
- Costs vs benefits needed for any project, with a long-term view taken.
- Water Security Infrastructure Projects should be regarded as nation building with costs being shared by all, not just irrigators.