

11 December 2019

The Chair
Consultative Committee
Future Drought Fund

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Dear Chair,

The NSW Irrigators' Council (NSWIC) is the peak body representing irrigation farmers and the irrigation farming industry in NSW. NSWIC represents over 12,000 individuals in NSW as members within valley water user associations, food and fibre groups, irrigation corporations and commodity groups. The Council with its wealth of knowledge and experience is available to assist Governments and agencies.

NSWIC welcomes the creation of the Future Drought Fund (the Fund) as a major initiative by the Federal Government in the best interests of the Nation. Drought resilience in agriculture requires long-term strategies to minimise the impact of perennial limited water supply and increase water productivity. Australia needs food and fibre grown, and the most efficient and sustainable means to do so, is through irrigation methods. Our highly technical and world leading crop production methods enable the maximum yield per hectare resulting in a good supply to Australian consumers and our export markets. This reduces pressure on family budgets and more returns to the national economy.

Consistent with the best interests of Australia, we suggested below investment priorities for the Fund. Through these investments, the Fund will contribute to drought resilience in agriculture and water security.

Increasing water and energy supply

Both water and energy constitute majority of the variable costs associated with irrigation enterprises¹. Improved reliability in the supply of either will contribute towards drought resilience in agriculture. The Fund should favourably consider projects aimed at increasing water supply such as:

- Artificial recharge of aquifers through enhanced percolation of water into aquifers.
- Plugging leakages in water balance systems of urban and regional centres involving capture and re-use of 'wastewater', e.g. the Groundwater Replenishment Scheme in Perth².
- Desalination of seawater technology allowing of seawater; viability of this is demonstrated the ongoing use of the Adelaide Desalination Plant.
- Development of reliable energy supply at competitive prices, especially for rural and regional communities by exploring new sources of energy with priority given to renewable sources.

¹ <https://publications.csiro.au/rpr/download?pid=csiro:EP1312979&dsid=DS5>

² <https://www.watercorporation.com.au/water-supply/ongoing-works/groundwater-replenishment-scheme>

- Reducing energy consumption through optimisation of pump setups for increased efficiency, energy mix, and identifying areas of improvement to reduce energy consumption.
- Benchmarking energy use and management to provide comparison amongst similar enterprises in each region. Such projects can identify opportunities for energy efficiency gains. They should include testing the feasibility of transferring energy efficiency strategies between industries.

R&D investment – R&D Centre for the Basin

The Research and Development (R&D) sector is a uniquely placed to develop knowledge and technologies that deliver “enduring outcomes” for agriculture. Investments in R&D yield substantial returns on investments of up to \$11 for every dollar invested³, and is pivotal to the quest for attaining the \$100 billion agriculture industry goal by 2030⁴.

There is little doubt that the current drought is most devastating in the Murray Darling Basin (the Basin), where over one-third of the national food production worth well over \$22 billion annually (MDBA, 2019)⁵ or over 30% of the total agricultural value, is produced. Water policies over the years have negatively impacted irrigation farming, local industries, communities and environments throughout the Basin. Given these circumstances, there is a strong need for a dedicated research vehicle focussed on the unique challenges of the Basin. The need for such a Basin focussed research body was flagged by Minister for Water Resources and Drought Hon David Littleproud in a recent Q&A episode on the ABC⁶.

Capacity development

Maintaining a competitive edge requires continued investment in skill development to maximise productivity through efficient management and use of technology. This will involve generating awareness of the career opportunities in agriculture in the community and promoting STEM (Science, Technology, Engineering and Mathematics) subjects in primary and high schools. Despite recent increases in university enrolments across most discipline areas, agriculture recorded the least growth⁷.

Relevant skills are also needed in translating research and technical achievements into practical outcomes, which remains a weak point in realising the full benefits of R&D investments. We recommend the Fund to support capacity development for the various segments in the whole agriculture value chain from on-farm operations to marketing.

Conclusion

NSWIC welcomes the establishment of the Drought Fund and will support a strong focus on research and development, along with a pursuit of innovative approaches to restore the food and fibre capacity of Australian farms, which remain in the best interests of Australian families and the Nation as a whole.

Yours sincerely,



Luke Simpkins
CEO

³ Measuring economic, environmental and social returns from Rural Research and Development Corporations' investment <https://www.frdc.com.au>

⁴ <https://www.nff.org.au/read/5873/budget-roadmap-charts-course-for-100.html>

⁵ <https://www.mdba.gov.au/rivers-worthit>

⁶ <https://www.smh.com.au/culture/tv-and-radio/an-awkward-moment-on-an-awkward-night-for-a-minister-in-the-firing-line-20191029-p5355s.html>

⁷ <https://www.education.gov.au/news/infographics-research-block-grants-higher-degree-research-student-population-and-higher-degree>