

INQUIRY INTO FLOODPLAIN HARVESTING

Organisation: Cotton Australia

Date Received: 13 August 2021

NSW Legislative Council Select Committee on Floodplain Harvesting

Inquiry into the Government's management of floodplain harvesting

August 2021

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Cotton Australia

Cotton Australia is the peak industry body representing Australia's cotton industry, which includes approximately 1,500 cotton farming and cotton ginning businesses. Our members are situated across 152 regional communities, predominantly in New South Wales and Queensland and an increasing number in Victoria and Northern Australia.

Notably, 90% of cotton operations are family farms that also grow other crops like sorghum, soybeans, wheat, and have livestock. While cotton production does vary considerably from season to season the crop generates for the annual national economy between \$1.5 billion and \$2.5 billion.

NSW production is a significant contributor usually contributing two thirds of the production to this figure.

The Australian cotton industry fosters a world-class agricultural industry that is sustainable, valued for its economic and social contributions and produces very high-quality cotton in demand around the globe. Our recently released second Sustainability Report demonstrates producing a bale of irrigated cotton compared to our 1992 benchmark now requires: 48% less water, 34% less land and 97% less insecticides. The report is available here: <https://cottonaustralia.com.au/sustainability-reports>

The Australian cotton industry is very strongly focused on the sustainable, efficient, and legal use of the nation's water resources. To that end, Cotton Australia and its growers recognised that it is the responsibility of government to set the legal framework for water resource sharing, and it is the grower's responsibility to use whatever water is legally allocated in the most efficient manner possible.

Cotton Australia supports the finalisation of the long, tedious, frustrating, but vitally important work of NSW fully transitioning from the 1912 Water Act to the NSW Water Management 2000, with the last significant task being the volumetric licencing of Floodplain Harvesting.

Cotton Australia welcomes the opportunity to make this submission and would be prepared to appear before the Inquiry if the Committee would like Cotton Australia to do so.

This submission will be brief, primarily because Cotton Australia is an active member of the NSW Irrigators Council (NSWIC) and it fully endorses the comprehensive submission lodged by NSWIC.

In addition, Cotton Australia has a strong working relationship with most valley-based irrigator organisations such as Macquarie River Food and Fibre, Namoi Water, Barwon-Darling Water, Gwydir Valley Irrigators Association and Border Rivers Food and Fibre. Cotton Australia recognises that these groups have the closest connection to, and understanding of, the issues and challenges faced by their irrigators, and the unique hydrological features of their individual valleys. Cotton Australia endorses the submissions put forward by these organisations.

For the avoidance of doubt, if there is any inconsistency between this submission and the submissions endorsed by Cotton Australia above, then the position of Cotton Australia is that which is expressed in this submission.

Executive Summary

Cotton Australia:

-) supports the volumetric licencing of floodplain harvesting.
-) supports the effective and cost-effective measurement and reporting of floodplain harvesting take.
-) recognises volumetric licencing will result in a significant reduction on the current level of floodplain harvesting take.
-) recognises that while licencing will put the legality issue beyond doubt, it will also provide the regulatory framework for government to further manage floodplain water take.
-) recognises that volumetric licencing will provide NSW with the capacity to be fully compliant with the Murray-Darling Basin Plan.
-) supports the rainfall run-off exemptions.
-) believes the practice of floodplain harvesting is currently legal but agrees licencing will remove any remaining ambiguity in regard to legality.
-) asserts the volumetric licencing of floodplain harvesting has been a goal of both Labor and Coalition governments since the introduction of the Water Management Act 2000.
-) argues that the science, modelling, and ground-truthing that has gone into the preparation for the volumetric licencing of floodplain harvesting has been by far more comprehensive than any other water licencing process in NSW history.

Inquiry Terms of Reference

That a select committee be established to inquire into and report on the Government's management of floodplain harvesting, including:

- (a) the legality of floodplain harvesting practices,
- (b) the water regulations published on 30 April 2021
- (c) how floodplain harvesting can be licensed, regulated, metered and monitored so that it is sustainable and meets the objectives of the Water Management Act 2000 and the Murray-Darling Basin Plan and,
- (d) any other related matter.

2. That the committee report by 30 November 2021.

General Comments

Cotton Australia is caught between being alarmed and bemused at what it sees as the demonisation of Floodplain Harvesting, as if the practice is somehow substantially different from any other form of water extraction.

If you consider surface water; water falls as rain, passes across and through the landscape, and has often traditionally been captured in large headwater storages such as those constructed as part of the Snowy Mountain scheme in the second half of the last century, and then released for irrigation.

Alternatively, it has rained, water has flowed across and through the landscape, entered a river, flowed long those rivers, and if pre-determined height or flow conditions have been met, entitlement holders have been allowed to make extractions.

The take of Floodplain Harvested water is no different, it rains and the water flows across and through the landscape, and a small proportion is either intercepted when it has joined floodwaters passing across the floodplain, or when the flow has reached such a level the water has spilled out of the river and is flowing across the floodplain.

The important thing for our water regulators, is to ensure the total take coming out of the system is sustainable, rather than a negative focus on any source of take.

It is somewhat ironic that some of the harshest critics of floodplain harvesting, are a small number of irrigators that are highly dependent on the release of water captured by the headwater storages that in a very large part owe their reliability of supply to the diversion of water that would have once flowed through east coast rivers.

And while Cotton Australia does not believe that there should be too much emphasis placed on any particular type of take, and the focus should be on the total level of sustainable take for a catchment or system, floodplain harvested water does have a particular feature that must be recognised – it only occurs during floods, when there is a relative abundance of water.

For far too long, floodplain Harvesting has been blamed for the Darling-Barka River system drying up, with the Australian cotton industry identified as the primary cause with cotton growers taking all the water through floodplain harvesting.

This is “fake-news” at its worse. There is no doubt the Darling-Barka went through an extended period of low flow/no flow during the second half of the last decade. This was the result of what is generally agreed as the drought of record for the northern section of the Murray-Darling Basin.

However, there was no floodplain harvest during this period as there was no flood. In early 2020 there was some flooding, there was some floodplain harvesting (or overland flow capture in Queensland) and the Darling-Barka system flowed with over 600GI (one and half times the volume of Sydney Harbour) entering the Menindee Lakes.

Then in early/mid 2021 there was once again widespread rain across the Northern Basin, there were very significant floods in a number of communities, there was floodplain harvesting and as this submission is written there is 1,173GL in Menindee Lakes (over 2.5 Sydney Harbours) and almost 17,000,000,000 litres are passing through Louth each day, with a real expectation that the Menindee Lakes may fill.

Floodplain Harvesting is not the cause of the Darling-Barka undergoing extended periods of low-no flow, the cause is drought.

With Regards to the claims that all the water is being extracted from the floodplains to irrigate cotton, that is also patently and demonstrably false.

At a national level as the drought conditions waxed and waned, cotton production measured in bales varied as follows:

16/17: 3.9 million bales
17/18: 4.7 million bales
18/19: 2.6 million bales
19/20: .59 million bales
20/21: 2.7 million bales
221/22: 4.5 million (estimated)

The cotton growing area of Bourke, located on the Barwon-Darling-Barka is often singled out as a cotton growing town, yet in 19/20, due to the drought it produced no cotton, for the second year in a row.

The other major myth that floodplain harvesting opponents like to peddle is that the volumetric licencing will increase take. They conveniently ignore the fact that licencing will not allow any additional take, and in fact will not allow the current level of historical take. It will significantly reduce take in some valleys, and ensure that NSW meets its commitments under both the 1993/94 Cap and the over-arching Murray-Darling Plan.

It should be noted that there is nothing sinister or unusual in the volumetric licencing of a class of water take.

For decades now, the NSW Government has been progressively converting all licenses to volumetric licenses, starting with the old area based general security licences that were common in the 1960's and 70's, through to the supplementary and unregulated licences in the early and mid-2000's.

It is simply an unfortunate fact that floodplain harvesting is the last, and arguably the most difficult conversion to achieve, and there is no doubt that it has been a tedious, slow, frustrating process.

However, it also needs to be recognised that it is a process that the NSW Government, with some \$20 million in Federal Government funding, has undertaken with a degree of scientific knowledge, advanced modelling, transparent peer review, and detailed ground-truthing that has never been done before.

It would be wrong to say that all this work has achieved a perfect, exact result, however, it is highly likely that the level of accuracy has far exceeded any previous work in this area of rural water management.

Cotton Australia respectfully requests that the Select Committee view the licensing of floodplain harvesting dispassionately, and dismiss the wild rhetoric, and assess on the facts.

As a responsible industry, that has a demonstrated commitment to sustainability that has seen it reduce our insecticide application by 97% since 1992, and improved our water use efficiency by 48% over that same period, we are committed to a sustainable water take framework, and strongly believe that floodplain harvesting has a legitimate role in that framework.

It has also been recognised as legitimate by successive governments from at least the Year 2000, of both political persuasions.

Every government, and every Minister from that period has contributed to the work of volumetrically licencing floodplain harvested water take.

It is simply time to complete the job.

Specific Responses to the Inquiry's Terms of Reference

That a select committee be established to inquire into and report on the Government's management of floodplain harvesting, including:

(a) the legality of floodplain harvesting practices,

Cotton Australia will not be putting forward any independently acquired legal advice on the status of floodplain harvesting. It endorses the submission, and legal opinion presented by NSWIC, and the arguments put forward by its legal advisors.

Cotton Australia does recognise that there is a diversity of legal views (something that is not uncommon where the law is involved), however, it strongly argues that if this Select Committee finds deficiency in the law, or comes to the view that Floodplain Harvesting is currently outside the law, then the focus of the Committee should be on how the law can be amended to ensure the legal position of floodplain harvesting, as it has been clearly the intention of successive governments to volumetric licence floodplain harvesting take, and to ensure it can be managed within the obligations of both State and Federal law.

(b) the water regulations published on 30 April 2021

Cotton Australia supports the regulations published on April 30, 2021, as they provided the legal mechanism for the volumetric licensing of floodplain harvesting take, its legal, and effective measurement, and provide legal surety for all irrigators regarding the capture of rainfall run-off water from land developed for irrigation.

(c) how floodplain harvesting can be licensed, regulated, metered and monitored so that it is sustainable and meets the objectives of the Water Management Act 2000 and the Murray-Darling Basin Plan and,

While Cotton Australia is aware that there remain some concerns among some irrigators on the reliability of some of the modelling, it re-iterates that the work done by the Department in developing the licencing framework is undoubtedly the most comprehensive undertaken in the preparation of licences.

While there should always be avenues for review and assessment of new information and data, Cotton Australia believes that there is little or no justification for any immediate future work that would further delay the volumetric licencing of floodplain harvesting.

The reality is, any delay actual inhibits the above statement of meeting the objectives of the Water Management Act 2000 and the Murray-Darling Basin Plan. Without volumetric licencing, water take is most likely to continue to be at Sustainable levels, and/or, as is happening now, holders of Supplementary Licences may have their allocations reduced, so as to make up for any overtake by non-volumetrically licenced floodplain harvesters.

This is an inequity which should not be supported by anyone.

It is time to re-introduce the regulations, complete the tasks that still need completing, issue the licences, install the measuring devices, commence the reporting, carry-out the compliance and ensure the management of this resource is done at the professional level that all aspects of our society expect.

(d) any other related matter.

Please refer to the General Comments section earlier in this submission.

For further details on this submission please contact Cotton Australia General Manager Michael Murray

Yours sincerely,

Michael Murray,
General Manager,
Cotton Australia



Advancing Australian Cotton



Advancing Australian Cotton