

Thank you for agreeing to receive our monthly update. We appreciate you taking the time to keep abreast of what NSWIC is doing to represent Water Access License holders in NSW. This electronic bulletin is a collation of our weekly updates which are sent to our Member organisations.

If you would like more details about your local Member of NSWIC, please don't hesitate to contact us.

### LEGEND

Mark McKenzie is the CEO of NSWIC

Richard Stott is the Chairman of NSWIC

Stefanie refers to Stefanie Schulte, Economic Policy Analyst, NSWIC

Mark refers to Mark Moore, Policy Analyst, NSWIC

### NSWIC CEO

We welcomed our new CEO Mark McKenzie to the office at the beginning of April and he's been quickly getting himself up to speed on the many varied issues that NSWIC are involved in. We will be looking for opportunities over the next while to get him out to your area, so please let us know if you have something planned that everyone would benefit from him attending.

Please update your contact details for Mark McKenzie as follows:

Email - [ceo@nswic.org.au](mailto:ceo@nswic.org.au)

Mobile - **0412 075 245**

Mark is available through the main office number Monday to Friday – (02) 9251 8466.

### NSWIC Welcomes New Minister

We have formally welcomed the newly appointed Minister for Natural Resources, Lands and Water, Kevin Humphries, to the water portfolio. The Council acknowledged the Minister's previous interaction with Northern NSW irrigators and with NSWIC, and took the opportunity to outline a number of pressing issues on which we would like to brief him, including a request to allow for better consultation on changes to complex legislation such as the pending amendments to the Water Management Act.

Other current issues the Council has flagged for early discussion are the impact of CSG exploration and aquifer interference; the current or pending review of 31 Water Sharing

Plans across the State; and the merger of State Water with the Sydney Catchment Management Authority.

We have also advised the Minister that the implementation of the Murray Darling Basin Plan remains problematic, with ongoing concerns regarding current buybacks in the Southern Basin despite the lack of a Commonwealth Water Recovery Strategy; MDBA evaluation and benchmarking on environmental watering and social / economic impacts; the development of the Basin Constraints Management Strategy; issues around how savings from infrastructure will count against the cap; and serious flaws in the Science Review of the Northern Basin.

The Minister has now already met with some of NSWIC Members,

The Minister did a radio interview with ABC New England North West on 24 April, which many irrigators would be interested in. Access to this audio interview [HERE](#).

## Water Management Act Proposed Amendments

At the beginning of April we received last minute notification from the NSW Office of Water regarding proposed amendments to the Water Management Act 2000. The following day, the meetings and draft bill were off the table, deemed too 'unstable' to bring forward at this time.

### NSW Office of Water - Draft Bill Consultation Reinstated

The following week, the meetings were back on... so it's now 'stable'?

With even less time to meet the 12 May deadline, we changed our approach. We (all NSWIC staff) attended two briefings in Sydney, one on Tuesday (15 April) with David Harriss at the NOW office and one on Wednesday (16 April) without David Harriss at our office. We confirmed that **two additional meetings** (one in the North and one in the South) were required.

The timeframe available for the review was extremely short and the approach to stakeholder "consultation" has not adequate. Also, no exposure draft to the Bill was available, hence it is extremely difficult to comment on the finer detail of the proposed amendments.

As such, we urge everyone to treat our comments to the Draft Bill as **preliminary**;

#### Overland flow water, State's water rights and Harvestable rights

- Clarify definitions of overland flow water, floodwater, rainfall run-off & urban storm water
- Define State's Water Rights

#### Floodplain harvesting licences

- Make provisions for the issuing of Floodplain Harvesting licences
- Regulatory provisions to define terms and conditions, including share components

### Supplementary water access licences

- Make provisions for Supplementary Licences to be issued in perpetuity
- Applies to regulated river supplementary only

### Streamline processes.

- Mostly housekeeping changes to reduce paperwork and costs for application processes
- Surrender of licence change to allow the Minister to refuse the surrender of a licence (where there could be continual take of water that would need to be accounted for – but we are asking for more clarity on who else might be refused surrender)

### New term water allocation dealing

- Ability to arrange a long term leasing contract for water (up to 10 years)
- We requested clarification if this falls within the provisions of the Corporations Act

### Amendments to Water Sharing Plans

- A proposed change in the benchmark against the setting of allocations 'worst period of low inflow'. Severity of Millennium drought means significant amounts of water are locked up in drought reserves presently.
- Changing this to the worst drought prior to when the relevant plan commenced (i.e. 2004).
- Impact could be felt on High Security / General Security allocations.

### Clarification of certain provisions in the principle Act - i.e. changes from Water Act 2012 to WMA 2000, amalgamation of WSP

- Stock and Domestic – recognising all S&D licences as valid (conversion of licences from Water Act to WMA 2000)
- Balance of allocation accounts validated from conversion of Water Act to WMA 2000.
- Plan merger to enable small plans to be consolidated with Macro Plans (any compensation provisions from individual plans would remain unchanged)
- Controlled allocations orders to be able to set a minimum price and participation fee

### Enhancing offence provisions

- Housekeeping changes (excess take of water, bore drilling, metering)
- Nomination of water supply works and water tagging zones in trades

A more comprehensive 'summary document' was provided at the regional meetings (i.e. with references to the sections of the current WMA 2000 that are affected).

The meeting in the North was held in Narrabri on Monday 28th April.

The meeting in the South was held in Griffith on Wednesday 30th April.

## **NSWIC Voices Concerns on Water Management Act Amendment Bill Process**

There are a number of positives in the proposed amendments to the Water Management Act - particularly the establishment of Supplementary Water Licences in perpetuity, Flood Plain Harvesting Licences, and compensation clauses covering both.

However, the breadth of the proposed amendments requires far more time and access to the Draft Bill for a detailed review of the proposed amendments than NSWIC has been afforded. This less than satisfactory consultation process with the irrigation sector has prompted a letter of concern to Minister Hodgkinson from Council Chairman, Richard Stott, [HERE](#).

## Basin Plan Related

### **MDBA Water Trading Rules**

The MDBA released technical guidelines for the water trading rules on Thursday (3 April).

The full guides and additional information can be accessed [HERE](#).

### **Commonwealth Back In The Water Market**

The Commonwealth unexpectedly resumed purchasing of water during April with the announcement of a limited purchase tender program of \$10 million, targeting buybacks in the Lower Darling and NSW Murray, planned to secure around 8GL. The tender closed on April 28. In response NSWIC has requested that the Government urgently release its Water Recovery Strategy to allow irrigators to see where and how much water will be sought in future buybacks, and to not target the Lower Darling again until water savings from the proposed Menindee Lakes project can be fully assessed.

Our letter to Parliamentary Secretary to the Minister for the Environment, Sen Simon Birmingham, can be accessed [HERE](#)

## ACCC / SWC Update

The final date for submissions was 17th April, so we have now submitted our response to the ACCC Draft Decision on State Water's pricing application. The final submission can be accessed [HERE](#).

Thank you very much to the reference group and all our members who provided input for this submission.

We will continue to engage with the ACCC over the next few months as further information and updates become available. We are keen to see State Water's response to the ACCC Draft Decision and will contact the ACCC once we had a chance to go through State Water's submission.

## Agriculture Competitiveness Issues Paper

The Australian Government is developing an Agriculture Competitiveness White Paper and NSWIC thought it appropriate that make a submission to it.

You can find a fact sheet from the Department of Prime Minister and Cabinet [HERE](#) and our submission [HERE](#).

Thank you to all those members who assisted with this submission.

## On-Farm Modernisation Program

### Round 4

On 1 April, Senator Birmingham announced the six recipients of the on-farm modernisation grants (Round 4). The media release announcing the grants can be accessed [HERE](#) and further details on the programs [HERE](#).

Interestingly, the program was initially budgeted with \$100 million. However, the program had another \$58 million added, totalling \$158 million in total grants.

At first we were not certain as to where the additional funding came from, but it appears this money is from within the program, from previous rounds which did not get spent.

## Sustaining the Basin: Irrigated Farm Modernisation

### Round 3

Rob Young from NSW DPI announced on 23 April that funding (\$83 million) was being made available for the Sustaining the Basin: Irrigated Farm Modernisation program. Information page is available [HERE](#).

This round concentrates on the NSW Border Rivers and Namoi catchments, The funding and support packages include:

- Up to 80 per cent of the cost (max of \$2,000 per farm) to undertake an irrigated farm water use efficiency assessment;
- Up to 80 per cent total project costs to implement approved water saving infrastructure projects;
- Training opportunities to assist irrigators and industry stakeholders (operation and management of infrastructure)

Expressions of interest must be lodged by **Friday 30 May 2014**.

## Mining and Coal Seam Gas

### Review of Arbitration Over Land Access for Exploration

Minister for Resources & Energy, Anthony Roberts, has appointed Bret Walker SC to conduct a review of the arbitration of disputes over land access between landholders and coal/gas and minerals exploration companies. The Ministers Release is [HERE](#).

We will meet with Mr Walker on Friday 9 May to discuss some important issues around legal representation at arbitration, compensation for legal costs at arbitration and professional standards. The review of arbitration of land access disputes follows hard on the heels of the signing of Principles of Land Access between NSWIC, NSW Farmers and Cotton Australia with Santos and AGL, but as these principles are not agreed with other exploration companies the review of land access dispute arbitration is welcome.

## CEWO – Local Engagement Officers

The Commonwealth Environmental Water Office put out a tweet this week with a map showing where Engagement Officers will be located (Deniliquin, Leeton, Dubbo, Mildura, Berri and Goondiwindi). Map is [HERE](#).

We checked their site and the application process is still open. Information on the positions and applications are - [HERE](#).

## Bureau of Meteorology

### Water Markets Reporting Project

The Bureau is currently conducting a study on water market data and information in order to 'identify opportunities for improvement to the provision of water market data'. We were asked if we wanted to be part of the project.

At this stage, we do not intend to be part of the work however if any members believe we should get involved, we would appreciate your feedback. Further information about the project can be accessed [HERE](#).

It seems that the Bureau is not the only government entity currently looking at data improvements in the water market. We were contacted by consultants regarding a study that the National Water Commission is currently undertaking on water market information.

## Australian Trade

### **Inquiry - Australia trade with Middle Eastern countries**

We received a notice on a new inquiry into Australian trade with Middle Eastern countries - [HERE](#).

While this inquiry is not directly relevant for NSWIC's work, we thought it might be of interest to some of our members. Please note the due date for submission is **15 May**.

## Beavers Creek Weir Opening

The Hon Katrina Hodgkinson was scheduled to attend the opening of the newly upgraded Beavers Creek Weir (Collingullie). Due the government reshuffle, this event has been postponed. State Water advises that they will set a new date soon.

## National Farmers Federation

The NFF put out a weekly newsletter for their Members, much like the one NSWIC distributes. To access these newsletters, click the link beside the date of each issue.

04 April – [HERE](#)

11 April – [HERE](#)

17 April – [HERE](#)

24 April – [HERE](#)

## ABARES REPORTS

### **Climate, Water and Agriculture ABARES Updates**

The last two months of reports can be accessed on our website page link [HERE](#).