Submission No 27

IMPACTS OF THE WATER AMENDMENT (RESTORING OUR RIVERS) ACT 2023 ON NSW REGIONAL COMMUNITIES

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Billyanco Pty Ltd trading as NF & JP Armytage Family Trust

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Submission to the NSW Parliamentary Inquiry

Inquiry into the Impacts of the Water Amendment (Restoring Our Rivers) Act 2023 on NSW Regional Communities

Introduction

We are a family-owned irrigated cropping enterprise operating in the Murrumbidgee and Murray Irrigation Areas. Over the past 12 years, we have invested heavily in irrigation infrastructure and water-efficient farming systems, built around the flexibility of the **temporary water market**.

We employ a **dedicated team of 10 full-time staff**, supported by **seasonal and casual workers**. Our business is built not just for our current livelihood, but for the future of our children, our employees, and the broader community that depends on irrigated agriculture.

We strongly support healthy rivers, sustainable water use and environmental protection — but we also believe that water policy must respect and reflect the real and lasting impacts on regional communities.

Response to Terms of Reference

a) Social, economic and environmental impacts of repealing limits to the cap on Commonwealth water purchases

Repealing the cap on buybacks has created deep concern in our business and community. Any further water removed from the consumptive pool — particularly through buybacks — will severely reduce **temporary water availability**, inflate prices, and increase volatility in the water market.

This directly threatens:

- Our ability to crop in high-price years
- Jobs for our local workforce and casual labour pool
- The viability of local businesses that rely on the activity irrigated farming generates
- Our family's ability to build generational wealth and a sustainable legacy

But the impacts go far beyond our business. The capacity of our region to produce **high-quality, reliable food** and fibre for Australians — and for export to the world — will be greatly diminished. These are the crops that fill supermarket shelves, supply school canteens, support food manufacturers, and contribute billions to Australia's economy. We're not just feeding our own — we're helping feed the globe. Every megalitre taken out of production is a blow to that effort.

b) Risks to effective implementation of the Act

We believe the risks are not from poor compliance (as NSW's Natural Resources Access Regulator data shows), but from **policy overreach** — where water is removed from irrigation communities without sufficient safeguards or community involvement.

Our concern is not with enforcement, but with fairness — and the disproportionate impact on water-dependent regions like ours.

c & d) Impacts of Planned Environmental Water (PEW) and rule-based changes

Planned environmental water releases reduce dam storage levels, directly impacting **future allocations** and creating uncertainty for general security licence holders — who are already at the end of the allocation queue. This cuts deepest in dry years when we need certainty the most.

These rule-based releases, although vital in some circumstances, are **not metered or fully accounted for**, yet they significantly reduce the water available for productive use. This lack of transparency undermines trust in the system and makes it harder for us to plan and manage our businesses responsibly.

e) Effectiveness and impacts of past reforms

We've lived through earlier reforms. We've seen towns shrink, services retreat, and morale fall. Reports may suggest "averaged" impacts, but this ignores how concentrated the pain is for water-reliant districts like ours. Our business is among those still trying to grow through that disruption — and we don't believe communities should be asked to sacrifice again.

Assistance programs like the **Sustainable Communities Program** sound good on paper, but unless they're delivered **to the most affected regions** and in a way that supports long-term economic diversification, they are little more than band-aids on deep wounds.

f) Options to improve community adjustment programs

Adjustment funding must be ongoing, well-targeted, and flexible. In particular:

- Investment in digital and physical infrastructure to support new industries
- Support for on-farm transformation and diversification
- Access to reliable telecommunications and freight networks
- Local input into funding priorities, not top-down decisions

It also must be delivered **before** the damage is done — not after.

g) Other related matters

The **separation of water from land** has changed the game in regional NSW. We now face reduced reliability, rising fixed costs, and water markets that are increasingly difficult to navigate. In some cases, on-farm infrastructure is now at risk of becoming a stranded asset — a costly investment built on the promise of water access that no longer exists.

For decades, irrigation areas were seen as a place of reliable opportunity — but that reliability is slipping away. Farmers are starting to question whether it still makes sense to invest in irrigation when water security keeps being eroded.

Importantly, **this is not just about farmers**. If buybacks continue, and the temporary water market tightens further, the **entire system of food and fibre production is at risk**. That includes processors, exporters, rural towns and services — and ultimately, Australian families who expect shelves to be full and food to be affordable.

Conclusion & Recommendations

We respectfully urge the Committee to:

- 1. Reject further water buybacks from productive users in irrigation-dependent regions.
- 2. Protect the integrity and liquidity of the temporary water market.
- 3. **Recognise the concentrated and long-term community impacts** of removing water from high-value production regions.
- 4. **Deliver smarter environmental outcomes** through infrastructure and efficiency measures, not buybacks.
- 5. Ensure that all forms of environmental water including rule-based releases are transparent and accountable.

We love what we do. We are proud of our land, our crops, and our people. We ask simply that water policy allows us to keep growing — not diminishing — what we can contribute to Australia's future.

Yours sincerely

Carla Armytage Director