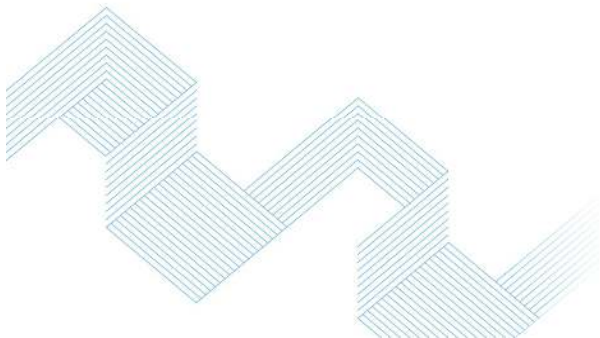




# DCCEEW Discussion paper – seeking views on a future national water agreement

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## Introduction

Cotton Australia is the peak body representing Australia's 1,500 cotton growers, many of whom are irrigators.

Within our industry's footprint extends from the New South Wales / Victorian border, along the Murray Valley, right up through NSW, and into Queensland, across the Border Rivers, Warrego, Moonie and Condamine Balonne Catchments, up into Central Queensland, and more recently in north Queensland, the Northern Territory and in the Ord River area of Western Australia.

While the industry's production varies enormously due to seasonal conditions, annual farm-gate production of cotton lint and cotton seed can exceed \$4 billion. In addition, the industry estimates that at least 10,000 Australian's rely directly on the cotton industry for employment, with many more indirect jobs servicing the industry.

Irrigation plays a critical role in our production, with many irrigators selecting cotton as their crop of choice because of its relatively high return per megalitre, and because as an annual crop it can adjust readily to varying levels of water resource availability.

As an industry, our general philosophy on water resource management is that it is governments' responsibility to determine in any given season how much water an irrigator can access, and then it is up to the irrigator to be as efficient with that water as possible. As an industry we are very proud of our record in Water Use Efficiency. Today we use 52% less water to grow a bale of cotton than we did in 1997.

Cotton Australia welcomes the opportunity to provide this brief submission DCCEEW Discussion paper – seeking views on a future national water agreement.

Cotton Australia is an active member of the National Farmers Federation (NFF), National Irrigators Council (NIC), New South Wales Irrigators Council (NSWIC), and Queensland Farmers Federation (QFF), and endorses the submissions made by these organisations.

However, it is likely that there may be some divergence of views on some specific issues, and for clarity, if there is conflict between the above submissions and ours, then the views expressed in this submission are the views of Cotton Australia.

Cotton Australia also has a very strong working relationship with many of the catchment-based irrigator groups that exist across the NSW and Qld parts of the Basin and urge the Department to take their submissions in the highest regard, as they are very closely connected with their communities.

This submission will not address all elements raised in the above discussion paper but will highlight areas of key concerns for the for the Australian cotton industry.

Cotton Australia has also participated in providing feedback through the online survey option.

## General Comments

Like many organisations, Cotton Australia is at best “bemused” by the fact that there are two parallel Federal Government processes running at the same time, one in regard to *renewing* the National Water Initiative (The Productivity Commission) and one looking at developing a *new* National Water Agreement (Department of Climate Change, Energy, the Environment and Water).

In reviewing the two key publicly available documents, the Productivity Commission’s (PC;s) Interim Report and the Department’s Discussion Paper, Cotton Australia is struck how practical the Productivity Commission’s approach is, compared to the very high level, and “motherhood statements” approach of the Department.

While it is easy to see that some aspects of the National Water Initiative (NWI) need to be improved and built on, it appears absurd to almost ignore 20 years of water reform history and achievement and seek to adopt a new National Water Agreement (NWA).

To be clear, while this submission will address the key aspects of the Discussion Paper, the very firm preference of Cotton Australia is that the focus of Government should be on a renewal of the NWI rather than the creation of an NWA.

Should the government persist with developing an NWA, then it must immediately review its proposed timeframes and public consultation proposals. It appears to Cotton Australia, that under the Department’s current thinking this is the only opportunity for industry groups like ours to provide comments, and then the process will disappear behind the cloak of governments, and the next we will see of an NWA is a finalised agreement.

Part of the success of the NWI has been a high degree of public consultation along every step of the way, and this of course results in a lot higher level of satisfaction and support. The process being proposed by the Department will immediately foster a high degree of distrust and suspicion.

The comments below are ordered following the key headings of the discussion paper.

### PUROSE OF A NEW AGREEMENT

Cotton Australia acknowledges the factors listed that are driving the Departments argument for a new agreement are sound, but nor are they surprising, or ignored in any way by the PC’s Interim Report. Cotton Australia’s reinforces the National Irrigators Council’s (NIC) that the paper should have also referenced the United Nation’s Sustainability Goals 2 – Zero Hunger, 9 – Industry, Innovation and Infrastructure and 12- Responsible Consumption and Production.

### PROGRESS TO DATE

Cotton Australia openly supports greater involvement by Indigenous Australian’s in water management, however, while it does not have close knowledge of the work of the Committee on Aboriginal and Torres Strait Islander Water Interests (CAWI), it is concerned with what appears to be an uneven weighting of this committee’s involvement.

*The Commonwealth Department of Climate Change, Energy, the Environment and Water has been working with states and territory officials through the National Water Reform Committee (NWRC), its sub-committees and also with the Committee on Aboriginal and Torres Strait Islander Water Interests (CAWI) to make sure a new proposed agreement builds on the 2004 NWI and will serve Australia well into the future. (Discussion paper page 8)*

and

*We tested the direction of the new proposed agreement with key stakeholders and Aboriginal and Torres Strait Islander Peoples in early 2024. The feedback has informed this discussion paper. (Discussion paper page 8)*

These inclusions in the discussion paper, along with other similar conclusions) give the very clear indication that the interest of Indigenous Australia's is being given a far greater weighting than those of other stakeholders. It is very obvious that there is no mention of any advisory groups representing the interest of Irrigation and Other Extractive Water Users, or the interest of Communities. This needs to be rectified.

## THE WAY FORWARD

As discussed earlier in this submission, the timeline presented in the paper, clearly shows the only opportunity stakeholders will have to comprehensively engaged in the proposed NWA is now, with the expectation that the next viewing of the NWA will be as a completed document in 2025.

## OBJECTIVES

There is nothing inherently wrong with the seven objectives, except they are of such a high level (motherhood statements) that they provide no practical guidance, and in Cotton Australia's view neatly align with the current NWI (recognising that the Interim Report does identify a need for greater involvement by Indigenous Australian.

### Objective 1

#### Outcomes

It is disappointing that there is no mention of the need for *Livable, viable* and prosperous agricultural industries and communities. This omission is very telling in terms of the proposed direction of the NWA, which appears determine to ignore the importance of Australia agricultural and in particular its irrigation industries.

### OBJECTIVE 2

#### Outcomes

As discussed above, Cotton Australia fully supports greater involvement in water management by Indigenous Australian's, however, it is important that they and their representatives are seen as essential stakeholders, but their views should be treated like the views of all stakeholders, as legitimate in providing advice to government, but carry no- more weight than the views of other legitimate stakeholders.

Further, it needs to recognise that indigenous water rights is a sensitive issue, and government should take very clear steps to ensure all stakeholders fully understand any changes related to indigenous rights and minimise the risk of misinformation.

Finally, any additional entitlements issued to indigenous Australia's should be from the existing pool of entitlements or reserves, and not result in any loss of entitlement or reliability among existing entitlement holders.

### OBJECTIVE 3

Climate change will continue to play an important role in water availability and timing. However, what is a very important starting point in any discussion on how best to manage climate change, is a recognition by all parties that at present the greatest risk of climate change is borne by holders of lower reliability water such as Medium Priority, General Security, Overland flow, Supplementary, Unregulated and similar.

Our existing water allocation and entitlement frameworks have always managed climate change and climate variability, yet this appears to be denied by many stakeholders, who believe incorrectly that the environment is facing the greatest

risk. It is essential that all stakeholders understand the current hierarchy, and this would provide the basis of a respectful process going forward.

#### OBJECTIVE 4

Evidence should inform decision making, but it is far too simplistic that science and evidence can always provide definitive answers.

#### OBJECTIVE 5

The overriding priority of new infrastructure investment must be to ensure safe and reliable water supply for all our citizens no matter where they live. The proposed Outcomes provide good guidance for the consideration of other investment, except to add that there is a very strong case for significant investment in complementary measures (fishways, cold water pollution mitigation, fish screening of pumps etc), which will significantly improve environmental outcomes, and really leverage value out of the government's investment in environmental water entitlements.

#### OBJECTIVE 6

This is a worthy objective, but the reality is that Australian Governments have rarely engendered trust from Australian communities when water management is the subject. Consultation has too often been just a "tick boxing exercise", with a common community complaint that they have been "Over consulted, and under listened to". If the Commonwealth was getting a school report on the matter it would read "Can do better – must do better!!"

#### OBJECTIVE 7

The critical element here is that the existing entitlements and their associated reliability must be maintained, and entitlements and water sharing frameworks are not subject to ongoing rule changes. Where re-adjustment is required a well-functioning water market should be the method of re-adjustment. Rule changes undermine the confidence in the system, and represent a very significant sovereign risk.

## Conclusion

Cotton Australia has provided the above comments on the discussion paper in good faith but reiterates that it believes the proposed PC approach of renewing the NWI is the correct and most practical response.

For further information on this submission please contact Cotton Australia General Manager Michael Murray – [michaelm@cotton.org.au](mailto:michaelm@cotton.org.au) or 0427 707868.

Yours sincerely,

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Cotton Australia