



# National Irrigators' Council

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## NIC General Meeting Thursday 21 October 2021 via Teams

Present	Present	Present
Jeremy Morton (NIC Chair) Ricegrowers Association of Aust	Graeme Kruger Ricegrowers Association of Aust	Karen Hutchinson Murrumbidgee Irrigation
Tim Napier Border Rivers Food & Fibre	Michael Murray Cotton Australia	Tracey Valenzisi Murrumbidgee Irrigation
Iva Quarisa Murrumbidgee Groundwater Murrumbidgee Private Irrigators	Jennifer Brown Cotton Australia	Jenny McLeod Coleambally Irrigation
Kim Morison Argyle Capital Partners	Lachlan Campbell Duxton Capital	Clifford Ashby Coleambally Irrigation
Dale Holliss Bundaberg Regional Irrigators Gp	Lachlan Beech Duxton Capital	Steven Ford Pioneer Valley Water, Mackay Q
Michael Egan Macquarie River Food & Fibre	Brian Simpson Riverina Wine Grape Growers	Rosalie Auricht Renmark Irrigation Trust
Michael Drum Macquarie River Food & Fibre	Ross Skinner Almond Board	James John Renmark Irrigation Trust
Zara Lowien Gwydir Valley irrigators	Bryan Ward Irrigation Australia Ltd	Phil Snowden Murray Irrigation
Sam Heagney Gwydir Valley irrigators	Bernie George Australian Food & Fibre	Michael Pisasale Murray Irrigation
Jim Cush Smartrivers	Mike Neville Kilter Rural	Simon Schutz Barossa Infrastructure Ltd
Mary Ewing Lachlan Valley Water	Caren Martin South Australian Murray Irrigators	Greg McCarron Central Irrigation Trust
Tom Green Lachlan Valley Water	Judith Damiani Western Murray Irrigation	Linda Christesen Ricegrowers Association of Aust
Matt Toscan Murrumbidgee Groundwater Inc	Isaac Jeffrey (CEO) National Irrigators' Council	Joy Thomas National Irrigators' Council (NIC)
Apologies	Apologies	Apologies
Frank Deshon Smartrivers	Ian Cole Barwon Darling Water	Luke Stower Mallawa Irrigation
Fraser Bligh Central Downs Irrigators	Bob Dall'Alba Olam	Craig Perkins Coleambally
Tony Baggio Riverina Winegrape Growers	Rob Massina Ricegrowers Association of Aust	Euan Friday Kilter Rural

<b>Item 1</b>	<b>General meeting: The Chairman opened the meeting at 9.00 am</b> The Chair welcomed Members and noted apologies. Members were invited to highlight the number one issue they face in their respective regions/organisations.
<b>Item 2</b>	<b>Minutes of General Meeting held in Mackay Q, 20 May 2021</b> <ul style="list-style-type: none"> <li>• Business arising: Actions Register: Two Actions</li> </ul> <ol style="list-style-type: none"> <li>1. (a) ACCC water markets report: NIC to establish Reference Group to work through the report: <i>Completed.</i></li> <li>(b) NIC letter to Water Minister Keith Pitt advocating NIC representation on the panel, or in an advisory role to the panel and seeking meeting with Minister to discuss. <i>Completed. NIC met with Minister's Water Adviser.</i></li> </ol>

	2. Members agreed to adopt the Climate Change Position Statement, subject to the change discussed and re-circulate to Members. <i>Completed.</i>
<b>RESO 1</b>	<p><i>Caren Martin moved:</i></p> <p><i>That the Minutes of General Meeting held on 20 May 2021 be accepted as a true and accurate record.</i></p> <p><i>Seconded by Kim Morison</i> <span style="float: right;"><b>CARRIED</b></span></p>
<b>Item 3</b>	<p><b>Chairman &amp; CEO reports</b></p> <p>The reports were taken as read. The Chair noted the key issues in his report, including the improved seasonal conditions across many regions and associated water allocations.</p> <p>The CEO presented his report:</p> <ul style="list-style-type: none"> <li>• Political overview: federal election due 2022 including the timing of various state elections <ul style="list-style-type: none"> <li>◦ NIC federal election platform is in development</li> </ul> </li> <li>• NSW ICAC (Independent Commission Against Corruption)</li> <li>• A series of resignations in NSW causing bi-elections</li> <li>• NIC governance issues: Strategic Plan completed; for discussion at this meeting</li> <li>• NIC Contributors' Guide developed; encourage Members to consider businesses/industries in respective supply chains interested in contributing to NIC to increase resourcing capability.</li> <li>• NIC Annual Report now available on website.</li> <li>• Constitutional changes: NIC has joined the Associations Forum and a request to examine NIC Constitution to consider some technical changes, to ensure alignment with current status.</li> <li>• A reminder of NIC 'Drop In' sessions on Tuesdays (email circulated to Members); opportunity to exchange information and ideas and keep Members update on NIC activity.</li> </ul>
<b>Item 3(a)</b>	<p><b>Treasurer's Overview</b></p> <ul style="list-style-type: none"> <li>• Year to Date July 2021-September 2021</li> <li>• Business is tracking as normal; thanks to Members who have paid membership fees.</li> <li>• On average, NIC monthly costs of around \$28,000.</li> </ul> <p>The Chair also acknowledged and thanked Members for their prompt payment of membership fees.</p>
<b>Item 4</b>	<p><b>Sub-committee reports: Committee Chairs</b></p> <p><u>Irrigation Infrastructure Operators (IIO) committee: (Chair, Karen Hutchinson)</u></p> <ul style="list-style-type: none"> <li>• The committee received a briefing on the closure of the 3G network in June 2024</li> <li>• Telstra assured that customers will have better access through the 4G network.</li> <li>• Overview of Telstra water metering project and regional data hubs, to connect people, connect services, and how things connect in the traditional metering sense.</li> <li>• Telstra interested in continuing discussion in terms of what the future might hold in that space.</li> <li>• The other issue for the committee is the IIO networking event proposed for early 2022 with the objective to increase networking opportunities across IIO around safety, infrastructure and management.</li> </ul> <p>Michael (Murray) inquired the level of interaction between Telstra and the NSW Department of Primary Industries. Karen noted that the Telstra team advised they had been in discussion with NSW Government on how this would fit with their requirements though were not able to respond to specific questions regarding coverage and access.</p> <p>Graeme advised that RGA is a partner with Telstra who are seeking to understand what farmers need. Rosalie agreed the need to be vigilant regarding the Broadband network noting that while coverage is good across rural areas there remain many black holes.</p> <p>Karen observed that the newer technology goes further, getting up to 160km in Telstra's tests.</p> <p>The Chair noted that the 4G network will operate on a lower frequency. Karen advised that the current 3G is on 850 Megahertz; they are achieving greater coverage with their towers.</p>

	<p><u>Energy sub-committee: (Chair, Dale Holliss)</u></p> <ul style="list-style-type: none"> <li>• NIC has submitted a proposal to the Ag Energy Taskforce to engage an energy policy officer; awaiting confirmation of Taskforce members' appetite to contribute financially.</li> <li>• The committee will continue advocacy on electricity prices to enable food and fibre industries to be competitive as Australia's National Energy Market (NEM) transitions.</li> <li>• A key remaining issue is to reduce electricity networks' RABs (regulatory asset base) (<i>also recommended in 2018 ACCC inquiry into retail electricity</i>).</li> <li>• Continued focus on gold plating eg blow out in the business case for ElectraNet interconnector.</li> <li>• Continued advocacy on a target price of 8 cents for electrons and 8 cents for a ceiling; has been successful to date.</li> <li>• BRIG has entered into agreement to supply irrigators with a control load tariff for 13.90 cents.</li> <li>• Energy Consumers Australia (ECA) issues: Dale has completed his term on ECA Board advisory committee; Lynne Gallagher confirmed as ECA, CEO.</li> <li>• Opportunity for NIC to develop a stocktake of issues to ECA for the purpose of developing an ECA CEO grant application. NIC to further develop an existing strategy paper at a time if/when the Ag Energy Taskforce has a policy officer.</li> </ul> <p><u>Groundwater sub-committee: (Chair, Mary Ewing)</u></p> <ul style="list-style-type: none"> <li>• Presentation from Dr Allan Peak, CSIRO on <u>managed aquifer recharge</u>.</li> <li>• Better security for high priority needs. Two options available, seepage into a shallow aquifer – identifying suitable aquifers and the cost of infrastructure. Some locations identified; St George and Moree looking at local water security town water.</li> <li>• Technical feasibility / regulatory feasibility; there are benefits, it is expensive.</li> </ul> <p><u>Telemetry on groundwater</u></p> <ul style="list-style-type: none"> <li>• Wider acceptance of telemetry for groundwater regulation;</li> <li>• Victoria now well monitored; potential for NIC General meeting in Victoria to engage authorities on groundwater issues.</li> </ul>
<p><b>Item 5</b></p>	<p><b>Members' session: NIC Strategic Plan 2020-2025.</b></p> <p>The Chair opened the discussion outlining the process undertaken to develop the Strategic Plan. The CEO provided the following overview.</p> <ul style="list-style-type: none"> <li>• Strategic Plan incorporates feedback from NIC Membership following two consultation sessions</li> <li>• NIC is a small organisation with limited resources and large agenda.</li> <li>• Eye on the future: Strong brand, good access to decision makers / public service.</li> <li>• To balance resources and outputs; value proposition for Members. Opportunities for growth?</li> <li>• Key deliverables: focus on advocacy, partnerships/connections</li> <li>• Social licence and irrigated agriculture industry; seeking to counter negative publicity; celebrate and the achievements under the Basin Plan.</li> <li>• NIC convenes the Ag Energy Taskforce; seeking to increase output.</li> <li>• A critical time for water and energy policy; national water reform / Australia's energy transition</li> <li>• Political landscape: upcoming elections, some who will seek to make water an election issue</li> <li>• Recent meeting with Shadows Spokesperson, Terri Butler; need to understand Labor policy</li> <li>• Key issues: National Water Reform, Basin Plan review, ACCC water markets report, climate.</li> <li>• NIC General Meetings, a platform for discussion and feedback; And additional Thought Leadership sessions for those wider debates and discussion.</li> <li>• Strategic Plan, a living document with public version and documents sitting behind that (private)</li> <li>• NIC will continue to be reactive, but with objective to set agendas and increase member value</li> <li>• Seeking to grow NIC membership and examine opportunities to attract additional funds – refer NIC Contributors Guide: eg sponsors for campaigns, social licence.</li> <li>• Strategic Plan supported by internal documents; seeking Comms contacts in Members' organisations; Comms group to support driving value and social licence.</li> <li>• NIC Principles have been re-ordered; sustainable communities and links to the environment.</li> <li>• NIC Values: to emphasise that Members are embedded in communities.</li> <li>• Bipartisanship: relationships and NIC reputation as a trusted adviser.</li> <li>• Integrity: all stakeholders seeking truth and trust; competing interests.</li> </ul>

	<ul style="list-style-type: none"> <li>• Leadership: NIC to remain the voice for irrigated ag in the future.</li> <li>• Prosperity: to advocate for outcomes to support irrigated ag business; environmental prosperity and local community prosperity</li> <li>• Sustainability: Water is a precious resource and how to ensure its sustainability.</li> <li>• Innovation: acknowledge that Members will invest in technology and best practice.</li> <li>• Vision: similar to previous Strategic Plan; added the word ‘respected’= social licence.</li> <li>• Mission: remains the same as previous Strategic Plan</li> <li>• Objectives: NIC and Membership and continue to ensure the organisation is fit for purpose.</li> <li>• Protect the security of water as a property right.</li> <li>• Enhance social licence; celebrate the wins.</li> <li>• Advocate for affordable and reliable energy; 8 cents and 8 cents; Ag Energy Taskforce</li> <li>• A series of other Objectives and the actions that accompany that.</li> <li>• Comms: seeking to share media releases as a group to support boosting our messages; to assemble resources that can be used in Members’ local media and footprint.</li> </ul> <p><u>Discussion and questions:</u> The Chair thanked Members for their input into the Strategic Plan, including through the two ‘SWOT’ sessions held during previous General Meetings.</p> <p>Members provided the following comments on the Strategic Plan:</p> <ul style="list-style-type: none"> <li>• Promoting the importance of irrigated agriculture and potential strategic alliances with others - Coles/Woolworths/CEWH – and sponsorship to highlight the relationship between food production and Australian community.</li> <li>• Opportunities to build on those alliances by way of sponsorships/contributors.</li> <li>• Partnerships with other like-minded groups for a range of purposes to strengthen networks, including Comms to amplify a united voice.</li> <li>• Highlight food security issues – eg Covid/rural workforce, labour shortage.</li> <li>• Highlight social licence and industry activity relating to water efficiency – eg cotton industry.</li> <li>• Opportunity to strengthen the issue of third-party impacts and compensation.</li> <li>• More than social licence is the ‘nobility’ of agriculture and its necessity; don’t apologise for existence of agriculture; the body of work needed to develop a greater understanding of agriculture industries – food, fibre, communities, economic.</li> <li>• Creating the value of irrigation to local communities and celebrating irrigation, and opportunity to link with local business chambers and economic development.</li> <li>• Highlight, Australia in the prime position to meet global demand for food/protein and fibres.</li> <li>• The challenge countering negative messages – eg school curriculum, agriculture v environment.</li> <li>• Highlight supply / demand / markets; the market determines price of water; the market determines what industries.</li> </ul> <p>The CEO advised:</p> <ul style="list-style-type: none"> <li>• NIC to gather data relating to various industries and efforts on water efficiency (cotton, rice, fruit, nuts, grape/wine).</li> <li>• Weave in message of triple bottom line outcomes; opportunities for collaboration – eg celebrating the wins in partnerships between industry and environmental water.</li> </ul> <p>The Chair noted the example of the efforts of the rice industry to foster Bitterns breeding in rice crops, supporting an endangered bird in rice blocks; incorporating biodiversity in agriculture. Rice R&amp;D projects are focused on reducing water use.</p> <p>Members agreed to the Strategic Plan 2020-25.</p>
<p><b>Item 6</b></p>	<p><b>Mr Chris Auricht (Auricht Projects) and Pablo Rozas Larraondo (Haizea Analytics)</b></p> <p>The Chair welcomed Chris and Pablo who spoke to a power point presentation focused on integrity, standards and the quality of analysis being produced:</p> <ul style="list-style-type: none"> <li>• Climate change and need to improve literacy and for point of truth data on water and land use.</li> <li>• Contemporary technology: application of remote sensing. Examples of applications</li> </ul>

- Business as usual unlikely to deliver sustainable solutions.
- Pain points include: water security, rising input prices incl electricity, more hot days, risk management, data integrity; how to control own future; structural re-adjustment is occurring and has been for some time.
- Need support to ensure changes are strategic and proactive, rather than reactionary.
- Numerous reports re agriculture and water: potential lack of integrity, context standards (?) and depth of analysis; a number of questions raised; data is key.
- Data integrity / inconsistencies: since 2007-08, in excess of \$40 bn in Entitlement Trades Aust.
  - Out of \$40 bn, \$20 bn occurred in one year, not in the MDB. (slides showing data)
- This has been raised with the ACCC
- Similar situations in the zero allocation trades; significant that over time, this is the full database of looking at allocation trades, and many are beyond the band of commercial trades,
- When looking at volumes traded, it is 70% plus what would be considered a commercial band. ACCC has picked up this in their report on water markets.
- Spatial Footprint anomaly and the mapping boundary between Northern and Southern Basin; different boundaries used - ABARES, Sefton report & MDBA. This impacts analysis
- Commodity mix changes
- Risk Management and Strategic Planning: key issue largely due to climate.
  - Research shows more hot days, decreasing runoff, changing spatial and temporal rainfall but not necessarily less rainfall in all areas, changing land use patterns - demand both temporarily and spatially with possible delivery risk and supply shortfalls in MDB.
- Rainfall and temperature, long term trends. Rainfall since 1970; temperature since 1970 (slide)
- Sthn MDB long term rainfall; Sthn MDB long term runoff;
- Inflows: increasing frequency and magnitude of low inflow periods during past 20 years relative to last 125 years: how to understand causes, impacts, ramifications.
- Rainfall patterns: changing patterns over 30 years.
- Major changes in temperatures since 1990s.
- Implications include: compressed growing seasons, changed irrigation regimes (delivery/supply), seasons moving forward, hot days increasing heat stress and yield impacts.
- Vic Department of Agriculture yield modelling. 5-10% declines in 2030; 5-25% declines in 2050.
- Need to be able to quantify states of nature and frequency to inform risk and planning
- Impact of changing conditions: impacts from catchment to Basin level
- Sthn MDB level future inflows; impact on inflows (earlier CSIRO work 2008 at catchment level)
- What else is occurring? Perennial area footprint similar over time since 2010-11; application rates increasing esp for perennial and volumes trending upwards; less water available, more competition in the market. More competition for water driving prices up in years of lower allocation; will increase as new and extensive plantations mature.
- Adaptation: people and business increased focus on technology; understanding of end to end process (where gains can be made or getting out)
- What can be done? Improve water and climate literacy; quantify risk and uncertainty; better planning at a range of scales; farm to national; use of new tools, technology (sap sensors, remote sensing technology), improved data and analysis to support strategic and tactical responses; be conscious of your data rights.
- Many new dynamic tools and data (slide).
- National Soil Data Review:
  - National Soil Strategy
  - <https://forms.office.com/r/d9HA6HcSsY>

#### Questions and discussion

- Satellite data is uploaded every 5 days (Geoscience Australia)
- The Namoi example and data on a farm water entitlement, data can come from government or provided by farmers putting in their estimates; some farmers may have reservations about the public knowledge of the data.

	<ul style="list-style-type: none"> <li>• Question on the issue of water use in a particular field; it is an estimation, but there is methodology behind it and crossing that with on the ground data; there is oppo to refine that and co-design some of that work.</li> <li>• The cost of tools depends on the extent of the data and capability; quite large data sets and depends on the surface covered. Tools can be customised for certain types of uses.</li> <li>• Chris and team are seeking to get better understanding of dynamics over time and are keen to do this with industry; would like to co-design with industry where there is need.</li> <li>• There is 30 years of land satellite data; in more recent years, digital earth Australia; Geoscience Australia.</li> </ul>
<p><b>Item 7</b></p>	<p><b>Dr Jane Doolan, Productivity Commission: National Water Reform</b> Jane provided the following overview:</p> <ul style="list-style-type: none"> <li>• The National Water Initiative (NWI) established in 2004 is the <u>national approach</u> to water reform)</li> <li>• Blueprint for water reform, agreement by all governments; extension of 1994 COAG framework</li> <li>• Productivity Commission inherited work / role of former National Water Commission in reviewing.</li> <li>• First inquiry on NWI – 2019; Government commitment to renewing the NWI</li> <li>• All NWI key elements remain relevant and are to be retained in a new agreement.</li> <li>• <b>Water Resource Management:</b> <ul style="list-style-type: none"> <li>○ Water access entitlements and planning frameworks</li> <li>○ Water trading and markets</li> <li>○ Environmental management</li> <li>○ Aboriginal and Torres Strait Islander peoples' interests in water</li> <li>○ System integrity</li> </ul> </li> <li>• <b>Water Services Provision</b> <ul style="list-style-type: none"> <li>○ Pricing and institutional arrangements</li> <li>○ Urban water service provision</li> <li>○ Infrastructure development</li> </ul> </li> <li>• <b>The Supporting Arrangements</b> <ul style="list-style-type: none"> <li>○ Community engagement, and adjustment</li> <li>○ Knowledge, capacity and capability building</li> </ul> </li> <li>• Most actions of the NWI implemented; WA still has not got legislation through.</li> <li>• Now a transparent process for water allocation; a secure system for water property rights.</li> <li>• Estimate \$26 billion of value in the Murray Darling Basin</li> <li>• Establishing trading has helped water to move to highest value use; trading has driven efficiency and certainty for business managers / managing enterprises; in the drought, overall increase in the value of irrigated agriculture.</li> <li>• Despite drought, improved environmental conditions; recovery of water in over allocated systems; more financial and sustainable water sector.</li> <li>• Big picture outcomes; NWI 17 years old, most commitments delivered; lessons to be learnt.</li> <li>• In 2004, NWI signed – millennium drought in infancy; have learnt from drought; MDB Plan and what other jurisdictions have done; bring knowledge together and build policy for the future.</li> <li>• Climate change a big issue: challenge for Australia, predicted reduced annual rainfall, reduced inflows; evapotranspiration increasing; future drying climate, more extreme events.</li> <li>• <u>Experience to date:</u> severe drought; towns water security risk, fish deaths in the Darling; enough experience to understand the management issues; examples of reductions and stream flows.</li> <li>• Demand side: projections of 10 million people in capital cities, majority Sydney and Melbourne; increasing demand for water including opens spaces and amenity.</li> <li>• Traditional Owners: aspirations and a game changer on horizon; Govts signed up to Closing the Gap and contributed to co-design;</li> <li>• <u>Questions for all sectors?</u></li> <li>• Cities and towns, population growth, reduced inflows, investment of \$6 m p.a. in infrastructure renewals and maintenance, does not include storm water assets.</li> </ul>

- Challenge in breaking down between urban planning, storm water planning
- Some regional towns to grow, some not; retaining basic services; drought plans and town supply
- Defining the services, role of Govt in funding this.
- Irrigation: adaptation to a drier future; efficiency and focus on markets
- Exit / structural adjustment for some industries. New development; avoid risk of white elephants
- Sefton Review; prediction of how a reduction in surface water supply will affect supply in MDB.
- Environment: required to adapt to a drier future too; getting best environmental outcomes; will be under pressure to deliver cultural and social benefit as well.
- State governments: will need policy and reg and frameworks to support these directions.
- To incorporate Aboriginal needs
- Balance between environmental and consumptive use; need predictable process, and people can consider what new management objectives; responsive to communities, maintain trust
- National level: to support jurisdictions to do all this; adaption in increasing drought.
- Productivity Commission advice has gone to Government; looking at new NWI; seeking to increase productivity from use, Indigenous, groundwater.
- COAG focus: water resource management / service provision
- NWI focus: entitlements, service provision and trading
- Believe new NWI should have equal focus on both.
- PC looked at key elements of NWI; most still relevant; will retain and tweak and some new ones
- Entitlement regime continues – and bring in mining.
- Water planning needs some enhancements; trading and markets, needs to be tweaked.
- Environmental management; need to look more at management
- NWI focus on water accounting, now need system integrity
- Infrastructure: urban water services
- Commitment to knowledge and engagement; need strong focus on changing climate and knowing how to contend with drought; application will be different depending on location.
- NWI, principles the same but level of management different – ie fit for purpose
- Then in highly regulated systems, a high level of management effort
- Need to commit to best available evidence – communication and improvement
- Governance and oversight of NWI in 2004.
- States initially had 3 year rolling work programs, individual assessment
- Those arrangements are eroded; now a committee of senior bureaucrats
- PC recommends governance be ‘ramped up’; water bureaucrats still involved
- COAG incentivises with competition payments; Govt could think about this
- Water Resource management; the entitlement framework is tweaked = mining and water planning and need to learn and adopt best practice improvement.
- Water Planning, bringing climate change into account; environmental objectives in drought – water sharing.
- When establishing reliability, to see that those new irrigators and the entitlements they will need in the timeframe that requires investment.
- Rebalancing? To do this when necessary; not looking at doing this every 10 years.
- Water plans; optimise within the current balance
- In future? To identify the trigger in advance and the need to assess the balance. Water planning process must be very clear and inclusive; resetting objectives, consumptive objectives.
- Principles for climate data and modelling; to ensure consistent approaches to this and jurisdictions are held to same account.
- Traditional Owners: seeking consumptive entitlement; that policy content should be developed by TOs; this reflects the Closing the Gap targets.
  - TOs seeking cultural outcome; need to split that with current water allocation framework

- Access to water for economic purpose, needs to be from the consumptive pool; whether it is developed in parts of the country via purchased, or in less developed areas by preserving entitlement.

- Environmental water: provided by planned environment through constraints and take and groundwater take; making sure we know what occurs during drought; seeking environmental outcomes and where there is held environmental water; coordinated delivery in shared systems, better trading and governance
- System integrity: system accounting: 1. to make sure water users are complying with their obligations, 2. System managers to demonstrate they are managing system water. 3. Picking up the themes of Sefton and the Interim Inspector-General; greater literacy.
- Urban water: ensuring the principle of cost reflective pricing;
- Rural communities: NWI says entitlement holders will bear risk; need to keep that. Adjustment will be done separately from reform. If there is assistance it must in line with regional aspiration
- Environmental best practice; have added, culturally responsive; deep engagement with TOs and best practice management with cultural heritage issues. And whether they allocate to TOs.
- Governments making it clear they want to invest for regional development and where they do want to do that, they shouldn't target a particular class of water; to choose investment that achieves for stated purpose, is cost effective and in line with broad regional develop strategy.
- National Water Grid Authority: to expand its remit beyond PI for regional communities.

Questions and discussion: The Chair raised the reference to 'rebalancing' in the Commission's draft report, need to understand what this means; the environment will also have less water.

Jane Doolan: These issues come down to management; this goes to the risk of entitlement holders and that principle; also the provision for drought, significant drought provision in the MDB; MDB Agreement and water sharing plans and first flow provisions and things to help management of environmental water and security of critical human needs water. From irrigation perspective, our strong focus is on decision makers and governments to focus on management.

Caren Martin: mention of aspiration, the first version said all states to put together registers and water security was not to be affected. All risk is with entitlement holders. New knowledge – section 46 – 51 of NWI and has been ignored by all governments. The other issue is with Indigenous and Urban; urban water already holds a number high security entitlement as does stock and domestic; they are not at risk. The question is, how are those entities not picked up in the 2007 Water Act, drought, Indigenous water provision for alternate, drought plans; what would the next NWI do that the Water Act is not doing?

Jane: Those provisions apply to the Basin Plan, the NWI is an agreement on how states will use their. The Water Act is national but mostly MDB; The NWI is not the Basin Plan and has had significant new institutional arrangements since 2004, it would continue to operate under the Water Act; the new NWI would need to be consistent with that. The areas in terms of all entitlement holders bearing risk of climate change; if policy shifts and changes, yes that is the case. And that is how the MDB has gone – governments did compensate with significant water recovery process and markets; re the rebalancing question, understand people's discomfort. Currently under the water planning guidelines, review every 10 years and that suggests the balance is looked at every 10 years – has not necessarily been the practice. The Commission says there needs to be two types of reviews to see how better outcomes, but we cannot ignore the prospect of climate change; if there is drying, need to rebalance and how that process might occur and what the trigger might be. The point is taken, many would not want to rebalance.

Caren: would the Tiers of the Water Act not cover climate change.

Jane noted it incorporates climate variability and that in the Southern MDB, it deals with drought along the River Murray. That Tier 1, 2, 3, is what was learnt and is mostly about sharing the resources of the River Murray system. That does not apply to most of the systems across the country; what it really deals with is interstate water sharing; if you're outside the Basin and you don't have those arrangements, it is not always clear where drought comes from and under NSW legislation maybe the towns comes first. In the Basin you have Basin Plan, this is about taking the lessons we have learnt across the nation – developed and undeveloped systems. It will in a number of other places across Australia.

Michael Murray: on the rebalancing argument, would it be that it is not so much about the Commission's report but other people grabbing it; if it is argued that the current MDB hierarchy already takes into account climate change, productive users are wearing all the risk.

Jane: As a Commissioner that is accepted; everyone is dealing with climate variability and over the long term, those water plans need to deliver a range of environmental outcomes and they may not. Over long term, and with climate shifts they may be able to do that; and the balance is not delivering the overall outcomes it was designed to do. This is not saying take more water from environmental water to bolster irrigation. Those plans may not deliver what the community expects. In confronting this, you need a fair process and reset objectives. The concern from irrigation is the call for more water from irrigation. There is a fear and the Commission is trying to say, this is how to do climate change and rebalancing is looking at environmental objectives, and not necessarily taking from the consumptive pool. A lot of the allocation processes and the Tiers, all deal with climate variability well. But after 10 – 20 – 30 years we need policy to confront that. The Commission has tried to make it clear; it is not one over the other.

Linda Christesen: observing in industry how the Basin Plan is playing out across the country; there is some operational opportunity within high level to allow for opportunistic to allow irrigated agriculture to continue in certain ways under the NWI or Basin Plan, but the challenge is policy makers are not thinking along those lines. And pivot to adapt and change, opportunities not fully exhausted in river operations and fully allocated systems; understanding these issues before going back to rebalance. Is there an appetite to present it this way?

Jane: the optimisation reviews and within the current balance, they are tweaks where you can arrive at if you do these sorts of things and it doesn't cost. Would like to separate this from the optimisation and much can be learnt and over 30 years. These are all issues for the Basin Plan review but in setting up the national policy the critical thing is setting up the place where discussion on lessons that have been learnt. One of key things about the Water Act and Basin Plan and a new operational dimension can make way for good things can happen. The operation and operational rules and how people deliver things, the detail can achieve a lot more; the 10 year optimising reviews – to have these in good faith and everyone working together to do this. The prescription in the Basin Plan and Water Act – there is a lot to be settled; there is a high degree of prescription that works against that.

The Chair: thinking about COAG 1994, NWI and rebalancing and having sustainable environmental outcomes, that is about balance and in particular capping; an assumption that productive water would continue to get the water previously got, if we want variable supply of water, one thing we do in current balancing regime, run into caps, and weather the droughts and allow irrigators to go hard when water available – and enough to deal with it when we get to it.

Zara Lowien: interesting discussion; seeing preparation towards the NWI review and looking at the gaps in information so everyone is prepared. Some tough conversations to be had, will help drive this.

Jane: need clear and consistent approaches to understanding how the resource is being affected, what have you seen. Need debate on whatever the trigger for the rebalance. Examine what has happened and what is projected, then the forecast, they are different. Need clear and agreed ways to analyse that and need to clear reporting on environmental conditions around the key aspects. People call for the sustainable rivers audit, it only tells you pre-European settlement. Need intelligent environmental reporting and this is what we are getting. Good monitoring reporting against expected improvement. Also to understand where the water is in the system; the Inspector-General report, accounting, perhaps we don't trust it the way we used to. 1. How the system changing 2. trusting you understand what is in the system. 3 then smart ecological reporting against the trajectory. All this to understand the picture and where are environmental objectives improving.

Zara: Are we getting that information now?

Jane: it is a Basin Plan thing and the Commission last looked at this in 2018.

Phil Snowden: is there a conflict in the Commission's recommendations with regard to higher value use of water, almonds etc. and the disaster that will occur on permanent plantings.

Jane: That is specific MDB issue; the Commission did draw attention to it in 2018; the Commission has moderated language ....to more efficient use. It is exercising the mind of Victorian ministers. The bigger

	<p>picture you ask is a question for governments. There is a social dimension to that question and that should be in the 2023 Basin Plan.</p> <p>The Chair noted some of the issues that haven't been dealt with. Jane advised that it comes down to stark choices; market operation / social engineering / what do people want. The ACCC's critically important review. The detail of MDB will be 2023.</p> <p>Michael Pisasale noted that in Murray Irrigation network, looking at all options for environmental outcomes. The other issue is the narrative and seeking to get more environmental outcome and exploring all those options. Jane noted it is important that at the local level, people need the opportunity to work this through.</p>
<b>Item 8</b>	<b>The General meeting closed at 2.15 pm</b>