



Xavier Martin
Vice President

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Healthy Floodplains Project
Via Email: floodplain.harvesting@dpi.nsw.gov.au

RE: Floodplain Harvesting licence rules in the water sharing plans for the Macquarie Valley

NSW Farmers Association (NSW Farmers) welcomes the opportunity to provide comment on the proposed floodplain harvesting licence rules for the Macquarie Valley Water Sharing Plan. NSW Farmers is Australia's largest state farming organisation, representing the majority of commercial farm businesses in New South Wales, ranging from broad-acre livestock, dairy, wool and grain producers, to more specialised producers in the horticulture, egg, pork, oyster and goat industries.

NSW Farmers policy is supportive of the implementation of the NSW Healthy Floodplains Project with volumetric licencing of overland flow extraction to cap use at a sustainable diversion limit level in order to protect floodplains and riparian landholder rights. However, there are also significant aspects of the New South Wales Floodplain Harvesting Policy that are contrary to NSW Farmers policy that we do not support, for example the decision to exempt work applications from the normal advertising and appeal provisions of the Water Management Act 2000 and the licenced obstruction of historic beneficial flows on neighbours land.

NSW Farmers supports equitable water sharing arrangements across the Murray Darling Basin between stock and domestic users, towns supplies, and irrigators, and to the extent that Floodplain Harvesting licensing will set a volume of water to be retained in the Macquarie Valley, that the Water Sharing Plan reflects both this volume and the requirement to deliver adequate external flows.

In addition, water management and water sharing rules for floodplains must also protect first flush flows through the floodplains. NSW Farmers provides the below comments on the proposed floodplain harvesting licence rules for the Macquarie Valley Water Sharing Plan.

1. NSW Farmers members, landholders and downstream water users require confidence that the proposed account management rules for floodplain harvesting for the Macquarie Valley Water Sharing Plan will achieve the intended outcomes to bring the level of floodplain harvesting within a sustainable diversion limit level of take, in order to protect floodplains and landholder rights. Additionally, any significant identified non-conforming works should be addressed prior to the issuing of licencing in the floodplain harvesting valley regions.
2. NSW Farmers members must be reassured that the account management rules safeguards stream and floodplain first flows and the connectivity with environmental and agricultural assets which are dependent on these floodplain first flows.
3. NSW Farmers would like to see further information, rationale and outcomes/impacts for each of the proposed initial available water determination (AWD) options. Following the consultation on the NSW Border Rivers Floodplain Harvesting initial AWD, the outcome was for a 1ML unit share

NSW Farmers' Association

ABN 31 000 004 651 PO Box 459 St Leonards NSW 1590 Level 4 154 Pacific Highway St Leonards NSW 2065
Member Service Centre 1300 794 000 T 02 9478 1000 F 02 8282 4500 www.nswfarmers.org.au

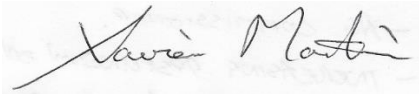
initial AWD. The justification for this decision was that NSW is continuing to recover from an extended drought period and that a larger AWD would present a risk to small and medium floods that are ecologically important and needed to restart rivers and wetlands. However, the immediate social and economic impacts of these rules to the local communities and industries must be considered and incorporated.

4. The AWD should be adaptive to be able to respond to compliance with extraction levels and maintain the level of floodplain harvesting within the sustainable diversion limit levels.
5. NSW Farmers agrees that temporary trade is not appropriate for floodplain harvesting due to the nature of supply works and the difficulty in decommissioning supply works temporarily for the duration of a temporary trade arrangement.
6. NSW Farmers is of the view that the floodplain harvesting licencing program should be established and monitored before the implementation of permanent trade of floodplain harvesting share components is considered. This would allow the floodplain harvesting licencing program to be fully implemented and provide a performance indication of the Healthy Floodplains Program and licencing program without external market influences. As well, modelling of changes in hydrology (within and between valley zones) as a result of permanent trade of floodplain harvesting share components should be considered, as the migration of floodplain harvesting licences may have impacts on the health of the floodplains.
7. Connection of flows within the physical, hydrological and inflow realities, is also important to the health of floodplains. NSW Farmers members require reassurances that the flow targets within Water Sharing Plans for downstream connectivity are adequate for environmental outcomes and downstream water users.
8. A Temporary Restriction (or Section 324 order) to restrict the access of floodplain harvesting should only be used as a last option to protect flows for critical human and environmental needs. There also needs to be consideration and balance between the economic and social impacts of implementing a Temporary Restriction and the potential benefits for downstream communities and water users. NSW Farmers supports the implementation of a framework for drought contingency measures and the protection of first flush flows in water sharing plans with clear triggers for first flush management, as recommended in the Independent Panel Assessment of the Management of the 2020 Northern Basin First Flush Event Final Report.
9. NSW Farmers understands that the *Water Sharing Plan for the Macquarie and Cudgegong Regulated River Water Source* provides for a volume of held environmental water and two environmental flow rules; an environmental release from Windamere Dam and an Environmental Water Allowance. These environmental flow rules nor licensed entitlements aim to create overbank flow, therefore we do not see the need to protect these environmental flows via rules to floodplain harvesting licence access. However, NSW Farmers does support the protection of first flush flows through the floodplain due to the benefits these first flows provide.
10. Active management of environmental water in unregulated water sources may interacted with floodplain harvesting where actively managed water contributes to overbank flows. NSW Farmers agrees that actively managed environmental water should be protected to ensure environmental objectives are met. However, clear and timely communications of these events must be provided to floodplain harvesting licence holders.
11. We also seek further information regarding the modelling and the emphasis placed on environmental outcomes when determining the licencing rules for floodplain harvesting. Modelling shows that the licensing of floodplain harvesting, while bringing this extraction within legal limits over the long-term, will only make a small contribution to downstream flows. Therefore the local and regional economic and social impacts must be considered when determining water sharing and access rules for floodplain harvesting.
12. NSW Farmers understands there are limitations of the current models being used by the Department which limits the estimation of return flows, downstream impacts of flows and in-stream gauges, and the prediction of changes in flood magnitude or duration. NSW Farmers

encourages the Department to progress identified future work to better represent return flows, localised routing of flows and impacts on water availability within valleys.

Clearer communication of the floodplain harvesting licence rules and management options is required to allow landholders to understand the options, the outcomes of each of the options in real long-term scenarios and to allow stakeholder the ability to actively engage in the consultation process. NSW Farmers are happy to provide further information about the issues raised in this submission, if this would be helpful.

Yours sincerely

A handwritten signature in black ink that reads "Xavier Martin". The signature is written in a cursive style with a large initial 'X'.

Xavier Martin

NSW Farmers Vice President

NSW Farmers Water Taskforce Chair