



4-3-2024

Draft Framework for delivering the 450GI of additional environmental water

COTTON AUSTRALIA

Cotton Australia is the peak body representing the interests of Australia's 1,500 cotton producers, many of whom operate within the Murray-Darling Basin.

Cotton Australia is an active member of the National Farmers Federation (NFF), National Irrigators Council (NIC), New South Wales Irrigators Council (NSWIC) and Queensland Farmer's Federation (QFF).

Cotton Australia' provides this very brief submission to the Draft Framework but also endorses the submissions of the above organisations.

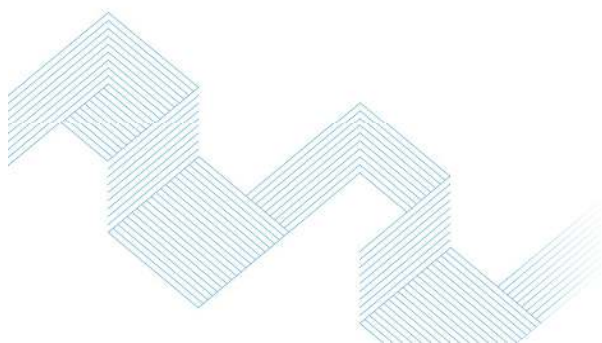
This submission is written within the context of the Framework, and the Restoring Our Rivers Act, however, the Australian jurisdictions should be in no doubt that Cotton Australia strongly believes that the best way forward, to improve environmental outcomes in the Basin, and to leverage the greatest returns from the existing pool of environmental water, is to invest much more significantly in complementary measures, such as mitigation of cold-water pollution, the eradication of European Carp, improved fish passages and improved riparian zones.

Executive Summary

Rules-Based Changes

Cotton Australia is deeply concerned about proposals to implement rules-based changes as a method to recover water entitlement, and while it cannot completely rule out supporting any particular proposal, at this stage it is highly unlikely that a rules-based change would be supported.

- Cotton Australia's hierarchy for recovery is:
 - Off-Farm Efficiency projects
 - On-Farm Efficiency projects
 - Lease arrangements
 - Water entitlement purchases
 - Rules-based changes



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Over Recovery

Cotton Australia does not support the automatic transfer of over-recovered water purchased under the Bridging the Gap purchase program to the 450GI Recovery Target.

This water was purchased under a “No Regrets” policy of the government of the day, and the option should be open for it to be returned to those catchments from where it was sourced.

GENERAL SUBMISSION

Rules-based changes

Cotton Australia is very concerned by the move towards rules-based recovery, as this is a very big shift away from an underlying principle of the Basin Plan that recovery should be from willing participants, and payments reflect market price.

It is hard to see how rule-based changes can be anything other than compulsory acquisition, and the framework makes no information on how compensation would be calculated and applied.

All parties in the water policy space regularly call for a greater level of “certainty”, and one very crucial way to improve the level of certainty is by minimising changes to entitlements, and to the rules that govern and create them, while allowing transfers, where they are required, to be in the form of entitlement.

Once Water Sharing Plans and/or Water Resource Plans are accredited, they should have a long-term life, and not be subject to further manipulation.

Cotton Australia does not think that just because the market is “thin” in the Northern Basin, that the Commonwealth should abandon its commitment to “willing seller/willing buyer”. The market is the best judge to the true value of water entitlements, and if the Commonwealth is currently finding it difficult to secure water, then the simple reality is the price being offered by the Commonwealth is below market price.

While it would be premature to rule out any circumstances where Cotton Australia would support a rules-based change, the reality is that support would be highly unlikely, and it would be very much dependent on the extent of the proposed change, the impact on existing entitlement-holders, its overall equity and the compensation offered, to list a few key considerations.

OVER RECOVERY

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Impacted communities must be genuinely consulted with and listen to. Informed advice must be given on what environmental outcomes the over-recovered water would be directed to if it was transferred to the 450GI program. Communities must also know what contribution they will be expected to make towards the 450GI, and what additional environmental outcomes are being sought.

With full information, communities would be then empowered either to accept the transfer to the 450GI pool or request the return of that water to the consumptive pool of their valley.

Conclusion

As stated earlier, Cotton Australia endorses the submissions from NFF, NIC, NSWIC and QFF, and has used this opportunity to primarily highlight its very strong concerns around rule-based changes as a tool for water recovery.

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