

Riverina And Murray Joint Organisation (RAMJO) Water Position Paper Executive Summary

Our Intent

The intent of the Joint Organisation and its Member Councils in developing this Position Paper was to establish regional leadership, collaboration and advocacy for our communities. The positions in this paper come with significant consideration and negotiation between all Member Councils to find common ground from which to advocate. While many similarities draw us together to create one strong regional voice, there are also many unique and special differences which create the identity of the communities we represent. We recognise, appreciate and respect those differences, as much as we recognise the similarities allow us to advocate together. The driving intentions from all Member Councils was to create a balanced, moderate and professional platform which can be approached by any group, Member of Parliament, industry body, organisation or community member to work toward solutions to ensure the liveability and sustainability of our communities, now and into the future. Importantly, the Water Security Sub-Committee has attempted to adopt a whole-of-basin mindset in generating its recommendations and key messages.

In summary, together with our intent, the Joint Organisation would like to communicate the following key messages relating to the positions in this paper:

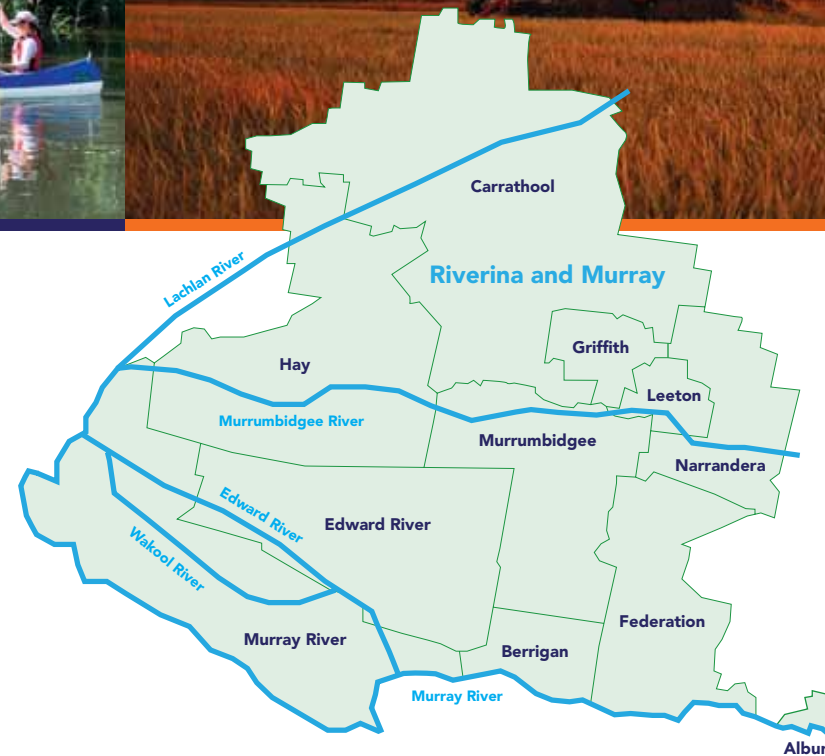
- We recognise and support those industries in our communities who are the backbone of our region, and we wish to see them thrive into the future. We recognise that the changing environment necessitates adaptive and innovative approaches in agriculture to ensure that prosperity.
- The knowledge, experience and quality of those who engage in agricultural pursuits is an asset to the region and our nation as a whole. A national Centre of Excellence or Innovation Hub, based in the RAMJO footprint and linked to water and its relationship to food production and environment, could benefit Australia as a whole and become a national and international exemplar for best practice. Water scarcity will continue to be a problem for many countries worldwide and given our natural environment, combined with a century of irrigated agricultural knowledge, we are in an ideal position to take a leadership role in this space.
- We will continue to promote the needs and benefits of the agricultural industry (as it relates to water) and the jobs, security, knowledge and vitality these industries provide to our region.
- Better transparency and equity relating to water, including the markets which trade it and the policies which govern it; is required in order for those industries who underpin our region to plan for a future.

- We respect that national coordination of the Murray Darling Basin as a lifeline is not a simple task, and that the environmental health of the river and the surrounding ecosystems remain a priority.
- We recognise that the extensive knowledge of First Nations, local environmental volunteers and those who know the river system best could contribute significantly to any improvements made to water management across the Murray Darling Basin.
- We are open and ready to engage with Ministers, government departments, tertiary institutions, industry and organisations to provide input into solutions and reviews of water management as it relates to the Murray Darling Basin.
- Ultimately, we seek equity, affordability and sustainability in Australia's harsh and changing environment as it relates to water management in the Murray Darling Basin.
- We must act now in a coordinated and respectful manner for the sake of current and future generations.

About RAMJO

The Riverina and Murray Joint Organisation is a cooperation of eleven (11) Member Councils in southern NSW and operates under the NSW Local Government Act 1993. Member Councils include Albury City, Berrigan Shire, Carrathool Shire, Edward River, Federation, Griffith City, Hay Shire, Leeton Shire, Murray River, Murrumbidgee and Narrandera Shire.

RAMJO covers over 80,000 square kilometres of land and 150,000 people, and together we represent a large portion of the Basin's communities.



150,780
Population
Median age 44 years



82,868
square kilometres



Steady Growth
in population, jobs and
Gross Regional Product



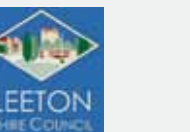
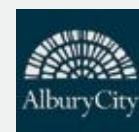
2
regional centres and
over 40 townships



28,777
people aged 0 - 14 years



29,422
people aged
over 65 years



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RAMJO Water Position Paper Key Recommendations

RAMJO Recommendation 1 – Water Market
RAMJO recommends a comprehensive review of the water market, which could include (but not be limited to): ownership, water security, capturing true costs of water transfers, telemetric reporting, and floodplain harvesting. Regulatory reform across multiple areas is necessary to ensure a nation-wide plan goes hand in hand with an efficient water market.

RAMJO Recommendation 2 – Impact of Water Prices on Agricultural Diversity and Security
2a) RAMJO recommends that no one industry should be specifically protected. However, resources should be made available to develop an integrated and coordinated Agricultural Plan for the Murray Darling Basin (incorporating Valley Irrigation Plans) with a view to encouraging innovation, adaptation and an appropriate balance between permanent plantings and annual crops. The outcome of the plan should be to optimise productive yields, water use and economic return to communities and the nation. (Recommendation 8 expands further on innovation).
2b) RAMJO recommends supporting all agricultural and horticultural industries as diversification of domestically grown produce is important for the sovereignty of our nation. We recommend that by placing equal importance on resources for our region's ability to provide sustenance for an increasing population, and implementing protections against potential pest and disease that could decimate one or more of our industry sectors, we will be able to continue to play our part in Australia's food security.
2c) RAMJO recommends that government develops criteria and mechanisms to enable flexible short-term emergency water management provisions where critical situations (e.g. drought, disease, pandemic) could result in major job losses, industry viability or national food security issues. (Recommendation 6 expands further on drought).

RAMJO Recommendation 3 – Environmental Flows
3a) RAMJO recommends that the suite of measures including stakeholder communication, spill event efficiencies, dilution flow reviews, loss reduction mechanisms, and optimising the delivery of water requirements be pursued to increase the current availability of water, and recognise unrealised gains as it relates to water availability.
3b) RAMJO further recommends that the recommendations related to improving reporting and communications by all regulatory bodies including Murray Darling Basin Authority, Commonwealth Environmental Water Holder, Department of Agriculture and Water Resources and Basin States from the 2019 'Basin Plan Monitoring, Evaluation and Reporting Capability Assessment' should be implemented.

RAMJO Recommendation 4 – Infrastructure – Now and the Future
RAMJO recommends the federal government undertakes to create a Sovereign Wealth Fund, complemented with a long-term plan incorporating a national approach to water infrastructure investment and with a view to sustaining our nation across all environmental, social and economic sectors now and for decades to come.
Note - This could be done in part via a review of unspent funding already allocated for delivering requirements of The Plan, and an assessment of future investment requirements into the Murray Darling Basin infrastructure to better 'drought proof' and 'future proof' our nation.

RAMJO Recommendation 5 – Conveyance Water and Losses
RAMJO recommends a critical review of the accountability of conveyance losses including capturing true costs of buyer and seller trades, and intra/inter valley delivery costs, and below Barmah Choke infrastructure impacts. Evaporation mitigation and seepage reduction initiatives should be explored.

RAMJO Recommendation 6 – Drought
RAMJO recommends that the federal government, in collaboration with the states, leads the development of a comprehensive National Adverse Events Management Plan (incorporating a Drought Management Plan for the Murray Darling Basin) to plan for, mitigate and manage impacts to the food bowl. This should include forecast risks such as a changing climate, reduced flows and unanticipated events that impact food security and local employment. Agreed actions in the plan should be resourced through a permanent fund (Sovereign Wealth Fund) and should facilitate relief and foster agricultural innovation.

RAMJO Recommendation 7 – Climate Change
RAMJO recommends that the federal government leads an evaluation of the impact of climate change on Basin inflows and losses to determine the feasibility of infrastructure and other interventions to stabilise and, if possible, enhance inflows and storage capacity into the Basin in the face of predicted future water scarcity.

RAMJO Recommendation 8 – Agricultural Adaptation – Investment and Research
8a) RAMJO recommends that a Sovereign Wealth Fund be created to provide a permanent source of funding for drought relief, infrastructure development, system maintenance and adaptation.
8b) RAMJO in addition recommends that changes in both the superannuation and financial sectors are made to encourage investment into the Australian agricultural sector to ensure its future success and ability to remain globally competitive.
8c) RAMJO recommends that, with support from the Federal Minister, an interested NSW Government Organisation be nominated by the NSW Minister for Agriculture to partner with RAMJO and a regionally based NSW University within our region to collaborate on an application for a major Australian Research Council 'Centre of Excellence' grant.
8d) RAMJO in addition recommends, as part of this collaboration that Innovation Hubs be introduced into our region as a cooperative model of research, innovation and investment for the future sustainability of Australian agriculture.

Immediate and Ongoing Water Security – Call for ACTION Riverina and Murray Joint Organisation has identified the following concepts and actions for discussion and review by all stakeholders.

GUARANTEED
- no more than 1 year in 5 years (non-consecutive) with 0% allocations; and
- minimum 60% general security allocation in non-drought declared years

DO NOW

Capture True Costs of Water Transfers: Implement the principle of 'user-pays' as per Part 2(d) of the Water Act 2007 to incentivise efficient water transfers (noting that every transaction has a conveyance cost that shouldn't necessarily be socialised). Implement a requirement whereby downstream transfers of water incur a cost to the buyer equivalent to the cost of transmission losses. (For example, a system not dissimilar to metropolitan transportation ticket zoning could be considered to determine cost of transmission losses). (Refer: 1.3 & 5.1)
Dilution Flows: Undertake a trial of reduced or eliminated dilution flows to evaluate the effect of such reductions on salt levels. In addition, that salinity

management dilution flows be reviewed, with a view to allow for flexibility during low salinity years. (Refer: 3.3)
Inter-Valley Transfers: Identify a percentage limit or absolute volume limit on inter-valley transfers to stabilise opportunistic trading, and a premium on those transfers once the limit is exceeded. (Refer: 1.4)
Telemetric Reporting: Accelerate the completion of telemetric monitoring of all extractors across the Basin including ground water. (Refer: 1.5)
Floodplain Harvesting: Removal of unlicensed floodplain harvesting infrastructure and groundwater extraction across the northern Basin. (Refer: 1.7)

Spill Event: Deduct a percentage of spill event flows from the environmental entitlement holding. (Refer: 3.2)
Opt-In Scheme: Evaluate a voluntary opt-in scheme for the transfer of general security entitlement water to a higher security water product at an appropriate ratio (particularly relevant for NSW). (Refer: 1.2)
Transparency: Improvement of conveyance losses reporting and calculations would greatly reduce frustrations regarding the current water management arrangements. (Refer: 5.5)
Visionary Leadership in Adaptation: Create and maintain a major investment commitment to the creation of science-driven hubs throughout the Basin to maximise the productivity from water use. Such hubs would necessarily provide leadership in adaptation and innovation, and involve partnerships with tertiary institutions,

agricultural bodies and industry. All levels of government to work with stakeholders of irrigated water to understand the legacy, value and future of primary producing industries to our nation and its people. (Refer: 8.3)
Return Flow Credits: Where harvested storm water is returned to rivers via infrastructure (i.e. roads and footpaths), credits for the infrastructure owners could be considered. (Refer: 4.6)
Emergency Water Management: Government should develop criteria and mechanisms to enable flexible short-term emergency water management provisions where critical situations (e.g. drought, disease, pandemic) could result in major job losses, industry viability or national food security issues. (Refer: 2.6)

AFFORDABLE WATER
via:
- market trading rules review and change
- transfer of entitlements in NSW
- transmission losses accountability

START NOW

Reduce Losses: Evaluate the cost/benefit ratio of investment in the further reduction of conveyance losses via channel lining, utilisation of routes around constraints and evaporation mitigation (noting that using irrigation infrastructure is significantly more efficient than natural water ways). (Refer: 5.4)
Evaluation: That consideration be given to a truly credible and independent evaluation of the most efficient way to deliver the environmental and downstream needs, given the massive evaporative losses incurred with that current system and the impacts of drought in NSW. This could include optimising the current irrigation infrastructure and systems which

are already in place, such as piping and channels, or allocating a percentage to both the Darling and the Murray to deliver, allowing for flexibility in times of low inflows (such as drought). (Refer: 3.5)
Consistency: Introduce a mechanism for basin wide consistency on the regulatory environment for state water sharing plans and a potential three-year timeline for interstate consistency of carry-over water. (Refer: 1.6)
Sovereign Wealth Fund: Evaluate the establishment of a sovereign wealth fund to provide a permanent source of funding for drought relief, infrastructure development, system maintenance and adaptation. (Refer: 8.2 & 4.5)

Farmers Right to Farm: maintain the freedom for each farmer to grow the produce they choose, with no preference or protection given to any industry. (Refer: 2.1)
Ownership: a) Evaluate possible mechanisms whereby water ownership is limited to those that have a valid use for such water, other than the realisation of profit through its purchase and sale. For example, water should only be able to be sold to and purchased by primary producers, industry or towns. This could be tracked and monitored via an ABN, licence linked to a physical water supply work, licence condition to hold allocation or some other identifying registration or number. b) Alternatively, water holders who are not attached to land could have a levy placed on the deliverable and infrastructure charges to generate revenue from temporary trade of that investment. c) That water licences currently owned by non-

primary producers should be slowly recovered year-on-year, to prevent a collapse in water prices, which would negatively impact career farmers. (Refer: 1.1a&b&c)
Alternative Arrangements: Evaluate alternative management options for South Australian flows, including Lock Zero construction and a revised approach to the use of the barrages. (Refer: 4.3)
Upper Murray Darling Infrastructure: Significant investment in infrastructure such as dams to improve total water availability in the MDB and reduce increasing reliance on lower basin rivers for downstream requirements. (Refer: 4.4)
Integrated Water Approach: Consider where opportunities could exist to deliver multiple outcomes from one allocation of water (i.e. dilution water also fulfilling the need of downstream entitlements or environmental flows). (Refer: 3.6)

WATER FOR ALL
via:
- effective and equitable intergovernmental management of the nation's water

FUTURE VISION

Sustained Future Flows: Undertake an evaluation of means to add to inflows (e.g. water redirection), retain inflows (e.g. further dam construction) and reduce system losses via efficiency options mentioned in this paper. (Refer: 5.6)
Strategy: That the Commonwealth Government considers an 'Agricultural Plan for the Murray Darling Basin (incorporating Valley Irrigation Plans)' complementing The Plan around water value, cost seepage and evaporation and treating water as a national resource, which must be managed as efficiently as possible. (Refer: 2.4)
Changing Patterns: Undertake a science-driven comprehensive long-term evaluation of the likely impact of climate change on Basin inflows and drought frequency and severity to assess water availability in the decades to come. (Refer: 7.1)

Waste Water: Consideration of reusing water based on international precedent and minimum standards. (Refer: 6.3)
National Leadership: That the federal government provides meaningful and lasting leadership through a Sovereign Wealth fund for the development and maintenance of innovative agricultural practices that will be sustainable in a water-scarce environment. (Refer: 6.4)
Protect National Food Security: Realise the real threat of some domestic food industries becoming unviable in the face of low water security, a corruptible water trading market and lack of long-term policy support of our agricultural sectors. (Refer: 2.5)
Visionary Leadership in Adaptation: Create and maintain a major investment commitment to the

creation of science-driven hubs throughout the Basin to maximise the productivity from water use. Such hubs would necessarily provide leadership in adaptation and innovation, and involve partnerships with tertiary institutions, agricultural bodies and industry. All levels of government to work with stakeholders of irrigated water to understand the legacy, value and future of primary producing industries to our nation and its people. (Refer: 8.3)
Innovation Hub: Introduce Basin-wide innovation and adaptation hubs as part of a collaborative hub and spoke model, which are located adjacent to regional education centres, industries and townships where a strong culture relating to that industry exists. Partner with Commonwealth Government (CSIRO, Department of Agriculture, Department of Foreign Affairs and Trade), state government, tertiary institutions, industry hubs and communities to invest in a "Centre for Excellence". (Refer: 8.5)

Centre of Excellence: Collaborate with federal and state government to apply for Australian Research Council Centre of Excellence funding for long-term innovation of Australia's agricultural sector. Use inputs from this model to create informed decision making regarding the future of agricultural industries in Australia. (Refer: 8.4)
Support Further Domestic Investment: As per the recommendations of Super Charging Australian Agriculture, changes in both the superannuation and financial sectors to encourage investment into the agricultural sector is required to ensure its future success and ability to remain globally competitive. (Refer: 8.1)

Consultation and Collaboration with Communities, Industry and Government

The Riverina and Murray Joint Organisation is undertaking community and industry consultation. We welcome collaboration with our community groups, industry stakeholders, government organisations and our regional leaders. Please contact the Executive Officer on admin@ramjo.nsw.gov.au or visit our website www.ramjo.nsw.gov.au