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# SUBMISSION

## Natural Resources Commission Coastal Water Sharing Plan Reviews 2025-26

October 2024

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## Introduction

NSWIC welcomes the opportunity to provide feedback on the Natural Resources Commission (NRC) review of coastal water sharing plans 2025-26. NSWIC offers the expertise from our network of irrigation farmers and associations to ensure planning and management of water resources is secure, sustainable and productive.

This submission represents the views of NSWIC members with respect to coastal water sharing plans (WSPs). However, each member reserves the right to independent policy on issues that directly relate to their areas of operation, expertise or any other issues that they deem relevant.

NSWIC understands that this process involves reviewing the following WSPs individually:

- Water Sharing Plan for the Brunswick Unregulated and Alluvial Water Sources 2016
- Water Sharing Plan for the Clarence River Unregulated and Alluvial Water Sources 2016
- Water Sharing Plan for the Macleay Unregulated and Alluvial Water Sources 2016
- Water Sharing Plan for the Nambucca Unregulated and Alluvial Water Sources 2016
- Water Sharing Plan for the North Coast Coastal Sands Groundwater Sources 2016
- Water Sharing Plan for the North Coast Fractured and Porous Rock Groundwater Sources 2016
- Water Sharing Plan for the South Coast Groundwater Sources 2016

Given the state-wide scope of NSWIC, this submission will provide feedback on coastal WSPs generally, rather than specific to a particular region. NSWIC is happy to assist in coordinating communication with specific valleys if valley-specific input is required at a later stage.

## Concerns

### Water trading and markets are not currently working effectively in coastal valleys

Water trading and water markets are currently stifled as coastal valleys have been broken down into small trading areas based on types of flows. Consequently, limited trading takes place, and markets have not developed properly. Ineffective operations of water trading and the water market have resulted in negative economic outcomes for water users.

The National Water Initiative (NWI) seeks to remove barriers to water trade. Objective (23)(v) of the NWI calls for: *“progressive removal of barriers to trade in water and meeting other requirements to facilitate the broadening and deepening of the water market, with an open trading market to be in place;”*<sup>1</sup>

Specifically, Section 58 (i) of the NWI outlines: *“The States and Territories agree that their water market and trading arrangements will: i) facilitate the operation of efficient water markets and the opportunities for trading, within and between States and Territories, where water systems are physically shared or hydrologic connections and water supply considerations will permit water trading;”*<sup>2</sup>

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<sup>1</sup> <https://www.dcceew.gov.au/sites/default/files/sitecollectiondocuments/water/Intergovernmental-Agreement-on-a-national-water-initiative.pdf>

<sup>2</sup> Ibid.



The breakdown of water trading zones in coastal valleys is not aligned with NWI principles. Where water systems are either physically shared, or there is a hydrologic connection, and water supply permits water trading, then trading should be made possible as per Section 58(i).

**Recommendation:** NRC advise the Minister that the operation and effectiveness of water trading in coastal valleys is ineffective, and options must be investigated to enhance trading in interconnected streams in coastal valleys.

### Intentions to establish coastal sustainable extraction limits

In September 2023, the Minister for Water announced the Coastal Sustainable Extraction (CSE) project. The CSE project seeks to determine sustainable levels of extraction in coastal catchments. Outcomes include the review of water sharing plan rules, and implementation of sustainable extraction limits to ensure “*the amount of water that is allowed to be taken is sustainable in the long-term.*”<sup>3</sup>

The CSE project is currently in Phase 3, involving the development of a framework for coastal sustainable extraction, including a preferred eco-hydrological assessment method. This framework will be peer reviewed by stakeholders in early 2025, piloted throughout 2025, then reviewed. As the CSE project is in its early stages and the framework has not yet been consulted on, changes to water sharing plan rules should not be proposed based on this project.

**Recommendation:** NCR advise the Minister that Government departments must transparently communicate with stakeholders on any proposed changes made to coastal water sharing plans based on the CSE project.

### Population increases driving land and water use change

Planning and management of coastal water resources need to be recognised as unique from inland NSW to account for the unique topography and water usage patterns of coastal catchments.

Land use and water use practices continue to change across the coast. This is driven, in part, by population growth in coastal townships. With this growth, it is expected that urban water authorities will seek greater access to water and, under current legislation these authorities take priority over all other users, without compensation to irrigators.

There is need for decision-makers to adopt an integrated water management approach, to forecast of future needs for agricultural, industrial and urban/rural residential use. This is critical so that water supply authorities and governments have accurate information to base decision making, and to reduce the chances of conflict between those sharing the resource. NSWIC strongly encourages NRC to ensure the security, reliability and nature of water access entitlements as part of this review.

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<sup>3</sup> [https://water.dpie.nsw.gov.au/data/assets/pdf\\_file/0007/583342/Sustainable-extraction-in-coastal-catchments-fact-sheet.pdf](https://water.dpie.nsw.gov.au/data/assets/pdf_file/0007/583342/Sustainable-extraction-in-coastal-catchments-fact-sheet.pdf)



**Recommendation:** NRC to review security, reliability and nature of water access entitlements.

### Impact assessments for cease-to-pump and commence-to-pump

Water users are concerned about rule changes being proposed to water sharing plans without sufficient impact assessment.

In previous coastal WSP reviews, water users have sought an understanding of what proposed changes in cease/commence-to-pump thresholds would mean for their water licence reliability and accessibility. This information was not provided, which made it difficult for water users to come to an informed understanding for the public consultation, but equally, for all stakeholders to understand the trade-offs.

**Recommendation:** NRC advise the Minister that Government departments must provide Impact Statements for any new or amended WSP rules.

### WSPs to be accessible, readable and have clear comprehension

Water sharing plans should be communicated in a manner which is effectively, easily and clearly understood by water users. In principle, WSPs should be accessible and comprehensible to the broadest range of stakeholders. Complexity and the need for extensive cross-referencing makes it difficult for stakeholders to be cognisant of all requirements in the WSP and may result in issues of clarity and a perceived lack of transparency.

**Recommendation:** NRC advise the Minister that Government departments must ensure water sharing plans are clear and comprehensible to a broad range of stakeholders and water users.

## **Conclusion**

NSWIC thanks NRC for engaging us in this process of reviewing these water sharing plans.

NSWIC and our members are available at your convenience if you have any questions or would like any further information.

Kind regards,

NSW Irrigators' Council.



## NSW Irrigators' Council

The NSW Irrigators' Council (NSWIC) is the peak body representing irrigation farmers and the irrigation farming industry in NSW. Our members include valley water user associations, food and fibre groups, irrigation corporations and commodity groups from the rice, cotton and horticultural industries.

Through our members, NSWIC represents over 12,000 water access licence holders in NSW who access regulated, unregulated and groundwater systems. NSWIC engages in advocacy and policy development on behalf of the irrigation farming sector. As an apolitical entity, the Council provides advice to all stakeholders and decision makers.

Irrigation farmers are stewards of tremendous local, operational and practical knowledge in water management. With more than 12,000 irrigation farmers in NSW, a wealth of knowledge is available. Participatory decision making and extensive consultation ensure this knowledge can be incorporated into best-practice, evidence-based policy.

NSWIC and our members are a valuable way for Governments and agencies to access this knowledge. NSWIC offers the expertise from our network of irrigation farmers and organisations to ensure water management is practical, community-minded, sustainable and follows participatory process.

NSWIC sees this consultation as a valuable opportunity to provide expertise from our membership. Each member reserves the right to independent policy on issues that directly relate to their areas of operation, expertise or any other issues that they deem relevant.

## NSW Irrigation Farming

Irrigation farmers in Australia are recognised as world leaders in water efficiency. For example, according to the Australian Government Department of Agriculture, Water and the Environment:

*“Australian cotton growers are now recognised as the most water-use efficient in the world and three times more efficient than the global average.”<sup>4</sup>*

*“The Australian rice industry leads the world in water use efficiency. From paddock to plate, Australian grown rice uses 50% less water than the global average.”<sup>5</sup>*

Our water management legislation prioritises all other users before agriculture (critical human needs, stock and domestic, and the environment), meaning our industry only has water access when all other needs are satisfied. Our industry supports and respects this order of prioritisation. Many common crops we produce are annual/seasonal crops that can be grown in wet years, and not grown in dry periods, in tune with Australia's variable climate.

Irrigation farming in Australia is also subject to strict regulations to ensure sustainable and responsible water use. This includes all extractions being capped at a sustainable level, a hierarchy of water access priorities, and strict measurement requirements.

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<sup>4</sup> <https://www.agriculture.gov.au/ag-farm-food/crops/cotton>

<sup>5</sup> <https://www.agriculture.gov.au/ag-farm-food/crops/rice>