



29 February 2016

Committee Secretary  
Senate Standing Committees on Rural and Regional Affairs and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
Via email: [rrat.sen@aph.gov.au](mailto:rrat.sen@aph.gov.au)

Dear Sir / Madam

**Re: Water Amendment (Review Implementation and Other Measures) Bill 2015**

The National Farmer's Federation (NFF) is pleased to provide a brief submission in support of the Water Amendment (Review Implementation and Other Measures) Bill (2015). We recommend that the Senate support the Bill without amendment.

NFF welcomes adjustments to the reviews and reporting arrangements proposed by the Bill. These adjustments better reflect the timing of the implementation of the plan.

We particularly welcome the addition of a specific requirement for the monitoring and evaluation program to include social and economic impacts, with 5 yearly reporting timeframes.

NFF appreciates that some stakeholders are concerned over provisions that provide the Commonwealth Environmental Water Holder (CEWH) with flexibility. NFF asks the Committee to note that these concerns were considered by the Water Act Review Committee – and incorporated into the recommendations in relation to these provisions, through embedding safeguards to maintain the integrity of the Basin Plan. These safeguards include:

- protections that ensure the revenue from sale of Commonwealth Environmental Entitlements can only be used to purchase other entitlements,
- the revenue from sales of both entitlements and allocations cannot be used to pay fees and charges, and
- sales can only occur if the Long-Term Average Diversion Limit conditions have been met.

Where the CEWH uses the proceeds of its trading activities to invest in infrastructure that improves environmental outcomes (eg fish ladders, thermal curtains to reduce cold water pollution), it will be important to ensure that any ongoing costs of

maintenance and capital replacement are not rolled into the cost structures of state water authorities. In a number of jurisdictions, water users pay their share of infrastructure costs through water charging arrangements. If the CEWH embarks on infrastructure investments, clear cost sharing arrangements must be in place to ensure that irrigators do not bear the costs of infrastructure upkeep where the benefits of the infrastructure accrue to the environment. Given these principles are embedded in the National Water Initiative and established water charging frameworks, NFF is of the view that specific amendment to this bill is not required to address this concern.

The bill proposes sensible amendments to section 106 in relation to accommodating the range of water accounting arrangements and periods that are in place across the Basin.

NFF encourages the Committee to note that this Bill does not comprehensively address all the recommendations from the Independent Review of the Water Act. We encourage the Government to ensure that the Reviews recommendations continue to be considered by the Government and where necessary, further amendment is made to the Act at the appropriate time.

If you have any questions in relation to this submission, please contact Ms Jack Knowles, Manager NRM Policy on 02 6269 5666 or by email [jknowles@nff.org.au](mailto:jknowles@nff.org.au) .

Yours sincerely

**TONY MAHAR**  
**Deputy Chief Executive**