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NSW Election Policy Platform

Election – March 2019

Response Form



ISSUES AND RECOMMENDATIONS

GENERAL

Political Approach to Irrigation Farming

Recommendation 1

That political parties and/or candidates commit to supporting the agricultural sector, particularly the irrigation farming sector, to ensure regional communities and the national economy prosper into the future.

The Liberal Democrats are strong supporters of the agriculture sector. Australia has a natural advantage in agriculture, mining and tourism, which means it is vitally important that the government not impose policies that make them uncompetitive.

The Liberal Democrats also recognises the importance of the agriculture to regional communities. David Leyonhjelm is a former veterinarian, worked in the agribusiness sector for over 30 years and still has a small service business in the sector. He and his wife also own a farm in the Central West of NSW.

Recommendation 2

Water licence holders are free to utilise their water for any purpose, if compliant with their licence conditions, and any other legislative requirements.

Water licences are a property right, created by the government. The Liberal Democrats believe it is a fundamental obligation of the government to protect and maintain property rights.

During the Senate inquiry into the MDB Plan, which David Leyonhjelm chaired, there was considerable scrutiny of water rights. David believes there is considerable room for improvement in the operation of the water market, to increase liquidity and transparency. There may also be grounds for incentives to reduce speculation.

Policy Consistency

Recommendation 3

Political parties and/or candidates commit to providing greater consistency into the future.

Agreed. A stable, predictable environment is essential to any business sector.

Recommendation 4

To support policy consistency, apply a socio-economic outcomes test to all future policies and water reform initiatives and include a mandatory requirement to publish a Rural Communities Impact Statement prior to the period of public consultation.

The Water Act give insufficient emphasis to social and economic outcomes, placing unwarranted emphasis on the environment. It is not legitimate to assume human activity is alien to the environment.

Murray Darling Basin Plan

Recommendation 5

That political parties and/or candidates commit to no additional water recovery from consumptive agricultural users when implementing the remainder of the Basin Plan.

David Leyonhjelm believes the current level of environmental water recovery in NSW is difficult to justify, given that much of it is sent to SA where it evaporates in Lake Alexandrina which is kept artificially fresh by barrages.

He is strongly opposed to any additional water recovery. He also proposes that NSW suspend its involvement in the MDB Plan until SA addresses its water management deficiencies including the retention of the barrages, the failure to keep the Murray mouth open, and the diversion of SE Drainage Scheme water out to sea instead of allowing it to flow into the Coorong.

Recommendation 6

That political parties and/or candidates commit to ensuring that NSW receives positive social, economic and environmental outcomes in implementing the Basin Plan. That political parties and/or candidates commit to assigning relevant Departments with research programs to evaluate the costs and benefits to NSW of the Murray-Darling Basin Plan, to position NSW strategically to be able to negotiate future water reform with a robust evidence-base.

Agreed

Recommendation 7

The NSW Government must maintain the right to review and adapt within existing WSPs and SDLs and maintain flexibility in the sovereign right to water management. The NSW Government must build into negotiations the ability to review rules and undertake change within SDLs.

Agreed

SDL Adjustment Mechanism

Recommendation 8

That political parties and/or candidates commit to identifying opportunities to meet water recovery targets without further recovery of water from the irrigation farming sector, given rural communities are already struggling with the social and economic impacts of previous water recovery heightened by the current drought.

Agreed, subject to comment under Recommendation 5.

Metering

Recommendation 9

That political parties and/or candidates commit to investing in measures to ensure metering is reliable, accurate, cost-effective and allows the greatest freedom of choice to irrigation farmers to

manage in accordance with market principles.

Agreed.

On the basis that water is a valuable commodity and the subject of a property right, it is fundamental that metering is trusted.

Recommendation 10

Spread out metering validation over the 5-year period to ensure that the metering industry is sustainable and on-going.

Need more information

Recommendation 11

That political parties and/or candidates commit to developing a process to facilitate and encourage the adoption of technologically advanced metering systems that would assist in rebuilding the trust of the community in compliance by both irrigation farmers and Government.

Agreed.

Menindee Lakes Project and efficiency infrastructure

Recommendation 12

That political parties and/or candidates commit to investing in the Menindee Lakes water savings project and distribute credits proportionally, and negative impacts should be either eliminated or mitigated and offset. Any changes to infrastructure and river operating rules must be developed in consultation with industry and stakeholders.

One of the recommendations of the Senate inquiry chaired by David Leyonhjelm is that the MDBA develop an environmental watering plan for the Menindee Lakes.

It is also critical that water is not simply released from the lakes and sent to South Australia, where it delivers no environmental benefits.

However, it should not be forgotten that the lakes are naturally ephemeral. It would not be appropriate to seek to maintain an artificial environment at Menindee whilst seeking a return to the natural environment in relation to the SA lower lakes.

Effectiveness of Environmental Water

Recommendation 13

The NSW water register is updated to provide a breakdown of productive and environmental water allocation and usage (in addition to entitlements already provided) and any trade between the two categories. Any trade conducted by the State Environmental Water Holder must be reported at a valley level with average prices in annual reports.

Agreed as part of a process of ensuring the water market is trusted and transparent.

Recommendation 14

A review of Planned Environmental Water is needed to ensure the rules are still fit for purpose in the new context of held and planned environmental water.

Agreed

Recommendation 15

That irrigation farmers receive acknowledgement for the environmental benefits their water provides in transmission through the system, and that the costs of environmental water be borne from consolidated revenue.

Agreed

Recommendation 16

Continually look for ways to improve environmental water use efficiency, and ways to work with irrigation infrastructure to achieve most efficient outcomes.

Agreed

Recommendation 17

Funding for the monitoring and evaluation of environmental water is required, and a clear review process must be established going forward.

Agreed

WATER OPERATIONS

Water Operations and Constraints Management

Recommendation 18

That political parties and/or candidates commit to immediately consulting with impacted landholders and communities to identify a way forward under the Constraints Management Strategy.

Agreed subject to response under Recommendation 5.

Recommendation 19

That political parties and/or candidates commit to measures which promote security of supply to the irrigation farming sector through infrastructure investments and intergovernmental agreements. Negative impacts should be either eliminated or mitigated and off set.

Agreed

Recommendation 20

Commit to the maintenance of the Border Rivers Commission (a NSW and Queensland Commission for joint infrastructure).

Need more information

Water Charges

Recommendation 21

That political parties and/or candidates commit to increased transparency in price determinations and ensuring water charges are fair, equitable, efficient and reflect only true costs.

Agree wholeheartedly

Recommendation 22

That political parties and/or candidates call for a transparent and robust price determination process for the setting of MDBA and BRC shared costs.

Agreed

Recommendation 23

That Murray-Darling Basin Authority costs be subject to a similar determination process consistent with the water charge infrastructure rules.

Agreed

Energy Pricing

Recommendation 24

Commit to reduce energy costs to irrigation farmers through measures such as agricultural tariffs or incentives (such as distributed energy solutions or going off-grid), and investments in research and development for energy alternatives.

This is a state and national issue. The Liberal Democrats are committed to reducing energy costs across the board by removing subsidies and other sector support and through incentives to increase supply in a competitive market.

Sale of Snowy Hydro

Recommendation 25

That political parties and/or candidates commit funding towards new cost-effective water infrastructure measures or increase the number of dams and dam capacity to ensure greater water security.

Agreed

Recommendation 26

That political parties and/or candidates commit to continued NSW Government management of the licence for Snowy Hydro operations.

Need more information

The Liberal Democrats do not support continued government ownership of, or increased investment in, electricity generation assets.

Floodplain Harvesting / Overland Flows

Recommendation 27

That political parties and/or candidates commit to ensuring the licencing of floodplain harvesting works based on legitimising historical rights transferred from 1912 work approvals based on long term government standings.

Need more information

Recommendation 28

That the state-based exemption for rainfall runoff from flood protected areas continues and is formalised under the Water Management Act. That rainfall runoff take continues to be accounted as required in the state-based water sharing plan models.

Need more information

Recommendation 29

Political parties and/or candidates commit to ensuring any floodplain harvesting policy has the foremost consideration to enforceability and compliance to ensure the reputation of irrigation farmers and government departments is not jeopardised.

Agreed

Recommendation 30

That consideration is given to develop a floodplain harvesting policy for NSW coastal valleys. Additionally, a Farm Dam Policy is required with consideration to high-rainfall areas and high-flow conversions. The Harvestable Rights Policy requires releasing.

Need more information

Embargoes

Recommendation 31

That political parties and/or candidates commit to investigating a 'catch-up mechanism' which gives consideration to the history of reduced allocations and embargoes when determining water allocations, to prioritise water users most affected by limited water availability.

Need more information

WATER SECURITY

Drought Policy

Recommendation 32

That political parties and/or candidates commit to continue supporting drought affected farmers.

The Liberal Democrats do not believe in using taxpayers' funds to prop up non-viable farmers. Drought is a regular and natural part of agriculture in Australia and should not prompt welfare

except in rare circumstances.

Recommendation 33

Current drought measures such as the waiving of water charges be incorporated into extreme event response protocols into the future to recognise the hardships caused by reduced allocations.

Need more information

Recommendation 34

That water users are included on Critical Water Advisory Panels. All panels must maintain a level of clear and proper process including full transparency of all minutes, decisions and discussions.

Agreed

Research and Development specific to irrigation

Recommendation 35

That political parties and/or candidates commit to funding research and development into irrigation farm efficiency through a measure akin to an Irrigation Research and Development Corporation, specifically focused on irrigation farming efficiency technology to allow water and energy savings.

Government funded R&D is not supported by the Liberal Democrats. Funding via a levy on potential beneficiaries is preferred.

OTHER

Public perception of the irrigation farming sector

Recommendation 36

That political parties and/or candidates commit to funding communications / public relations programs that better connect consumers with producers, particularly irrigation farmers. Programs may include working with major grocery outlets to provide educational programs, or media campaigns.

The Liberal Democrats do not support using taxpayers' funds to promote an industry. If the industry considers such promotion is needed, it can fund it itself.

Greater capacity for Aboriginal policy and advocacy, particularly relating to cultural water

Recommendation 37

That political parties and/or candidates commit to provide policy or funding support to enable partnership ventures between the sectors.

Need more information

Mining / Coal Seam Gas

Recommendation 38

That political parties and/or candidates commit to ensuring mining operations do not impact on water resource reliability, quality, availability or use, and that there is an independent and verifiable means to assess the water effects.

The Liberal Democrats are aware of the enormous economic benefits that have accrued to regional areas, including landowners, from the exploitation of shale gas in the United States. Subject to proper environmental stewardship, it looks forward to Australia reaping similar benefits.