

Key Messages

Responding to 4 Corners

GENERAL

- The program entirely misrepresented the aim of the water efficiency infrastructure initiative which is a **form of water recovery** by which the **farmers save water to give it to the environment**.
- Our irrigation community are rightfully **proud of the contributions** we have made to the Basin Plan under these projects, achieving real environmental outcomes, whilst maintaining the viability of our sector.
- We cannot forget that this Four Corners program comes amidst a **devastating drought**, where most irrigation farmers in NSW simply do not have access to any water at all (0% general-security water allocation)."

ABC

- The ABC have been caught out misrepresenting our Aussie farmers, and the contributions they make to a sustainable and efficient agricultural industry.
- The Australian Government Department of Agriculture has said *"This Four Corners program **does not present a balanced picture** of the progress that has been made in delivering the Murray Darling Basin Plan"*.
- The story has the risk of **undermining the confidence** of the Australian people in how water is managed through misleading information which requires factual corrections – this practice should be highly condemned.
- "The farming community (as well as Government, industry and the public) has taken the lead to show support for environmental programs designed at ensuring the sustainability of food and fibre production whilst promoting the health of river systems."
- The ABC and those individuals that have made these inaccurate claims must now correct the record.

Message 1 – You need water to grow crops.

- At the end of the day, food and fibre production requires water. It's time we turn our conversations away from yet another attempt to vilify our irrigation communities, and look to the important conversation of how we can produce food and fibre in a sustainable and water efficient manner, that supports our food sector, rural communities, and the health of our river systems.

Message 2 – The water savings from the infrastructure projects are given to the environment for good (and the amount for agriculture reduced).

- These programs result in **real water being returned to the environment.**
- As highlighted by the Productivity Commission, the Basin Plan has already resulted in **20% of the water that was available for irrigation being returned to the environment.**
- The water saved from these efficiency programs have indeed been returned to the environment as confirmed by the Federal Department of Agriculture that stated *“Six years into the 12-year Basin Plan we have already recovered around 2,100 gigalitres of water... **More than 700 gigalitres of this water has been obtained from irrigation efficiency projects.**”*
- In the case of the **Murrumbidgee, 262 billion litres of water is returned to the environment** each year, whilst also maintaining the immense socio-economic value of our sector.
- The Commonwealth Department of Agriculture announced that *“The On-Farm Irrigation Efficiency Program is returning 149 GL of water to the environment every year on average – through more than 1,500 on-farm projects”*.
- According to the Commonwealth Environmental Water Holder *“as at 30 April 2019, the Commonwealth environmental water holdings [were a] total 2,815,133 megalitres of registered entitlements.”*
- We must not forget that the entire intention of the Murray Darling Basin Plan is to reduce the amount of water used by farmers and contribute it to the environment instead.
- Infrastructure projects require irrigation farmers to contribute their water to the Government before the project starts.

Message 3 – There is a fixed limit on the amount of water that can be used for agriculture.

The infrastructure programs do NOT increase the amount of water used by irrigation farmers – in fact – they are part of a program of measures to decrease it.

- In every valley in the Basin, there is a set limit on the amount of water that can be used (extracted) for farming.

- If the amount of water used on one farm increases from the purchase of water, the amount used on another farm must decrease from the sale of water.
- The cap on the amount of water used by farmers has been in place for over 20 years.
- The fundamental purpose of the Murray Darling Basin Plan is to further reduce this cap to a more sustainable level – known as the Sustainable Diversion Limit.
- Infrastructure programs, as well as buybacks, are the key mechanisms by which the government purchases water rights from irrigators for the environment.
- The MDBA has come out to confirm that *“The latest report finds that farmers are not taking more water than is allowed under the Basin Plan.”*

Message 4 – Efficiency measures are more expensive than buy-backs, because they serve a much greater purpose in protecting people and communities.

Background:

- There are two main ways that water is recovered from farmers, it can be bought outright, known as ‘buy-back’, or it can be recovered via efficiency measures. Efficiency measures involve investing in farm infrastructure so that they use less water. The savings of water are split between the farmer and the Commonwealth for the environment. The result being the farm uses less water for the crop production, while the environment gets more water.
- Farmers have long advocated for efficiency programs, rather than buy-backs, as they facilitate a way of adjusting to a future of food and fibre production with decreasing water availability, without further aggravating the harsh impacts on already drought affected communities.

Substantive:

- The MDBA confirmed in response to the program that *“While direct water purchase is cheaper than investing in irrigation infrastructure, **research shows it causes more social and economic harm to regional communities.**”*
- We were pleased to see Minister Littleproud come out and say that *“Recovering large parcels of water from a company through water efficiency projects instead of effectively closing dozens of family farms in a small community through water buybacks is unarguably much better for those communities and the real families who live in them”.*

Case Study:

- In the Murrumbidgee, 66% of water recovery has occurred through infrastructure programs, as opposed to buy-backs, whereas in the NSW Murray valley, the exact

opposite has occurred with only 34% of water recovery occurred via infrastructure programs, and 66% occurring via buy-back¹.

- It is therefore no wonder that the Murray Darling Basin Authorities own '2017 Basin Plan Evaluation Southern Basin community profiles'² demonstrates that communities where significant buy-back occurred (such as Wakool in the NSW Murray Valley) have been significantly negatively impacted by the Basin Plan to the point of near total collapse. In comparison, other communities such as Griffith in the Murrumbidgee valley where water recovery has primarily occurred through efficiency measures, have continued to thrive.

Message 5 – 'Return Flow' arguments have returned – even though they have been knocked down time and time again as *overstated* and only *relatively small*.

Background:

- When this was last raised, the Murray–Darling Basin Authority (MDBA) commissioned an independent review by eminent hydrology experts into the matter. Their report found that “Projects in the Murrumbidgee contribute a large volume of environmental recovery but **have a low impact on return flow**”.
- The independent scientists from the University of Melbourne estimate that the loss from return flows is around 121GL per year (10% of the total recovery). The Basin Plan does take that into account.

Substantive:

- The Federal Department of Agriculture, has come back saying “*Arguments about return flows diminishing savings have been thoroughly examined by the University of Melbourne and found to be vastly overstated.*”
- The Productivity Commission found that:
 - “*The Department of Agriculture and Water Resources has accounted for the impacts of improving irrigation efficiency on return flows in some major water recovery projects but has not done so in all cases. The Department has committed to monitor impacts in future water recovery programs, but the framework for doing this is not yet clear.*
 - *The overall impact of improved irrigation efficiency on water resources is not precisely known, but **recent independent work indicates it to be relatively small.***” (Productivity Commission, 2019, p. 36)
- Dr Isa Yunusa explains that there is confusion when people think that minimising return flows is good for the long-term health of the river system.
 - “*It is often mentioned that preventing seepage of applied irrigation water poses risk to the river system. This position overlooks the fact that to generate seepage the soil must be wetted almost to saturation, i.e. beyond amount of water it can physically hold...This creates several problems for the soil, the crop and the environment. Saturated soil is not conducive for root function and plant*

¹ <http://www.agriculture.gov.au/SiteCollectionDocuments/water/progress-recovery/surface-water-recovery.pdf>

² <https://www.mdba.gov.au/publications/mdba-reports/southern-basin-community-profiles>

growth, causes soil salinity and degrades soil structure, while dissolved chemicals can pollute both the groundwater and surface water sources.”

Message 6 – Water must first be available, and then purchased, before farmers can use it – currently water is not available to most farmers.

- We are currently facing a devastating drought, where most irrigation farmers in NSW simply do not have access to any water at all (0% general-security water allocation).
- The Murray-Darling Basin has had less than 1% of typical inflows.
- Any increase in water usage on one farm is the result of that farm purchasing more water from another user, so that there is no increase in the volume of water used for agriculture.
- As Minister Littleproud has corrected:
 - *“Building a dam does not give a farmer more water entitlement”.*
 - *“Planting almonds, nuts or any other water intensive crop does not give a farmer more water entitlement.”*
 - *“Water entitlements are bought and sold on the open market”.*

Message 7 – Infrastructure projects are not just for the ‘big guys’, in fact, they are mostly for the ‘little guys’.

- Minister Littleproud has clarified, “Some 95 per cent of the On-Farm Irrigation Efficiency Program projects are worth less than \$1 million, with average project size of \$152,000 across the 1500 projects. **These are almost all small projects involving small farmers, not big companies.**”

Message 8 – There is a lot of scrutiny and transparency of infrastructure projects, as there should be.

- The Federal Department of Agriculture has said:
 - *“Our programs are also subject to a high level of scrutiny through internal and external audits.”*
 - *“The department ensures that each project is subject to independent audits and also undertakes its own random audit of a sample of projects.”*
- Infrastructure programs require irrigation farmers to hand water to the Government for environmental management before the project starts.
- The water register allows information on the amount of water transacted to the environment to be documented transparently.
- Projects funds are also administered by delivery partners – not irrigation farmers.

Conclusion

- We will proudly stand by the achievements we have made in moving towards long-term solutions for a sustainable agricultural industry and rural communities.
- To achieve the outcomes of the Basin Plan (environmental, social and economic) we must all work together – including the media.