

**INQUIRY INTO CONSTITUTION AMENDMENT (WATER  
ACCOUNTABILITY AND TRANSPARENCY) BILL 2020  
AND THE PROVISIONS OF THE WATER MANAGEMENT  
AMENDMENT (TRANSPARENCY OF WATER RIGHTS)  
BILL 2020 AND THE WATER MANAGEMENT  
AMENDMENT (WATER ALLOCATIONS - DROUGHT  
INFORMATION) BILL 2020**

**Organisation:** NSW Farmers' Association

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President

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Portfolio Committee No. 4 – Industry  
Legislative Council  
New South Wales Parliament

Via Email: [portfoliocommittee4@parliament.nsw.gov.au](mailto:portfoliocommittee4@parliament.nsw.gov.au)

Dear Portfolio Committee No. 4 - Industry

### **RE: Water Bills Inquiry**

NSW Farmers Association (NSW Farmers) welcomes the opportunity to provide comment to the Inquiry into the provisions of the Constitution Amendment (Water Accountability and Transparency) Bill 2020, the provisions of the Water Management Amendment (Transparency of Water Rights) Bill 2020 and the Water Management Amendment (Water Allocations - Drought Information) Bill 2020.

NSW Farmers is Australia's largest state farming organisation, representing the majority of commercial farm businesses in New South Wales, ranging from broadacre livestock, dairy, wool and grain producers, to more specialised producers in the horticulture, egg, pork, oyster and goat industries.

NSW Farmers comments regarding the proposed bills are below.

#### Water Management Amendment (Water Allocations - Drought Information) Bill 2020

NSW Farmers opposes the Water Management Amendment (Water Allocations – Drought Information) Bill 2020. The Bill aims to address town water security concerns by including all water flow information in determining the lowest inflows into a water source. NSW Farmers understands that this is an issue for a small number of specific valleys. However, the proposed state-wide one-size-fits all approach does not consider the complex nature of water policy and the unique characteristics of surface and groundwater in each valley.

Under NSW legislation, there is a clear order of priority in water access, with critical human needs at the top, and general security licences at the very bottom. Water allocations against general-security entitlements are only made available when higher priority needs have been satisfied. NSW Farmers policy respects this hierarchy of water access.

NSW Farmers recognises that many valleys experienced water shortages during the recent drought period that placed some towns in western and northern New South Wales under significant and ongoing water restrictions. However, a state-wide blanket approach to store additional water for a worst-case drought scenario does not address the unique characteristics of each water valley nor the underlying reasons why these towns nearly ran out of water. Each valleys' Water Sharing Plan provides provisions to ensure critical human and town needs are met. The Water Supply (Critical Needs) Bill 2019 allows the facilitation of emergency water supplies for towns and localities.

#### **NSW Farmers' Association**

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New South Wales Department of Planning, Industry and the Environment assessed the impacts associated with changing the drought of record, following the Millennium drought. At that time, the Millennium drought was a drought of record for the southern valleys only. Therefore, introducing new drought of record figures is unlikely to address the issues with water security that some towns such as Tamworth and Dubbo experienced through the recent drought period.

The application of the proposed Bill would significantly impact upon the irrigation industry. It would result in permanent reductions of total general security water availability and delay allocation announcements necessary for farm management decisions (e.g. sowing a summer crop). Modelling work indicates that following the Millennium drought, if government simply increased storage reserves to continue to guarantee higher priority licences their full allocation (i.e. stock and domestic, local water utilities, and high security), annual general security allocation would be permanently reduced by approximately 13% on average and up to 25% in some years. For the New South Wales economy, this would mean a significant loss in the value of irrigated agricultural production.

NSW Farmers does not support the Water Management Amendment (Water Allocations - Drought Information) Bill 2020 as this Bill is misinformed and appears to be based on a misunderstanding of the water management framework. NSW Farmers is concerned this Bill will not deliver its objective to improve the security of town water supplies, because critical human needs are already the highest priority in the legislated water access hierarchy. The New South Wales Government has already acted to improve town water security through additional augmentation projects in response to the extreme drought. Furthermore the proposed Bill has not adequately considered third-party impacts.

NSW Farmers recommends that the Committee refer the issues the Bill attempts to address to the Regional Water Strategies process. The New South Wales Government is currently assessing paleo-climatic data to inform the next 20 years of New South Wales water management through the development of the Regional Water Strategies. This will ensure Government actions are informed, based on scientific analysis, do not over-simplify complex issues, nor duplicate the objectives of current Government planning efforts.

#### Constitution Amendment (Water Accountability and Transparency) Bill 2020 and Water Management Amendment (Transparency of Water Rights) Bill 2020

NSW Farmers supports the improvement of water accountability and transparency. Transparency is a key principle in decision making. Therefore, we support Members of Parliament being subject to the same disclosure requirements for water holdings as for other forms of property.

However, NSW Farmers does not support the disclosure of personal information through expanded registers (or the development of new registers) as that information may be sensitive, private, and confidential. Publication of personal information could expose particular vulnerable members of our irrigation community (e.g. small farms, or elderly demographics).

We do not support any element of a bill that violates the privacy of personal information, particularly where that violation may threaten the safety or well-being of individuals and their families, or put them at either a real or perceived risk of harm. The farming community is especially sensitive to these risks following 'Aussie Farms' publishing personal information online last year. This resulted in significant concerns in the farming community. Farmers were subjected to trespass, biosecurity breaches, damage to property, and faced fear and anxiety of possible attacks on their homes, property, family and livelihoods. NSW Farmers is concerned that the publication of personal information without appropriate privacy protections would expose irrigation farmers to similar circumstances.

NSW Farmers also notes that the ACCC is currently conducting an inquiry into the Murray Darling Basin Water Markets. As part of this inquiry, the ACCC is to investigate:

- the availability to the public of information on water market activities and tradeable water right holdings; and
- the timeliness, accuracy, and completeness of public information released on water market activities and tradeable water right holdings, including true trade price reporting and the types of trade (for example, immediate purchases, forward contracts, leases).

#### **NSW Farmers' Association**

NSW Farmers recommends that the committee defers aspects of the Bills referring to public information until the final ACCC findings and recommendations are available to ensure the most appropriate and evidence based outcomes.

NSW Farmers appreciates the opportunity to provide comment on the Constitution Amendment (Water Accountability and Transparency) Bill 2020 and the provisions of the Water Management Amendment (Transparency of Water Rights) Bill 2020 and the Water Management Amendment (Water Allocations - Drought Information) Bill 2020. NSW Farmers does not support the Water Management Amendment (Water Allocations - Drought Information) Bill 2020 for the reasons outlined above. NSW Farmers supports improvements to transparency of water ownership and trade, however there must be a balance between sufficient publically available information and the protection of privacy and personal/sensitive information. NSW Farmers are happy to provide further information about the issues raised in this submission, if this would be helpful to the Committee.

Yours sincerely

James Jackson  
**PRESIDENT**