

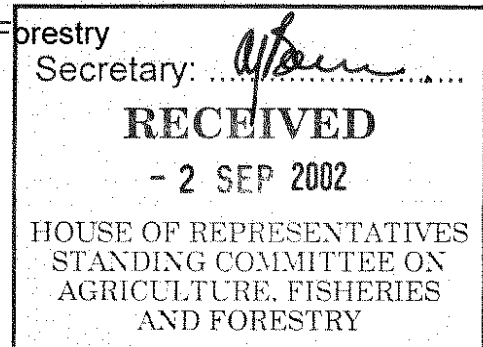


SUBMISSION NO. 28

Emailed 29/8/2002

Mr Ian Dundas
Committee secretary
Standing Committee on Agriculture, Fisheries and Forestry
Parliament House
Canberra, ACT 2600

August 28, 2002



Dear Mr Dundas

The Irrigation Association of Australia would like to make a submission to the *Inquiry into future water supplies for Australia's rural industries and communities*.

Summary

The IAA believes there is a role for the Commonwealth in managing the future water supplies for Australia's rural industries and communities. This role should be one of policy leadership, coordination and funding.

The IAA

The Irrigation Association of Australia (IAA) was established in 1983 with the following aims:

- represent the interests of the whole irrigation industry
- improve the exchange of information about irrigation theory and practice
- promote the benefits of irrigation
- enhance the professional standing of those involved in irrigation.

The association is the only nationally based irrigation organisation in Australia and the only association, whose membership covers all sectors of the irrigation industry - irrigators, consultants, designers, installers, manufacturers, and retailers. The IAA represents the Australian irrigation industry as a whole and is uniquely placed to provide facilitation and leadership in areas where cross- sectoral cooperation and communication are essential. This is certainly the case with the future water supplies for Australia's rural industries and communities.

The composition of the association provides members with access to a unique network of information as well as to people and organisations involved in Australia's water resource sector.

The IAA currently has over two thousand individuals and organisations on its books and regional committees in all major irrigation areas throughout Australia. These regional committees deal with local issues of importance to the irrigation sector and provide the association with strong local community focus and input.

The mission of the IAA is ***growing a viable, efficient and sustainable Australian irrigation industry*** and since its formation the IAA has focussed on developing industry professionalism and technical innovation through facilitation, education and communication. The association has not taken partisan political positions or pursued narrow sectoral interests but has rather focussed on broad industry benefit. This approach underpins this submission.

The association has:

- initiated and funded the development of the National Irrigation Training Plan
- contracted a national education officer to coordinate training and education for the association and the industry
- developed the School of Irrigation which provides practical training and skills development at a regional level for the Australian irrigation industry
- established an internationally recognised certification program for irrigation installers and designers that now underpins access to adjustment and development assistance in a number of States
- holds the largest irrigation related trade exhibition and conference in the southern hemisphere every second year. Most major irrigation related Australian firms exhibit alongside a growing international representation.

Response to the Terms of Reference

- **The role of the Commonwealth in ensuring adequate and sustainable supply of water in rural and regional Australia**

The IAA believes the role of the Commonwealth in water resource management should focus on

- leadership in policy direction
- coordination of policy development and implementation, R&D, information collection and improved efficiency initiatives
- harmonisation of terminology, standards, training etc.
- funding and other material support
- continue tax incentives for appropriate R&D

The IAA believes that the Commonwealth should continue to take an active role in rural water resource management in Australia through the Council of Australian Governments (COAG). The Commonwealth should continue to work towards the implementation of the COAG reforms and specifically use access to Commonwealth funds through tranche payments to State

governments to encourage greater coordination and co-operation in water resource management.

- **Commonwealth policies and programs, in rural Australia that could underpin stability of storage and supply of water for domestic consumption and other purposes**

The IAA believes there needs to be a clear and strong commitment at Commonwealth level to irrigated agriculture, horticulture and amenity uses. This should not only be a continuation of the statements of support from the Minister but should also be reflected in policies across portfolios including:

- Appropriate tax and other concessions for investment in improved irrigation infrastructure and technology
 - Appropriate support for improved levels of training
 - Encourage the use of best practice and, where appropriate, standards for irrigation practice
 - Harmonisation of terminology, standards, qualifications & training. This is important both in rural water use efficiency initiatives and in regional metropolitan licensing regimes
 - Regular collection, collation and publication of information regarding the extent of water use, the composition of that use, trends over time, etc. Existing efforts need to be more cooperative with the MDBC being encouraged to work with industry groups to a greater extent.
 - Nationally coordinated benchmarking of various performance measure for irrigation to allow more sophisticated management and better targeting of efficiency programs
 - Programs to encourage improved efficiency and increased uptake of new technology.
 - Funding and coordination of the best information available on climate change projections and the likely impacts of changed rainfall patterns and catchment yields.
- **The effect of Commonwealth policies and programs on current and future water use in rural Australia**

The views of IAA members vary on this issue. The role of the Commonwealth through its leadership of the COAG process has certainly led to an increase in the rate of change in water resource policy and management. The effect of that change has varied according to different jurisdictions and the different interests of industry sectors.

The IAA believes that governments at both State and Commonwealth are indirectly freeing-up water for the environment by paying to refurbish delivery infrastructure so the water savings can be made available to the environment.

At some stage, however, it will become more cost effective to free-up water for the environment through on-farm improvements in water use efficiency.

At present on-farm water savings are used either to increase production on other parts of that farm (security on farm), to increase production on other farms via trade, or to increase the seasonal allocation for the following year by holding savings in storage.

The IAA believes that a direct mechanism to return on-farm water to the environment could speed the process of ensuring environmental sustainability. It would also make that process more efficient. Improvement in on-farm water efficiency, and reduction in irrigation return flows, will generally improve catchment and river health. Irrigation return flows can introduce pollutants to downstream flows and it is preferable that surface and sub-surface drainage water is used on-farm where this practicable.

Investment in more efficient technologies and irrigation management practices on farm remains low. Adoption rates for low capital cost efficiencies such as education and training, introduction of standards and greater use of professional irrigation design and management advice have not risen sufficiently.

- **Commonwealth policies and programs that could address and balance the competing demands on water resources**

The IAA believes that improving irrigation efficiency is a vital element to ensuring the sustainable use of water while at the same time maintaining agricultural production and not adversely affecting rural communities.

The IAA already provides a leading role in national programs designed to improve water use efficiency and would be interested in working more closely with government at both State and Commonwealth level to continue to advance on-farm and supply efficiencies.

Broad areas for activity include:

- Information
More efficient and effective use of rural water resources depends in large measure on better information on how water is being used and how irrigation is being applied. The IAA through its network of equipment manufacturers and distributors, system designers and installers and consultants, advisors and researchers is ideally structured to assist in this area. The IAA believes the work of MDBC, ANCID and others should be better coordinated and further developed into a national program of on farm data collection and collation.
- Training and education.
Levels of training and education within the irrigation industry are low and this has effects in the rate of adoption of new technologies and practices and the sophistication of management that can be applied.

The IAA believes that the Commonwealth should be more active in encouraging participation in training. This could be through the funding of irrigation training development and delivery and support for training participation both directly to participants and indirectly through linking training to other forms of support. The Agriculture NSW Waterwise on the Farm program is an example of this. However, as that program has shown, the involvement of industry bodies is essential to get participation of on farm users and irrigators.

- Technology innovation and adoption
Using the most efficient technology that is commercially viable must form part of the policy direction if all water savings are to be achieved. This requires active government involvement in encouraging and supporting investment in development of new technologies and their commercial adoption. Use of tax incentives and other business development initiatives could be effective.

In addition, policies and programs aimed at assisting the purchase and implementation of new technologies on farm would encourage the removal of historical inefficiencies and could lead to savings of water for irrigation use of over 20%.

- Standards and best practice
Professional design, installation and management of irrigation systems are essential regardless of the quality of the technology in use.

The IAA supports the identification of world best practice and a comparative system for benchmarking of all sectors of the Australian irrigation industry as a means of encouraging adoption of best practice, and the highest standards of efficient water use and environmental management.

The IAA offers certification of irrigation designers and auditors which is internationally recognised and already widely used and respected in Australia. A number of State government agencies already require use of IAA certified designers to qualify for a range of assistance. These types of initiatives support improved professionalism and adoption of best practice in the industry. They are a very cost effective and non-interventionist approach to achieving measurable efficiency gains. The IAA is at present looking to extend the program to include certified irrigation manager, which would include managers on irrigation properties and surface irrigation managers.

The development of industry standards allows cost efficiencies in implementing new technologies, training programs and benchmarking initiatives. The IAA has already taken the initiative in seeking

national standards for the manufacture of irrigation system components.

- **The adequacy of scientific research on the approaches required for adaptation to climatic variability and better weather prediction, including the reliability of forecasting systems and capacity to provide specialist forecasts**

The IAA believes greater investment in R&D on climatic forecasting is required. Funding and coordination of the best information available on climate change projections and the likely impacts of changed rainfall patterns and catchment yields is required urgently.

The potential effects of climate change have the ability to overwhelm all other reforms and initiatives aimed at improving water resource management in Australia. Reductions in allocations for irrigation, or indeed any other use, due to increased environmental flows and increased domestic use have the potential to be insignificant compared to reductions in available water due to climate change.

Similarly, even a 20% reduction in water used for irrigation through achievable improvements in efficiency of irrigation systems and management could be more than offset by reduced or unreliable precipitation due to climate change.

The IAA is committed to the implementation of the COAG reforms. Sound progress has been made in a number of areas already. However a renewed focus on providing support and assistance through information channels that end users are familiar with and already using is required. The IAA has such a network and offers its membership, resources and networks to hasten and expand the rate of progress.

On behalf of the Irrigation Association of Australia



Jolyon Burnett
Chief Executive Officer

August 28, 2002