

Submission

by

Poppy Growers Tasmania Inc

in response to a

Position Paper

Prepared by the Department of Primary Industries,
Parks, Water and Environment

**To provide an overview of the proposals
that may be included in the Government's
Rural Water Use Strategy**

Keith Rice | Chief Executive | Poppy Growers Tasmania Inc

M: 0418 133 234 | poppygrowers@bigpond.com | www.poppygrowers.com.au

30 June 2020



Introduction

Poppy Growers Tasmania Inc (PGT) is pleased to provide this submission in response to the Position Paper prepared by the Department of Primary Industries, Parks, Water and Environment (DPIPWE) to provide an overview of the proposals that may be included in the Government's Rural Water Use Strategy.

A note from the past:

"The Conservation of Water in this island may find other important uses as time goes on. It is becoming a rare commodity in Australia and the industry may have to move Tasmania (sic) to gain access to it. The new lakes will be marvellous play-grounds and may even modify the climate. The use of irrigation is growing and will become a paramount need by the end of the century". From Notes on the History of the Central Plateau by G.H. Stancombe of Western Junction (1972) From the Papers and Pro settings of the Royal Society of Tasmania.

This extract at the time was quite prophetic. Half a century later the Central Highland Hydro Lakes which are themselves more than a Century old have enabled the transfer of large volumes of water over significant distances and well out of the original locality and source of the water, particularly into the large Cressy/Longford Irrigation Scheme.

Consideration of the North Esk, Lower Esk, Midlands, Clyde, Southern Highland, Lower South Esk and Tooms Lake Macquarie Irrigation Districts reveals that they are the vast majority of hectares that are able to be reached by irrigation schemes. These are in areas with lower rainfall over the long term.

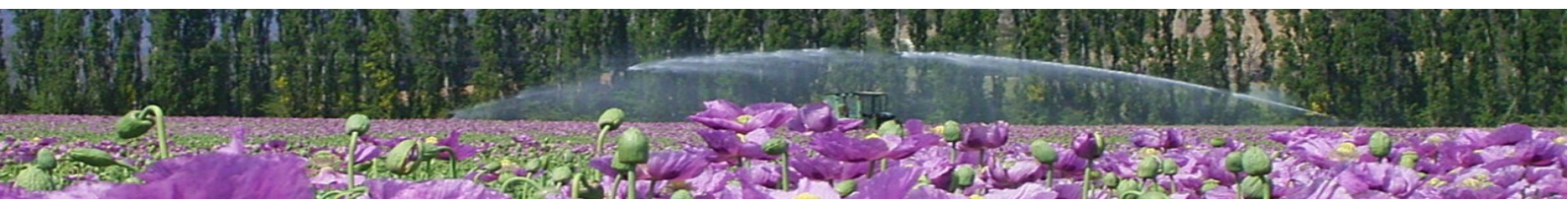
With the other schemes, such as the Kindred/North Motton Scheme and Forthside Scheme and the Dial Blythe Scheme, there is a co-locality with high rainfall zones.

If it isn't Broken, Don't Fix it

The starting point is simple. Tasmania's current water management system is valued, respected and very much observed by farmers as its key stakeholders. Consequently, moves to change the system will be questioned.

Poppy Growers Tasmania has considered the Rural Water Use Strategy Position Paper issued in March 2020.

Poppy Growers Tasmania did participate in the preceding review or discussions about present water use arrangements. This was through the consultation and "internal analysis" referred to on page 6 of the Paper.



Emphasis is drawn to the following extract:

“The general view was that to date the framework has been working well and that while improvements could be made through relatively minor changes to legislation and policies, no wholesale changes are required”.

Poppy Growers is familiar with the consultations which took place because it participated. What is not clear is the Department’s own analysis which is also referred to in that introduction.

Without access to those documents, it is unclear as to how the summaries have been made and indeed, in terms of the Department’s own analysis, why it is suggested that there are needs to “raise” issues and ideas within the following “in-scope themes”, e.g. allocation of water, valuing our water resources, water markets, compliance and enforcement, and so on.

About Poppy Growers Tasmania

PGT was established on an informal basis in 1964 to assist growers as the poppy industry was in early establishment phase in Tasmania.

It was formally established in 1971 along with the poppy industry’s first commercial production in Australia, at that time based solely in Tasmania.

Poppy growing remained solely in Tasmania until approximately 2015 when some production was undertaken on mainland Australia.

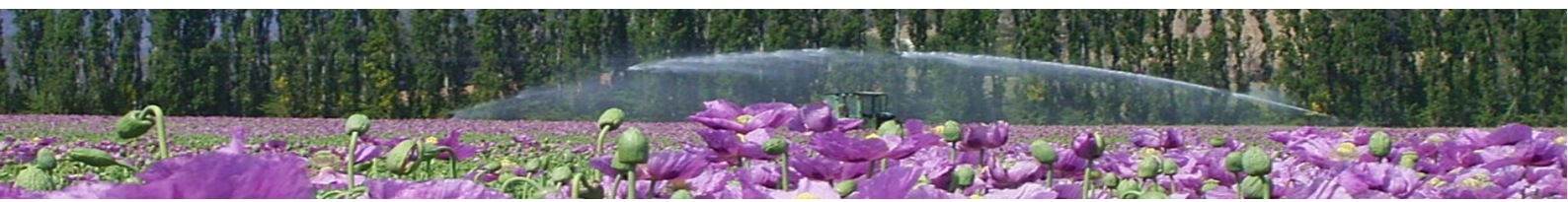
Today Australia produces approximately 50% of the global demand for opiate based pain management medicines for the world pharmaceutical industry. Tasmania produces approximately 95% of that demand.

PGT is a voluntary, not-for-profit grower association with a Committee of Management consisting of 14 poppy growers drawn from each growing area of the State. Approximately 93% of poppy growers are members of PGT.

There are approximately 450 poppy growers spread across the entire growing area on the North West Coast, North East Coast, Northern Midlands, Midlands, Southern Midlands, Central Highlands and Derwent Valley.

In fact Poppies are grown in all of Tasmania’s nationally acclaimed irrigation areas.

PGT is the peak industry organisation charged with representing the interests of Tasmanian poppy growers in respect of security, governance and commercial matters at all levels of Government, State, National and International, including ongoing liaison and negotiation with the three licensed and approved Australian poppy companies.



New Red (and Green) Tape is a Red Flag to Farmers

While the 20th Century system based of common law riparian rights had almost no red tape, the red tape introduced steadily through regulation and Departmental Policy over last two decades has been generally accommodated as a cost of doing business. Farmers have undoubtedly incurred increasing regulation with changes in attitudes to dam construction and surety allocations becoming less reliable but the 2019 review shows that the increase in red tape has been accommodated by farmers and while leading to cost on development and inefficiencies for production, the system of allocation management has been accepted.

There is real apprehension that any new system changes will increase regulation and cost sharply and irreversibly and most worryingly, reduce available water in both the short and long term.

Tasmania does not have to follow Mainland States on everything

On water, in terms of supply and usage, Tasmania is unique.

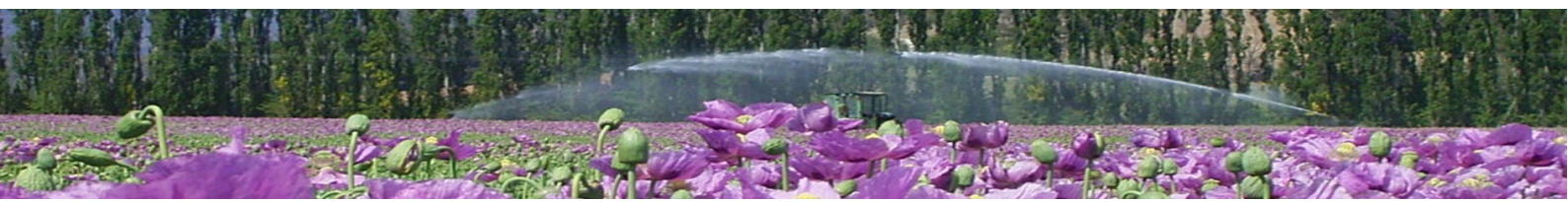
There is real fear that Tasmania will be taken towards mainland models which are increasingly restrictive in face of political pressures to manage a dry climate, such as by including surface water as water to be managed. Mainland systems have also, notoriously, enabled third party financial interests in water to steadily increase so as to see water and land tenure diverge to the point of supply side shock in terms of cost expense with spot market prices with farmers priced out of irrigation.

The Paper lacks analysis of the value contributed by current systems instead focus appears to be on reducing consumption, reducing allocations, diminishing what PGT sees as one of Tasmania's key agricultural advantages of maximising available water in intensive cropping areas at low prices.

PGT says that its members back themselves in their use of water year in, year out. Every poppy season relies on up to 4 megalitres per hectare. Efficiencies have been occurring rapidly, as wasteful systems such as overhead water guns on travelling irrigators disappear to be replaced by overhead sprinkler systems. Reduced water use, in terms of the more efficient use of water is a naturally occurring market driven consequence of the need to make every litre count, to enable reliability of existing systems, reduce costs by way of electricity to seek improved yields at less cost.

There has to be recognition of the current model driving the rural economy.

Irrigation Schemes are not the single solution to our water demands. Every drop from a scheme might add value to something that is grown but look closely and where schemes can be accessed when needed to supplement on-farm storage or add new farm water where there was none, it stacks up an expense on the profit and loss on a recurring schedule.



This is even when no water is used in some wetter years, the cost being due to the ongoing scheme management costs. There is no opt out.

PGT has previously endorsed and continues to endorse the 2050 vision of the Government to increase agricultural output to \$10Bn by 2050.

In the pursuit of farmgate growth it is critical that attention is given to the 'supply' side of agriculture to enable farmer access to the water resource at the least cost.

Some may argue that greater cost will drive greater investment in higher value crops but this is simplistic and disregards the production systems that support poppy production, vegetables including vegetable process manufacturing, dairy and livestock, arguably the 4 key commodities that reliably produce and create export value.

Tasmania has almost uncritically adopted, i.e. with no public debate and on a bipartisan basis, a high-cost approach to irrigation pricing for water in the Irrigation Schemes such as the cost of unit purchase and annual charges plus on farm infrastructure. The difference is stark where there is no cost for the water in naturally harvested on-farm storage beyond the capital works of building the dams and distribution systems.

International comparisons, such as done previously by PGT considering the Portuguese model which is designed to maximise supply rather than price, reveal that there are very different policy positions adopted by other countries who also strive to boost agricultural production through greater irrigation.

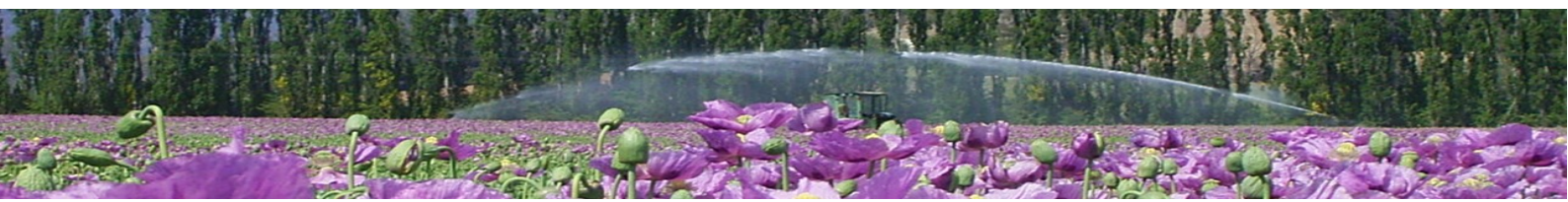
The Portuguese Alqueva Dam and Irrigation Project arose from an idea from the 1950's, based on the theory that major investment in public works should generate economic development in depressed regions. The Alentejo Irrigation Plan called for the irrigation of 150 000 ha of land, with most of the water coming from a major dam on the river Guadiana at Alqueva to provide water to the area over a 3 year severe drought. It also has a power station and capacity for pumped hydro, considering it was built from the mid 1990s this was well ahead of its time.

The project is a government agency, run by EDIA a public company which says of itself:

EDIA is a public company that manages the Alqueva Multipurpose Project.

Being responsible for a relevant instrument for boosting the economy, it is positioned as a strategic reference, contributing to the development, not only of the region, but also of the country.

Today EDIA is recognized as a solid and strategic Company for the promotion of Alqueva region, making its agricultural component profitable; for the establishment of facilitating bridges between investors and local entrepreneurs, with a view to partnerships in various business areas, as well as being directly responsible for the design, construction and operation of the infrastructures of Alqueva Multipurpose Project. (see <https://www.edia.pt/en/about-us/>)



In contrast to a focus on development, the White Paper looks inwardly at management and with an inference of constraint and limitation. The potential of the Paper -to spark ideas to assist in the 2050 vision is much disadvantaged by omitting any economic analysis of the value of on-farm storage for commodity crops, like poppies, that do not deliver the high returns per hectare potentially achieved by grapes, nuts, cherries, olives etc that in reality are better suited to the naturally drier areas of the state such as the East Coast and Lower Midlands.

Where is the focus on water management on the map of Tasmania?

Of concern and despite the demonstrated capacity for farmers in catchments to cooperate and self-regulate water use, the case strongly advanced is for universal metering. The need to metering is for unknown ends, as this extract from page 24 sets out in ambiguous words:

Stakeholders suggested that an improved understanding of irrigation patterns and how users manage the range of different water products that are available would ultimately lead to improved and more effective management of the State's water resources.

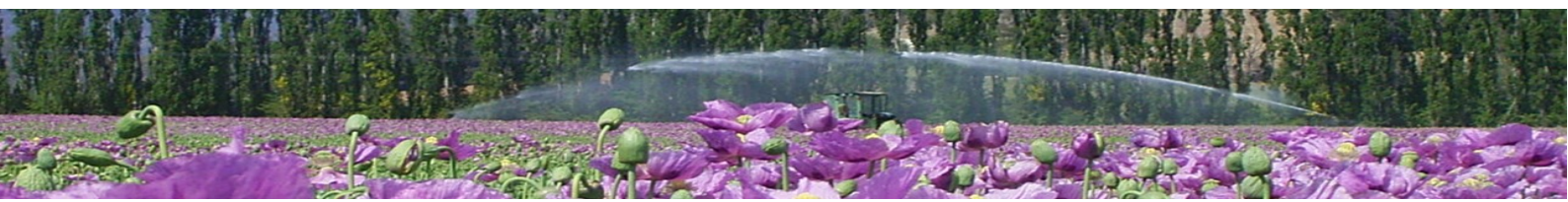
What is 'improved' and 'more effective' is subjective. The potential is for wholesale interruption of long-established use patterns, which can be year round, by the intrusion of meters policing every litre pumped, transferred or stored, regardless of actual flows of watercourse flow, springs and surface water after rain events, into and out of each dam. This will take local and individual decision making away from the farmer. One size fits all red tape will see Big Brother style monitoring, pumps switched off and a bias towards purchase of bought water through Schemes. Not only will that add to cost it will also likely be impossible in areas where Schemes were only built to the capacity of close to or the actual initial allocation amounts.

The policy objective may have moved a long way from the riparian rights that lasted until 1999 when this kind of thinking is appreciated:

Given that access is granted to take a public resource and use it for private benefit, and there are clear limits on the extent of rights granted and conditions to which they are subject, it is important that those who hold such a right are accountable for the water that they take. As the value of water, investment in irrigated agriculture and the size of the water market continue to grow in Tasmania, and as management becomes more complex as different water products emerge, the need for accountability is increasing. Lack of accountability has the potential to undermine investment in the water sector if the security and certainty of water entitlements cannot be demonstrated.

What is meant by **investment** is not clear.

It is the case that irrigation scheme unit speculators have complained about farmers "using" free water and about farmers not subscribing to Schemes or for the use of water from unit allocations owned by the investors? As ABC News reported on 8 November 2015:



There are claims that as Tasmanian farmers face an impending drought, some are taking water from river systems they have not paid for.

(A) Melbourne-based investor...(owns)... water in Tasmania's irrigation schemes.

He believes more water is going missing than can be accounted for through evaporation losses and wants authorities to keep a closer eye on the state's catchments.

"If there's no policing there's going to be anarchy," he said.

"We have to have some policing, it's not acceptable to let people take some water out of those river systems and irrigation systems for free when farmers have paid good money — including myself — have paid good money to get access to that water.

..."It needs to be policed, otherwise the Government's good work in building the system — the Federal and State Government — and people like me and hundreds of other farmers which have paid for that system to be built, we're just losing value in our water licences," he said. ...

Have investors failed to get expected returns on their investments and cried foul to Government and Tasmanian Irrigation?

As at page 36 of the Paper:

Some stakeholders had reservations about water trading on the basis that it could result in speculators reducing the volume of water available for use and driving up the price of water. Stakeholders were keen to ensure that any development of a water market in Tasmania would have measures in place to limit opportunities for well-funded external parties to invest in water to the potential detriment of local users. Stakeholders were keen to ensure that as much water as possible is made available for productive use.

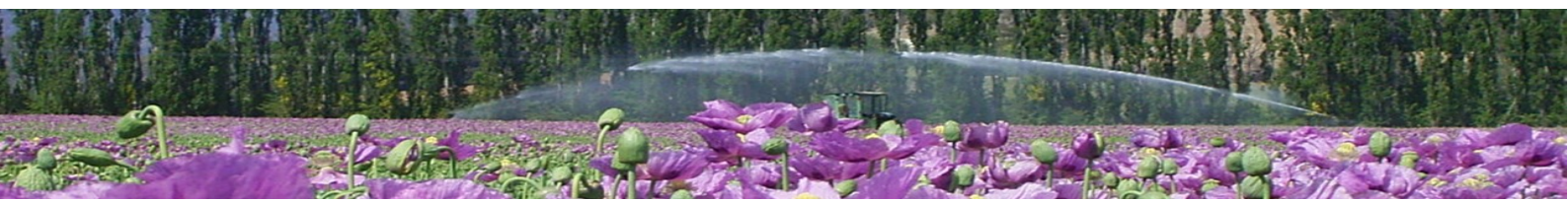
Must Tasmania strictly follow the Mainland?

References to Tasmania's sign up to National Water Rules may be leaned on to argue for more regulation and restrictions.

But the mainland water rights 'disease' could spell trouble for Tasmanians.

ABC 7:30 Report on 11 June 2020 featured a story about the problems farmers faced in buying water to keep crops like grapes alive. As the introduction read:

Water is arguably our most precious resource. These days it's also a booming commodity, with irrigation water being traded and sold like shares on the stock market. Now there's growing concern that big investors are making a killing while farmers face soaring prices.



The interface between reliance on irrigation schemes through to full on-farm storage-based irrigation is not explored in the paper at all. It should be as it is a critical determinant of cost and productivity.

The Position paper discloses no Scheme by Scheme analysis of usage over a period of seasons, particularly where there is a hybrid mix of on farm storage and scheme availability.

From page 44, the Paper promotes the Irrigation Schemes as the primary driver for irrigation. Yet this claim ignores existing farm water and is not supported by any empirical indication of the levels of non-scheme irrigation which could at least be indicated by the base storage allocations across the state.

The Paper advances a theme of increasing tension about water use and management, a tension that stands apart from the stakeholder contentment with the current WMA.

The paper is unclear as to water use outside the modified agricultural areas, with public and hydro areas often removed from agricultural areas.

Tasmania is an island of contrast. At least half of Tasmania is 'locked up'. Of the other half, the vast majority is not arable. For nearly 5/6 of the area further human modification of the environment is blocked by law, land tenure and by landform, or a combination of all three constraints.

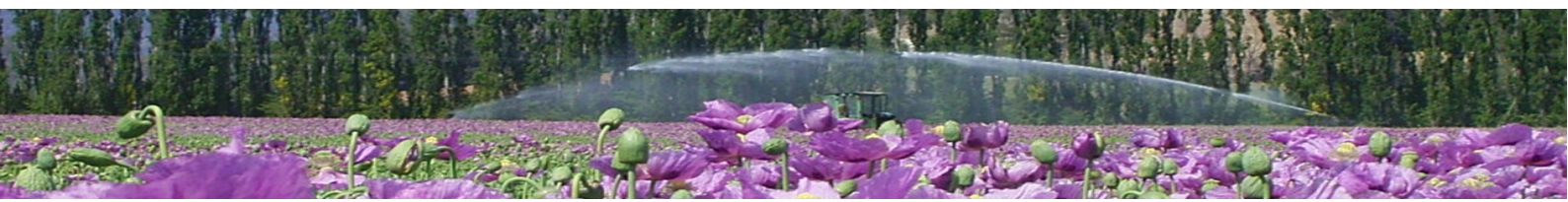
Large swathes of Tasmania's landmass are long distant from human habitation and so out of sight and out of mind. What is in sight are the proportionally tiny highly modified industrial farming landscapes, through which main roads run, such as the Midlands and Bass Highways. With long vistas of rural landscapes, passers-by could be forgiven for thinking that these highly modified landscapes are sizeable and take up most of the state. But they represent a small fraction of Tasmania's 6.1 million hectare landmass. As is pointed out in the paper, 100,000 hectares is the most productive area, expanding to 200,000 with irrigation schemes.

As a former Prime Minister said in 2014 as quoted in the Guardian on the 5th March 2014:
Mr Abbott said –

"the Green ideology has done so much damage to Tasmania. We all know that Tasmania has the lowest wages in our country. It's got the lowest GDP per head in our country.

"It's got the lowest life expectancy in our country. It's got the lowest education attainments in our country and it's got the highest unemployment in our country and funnily enough, for the last eight years it's had a government, in large measure, dominated by the Greens," he said.

While the above extract is purely a political argument, the underlying facts remain sadly true. PGT accepts that for Tasmanians that the pursuit of policies that will improve the standard of living for all Tasmanian's is fundamental policy. Agriculture will pay a large role in that



transformation. The introduction of red-tape constraints on production could break the production systems already strained by economic forces and the COVID “New Normal”.

Attention is drawn to the significant concession on page 8 that,

“Notwithstanding that stakeholders were generally happy with the state’s existing freshwater resource management arrangements, discussions with the stakeholders and the Department’s own analysis highlighted several areas where the water management framework could be improved to ensure that Tasmania has a “future focussed, adaptable and agile water management framework”.

The difficulty in making such a conclusion is that in the absence of stakeholder concerns and empirical data, which is consistently lacking to support such a broad phrase, the contribution to the white paper is therefore challenged.

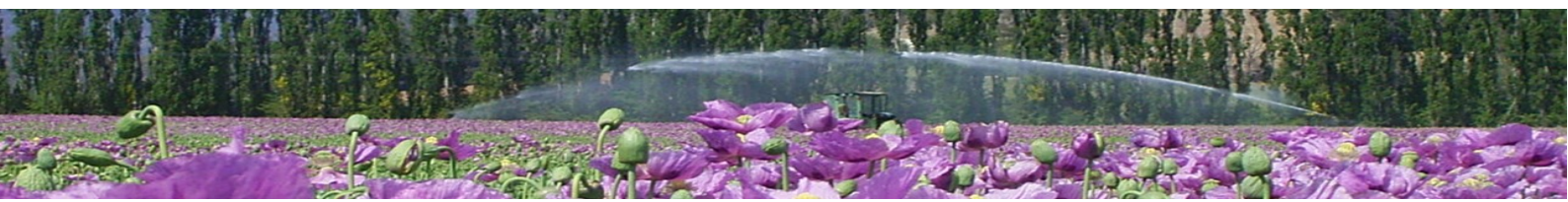
It is not readily apparent that there is any opportunity to provide a “more contemporary legislative framework” for water management, or to deal with emerging issues or, as the paper suggests, provide greater clarity within the water management framework.

The indication that access to water is “increasingly less reliable”, e.g. para 1.1.2 is not made out on the facts. With the irrigation schemes largely directing water to existing industrially cleared land in long term farming districts, there has been a transfer of water from non-farming areas generally through industrially developed hydro-electric storages through to such zones. This has seen importing of water to catchments on a massive scale. The advantage and distinction that Tasmania has to other states is that other states, and in particular inland Victoria and New South Wales, are dependent upon the river systems and not storages. The river systems are notoriously oversubscribed and prone to extensive droughts. Tasmania’s systems are vastly different and it continues to be stated that Tasmania enjoys significant rainfall amounts above that of mainland catchments.

It can be said that the use of existing water sources to convey water from irrigation schemes is a clumsy or crude distribution system. Nevertheless, it is the case that empirical study of Tasmanian farms will reveal significant installations at landowner level of piping systems since the 1990’s, in particular PVC underground mains to convey water, both for delivery and transfer. Piping systems see no net loss to the environment, either through ground leakage or evaporation, which is a contrast with the use of streams to deliver water.

An area for refinement is additional focus towards encouragement of landowners to develop piping systems for water transfer as opposed to water course systems above the ground.

A matter that has not been touched upon is the relatively small area which is irrigated arable land within Tasmania. Info box 8 on page 45 suggests that in 2017-18, 100,105 hectares were irrigated with the gross value of production off that land at \$999,000,000. Some 8% of land used for agriculture is therefore irrigated. The increase seems to be largely due to the schemes in Tasmania’s Midland region.



This suggests that expansion within traditional irrigation areas has slowed in keeping with the perception also advanced in the paper that allocations are reaching limit

It Isn't Broke: Tasmania's rural water system

The question can be asked – is the paper looking at a problem that actually doesn't exist?

Arrangements for district led schemes, from rivers, to farms that are not adjacent are rare in Tasmania but formed the backbone to what is now manifested in the Irrigation Schemes.

The supply of water in certain districts has been farmer led by local groups, such as in the Circular Head area and at Don. The Irrigation Clauses Act 1973 enables the local entity to:

- (1) make channels capable of carrying water to the boundary of, or through, every piece of land in the irrigation district; and
- (2) make such channels at least to the boundary of every piece of land in the irrigation district in respect of which an irrigation right is in force, or which is subject to payment for water supplied for irrigation.

With the Schemes once set up as Trusts, as the “undertaker”, rules saw fair play:

An undertaker must not supply water for irrigation or for any other purpose until domestic or stock purposes have been first supplied by the undertaker.

Construction of irrigation schemes has rolled out in the last decade.

The right to a supply of water for irrigation may arise:

- (1) under the system of irrigation rights; or
- (2) under the system of general availability of water.

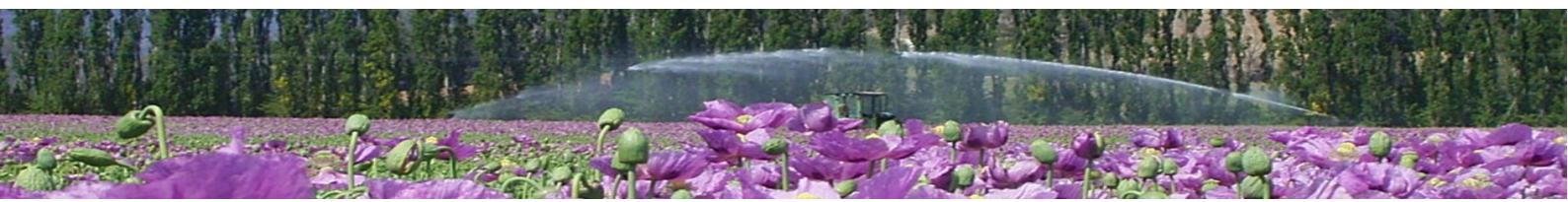
Under the system of irrigation rights, an undertaker — or water entity responsible for the administration of an irrigation district — may grant to the occupiers of land in an irrigation district and their successors a right to be supplied in each irrigation season with a certain quantity of water for irrigation. Irrigation rights may be granted for financial consideration or free of charge, and with different sureties to the extent that the right to a supply of water may be abrogated or restricted where the undertaker is unable to supply sufficient water.

The grant of an irrigation right is subject to:

- (1) any by-laws made by the undertaker; and
- (2) provisions for how, when, and in what circumstances water may be taken as may be specified in the grant.

Under the system of general availability, occupiers of land in an irrigation district may, subject to the undertaker's by-laws, take such water for irrigation as the undertaker has or makes available to them.

Where land in respect of which an irrigation right is in force is divided into pieces that are separately occupied, the undertaker may revoke the irrigation right granted in respect of all



the land and grant irrigation rights to the occupiers of the pieces into which the land is divided. A person proposing to divide land may apply to the undertaker for its agreement to a scheme of division.

The holder of an irrigation right may transfer it with the approval of the undertaker and on compliance with such conditions as may be approved by the Minister. The conditions may relate to the availability of water, the infrastructure required for the supply of water, the impact of the proposed transfer on the environment or the maximum amount of water that may be taken.

The conditions may also require payment of a fee.

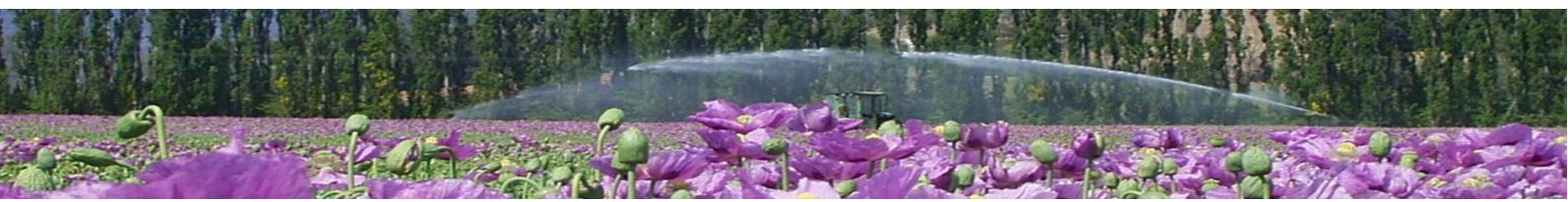
An undertaker may supply water for domestic purposes in an irrigation district, and must meet demands for water for domestic supply before those for irrigation. Subject to any contracts for domestic supplies, an undertaker must at all times as seems to it reasonable meet all demands for water for irrigation so far as its own supply of water allows, and where its supply is insufficient the undertaker must give diminished supplies all round in such proportions as seems to it just, taking into account the differing losses that the landowners are likely to suffer due to an insufficient supply of water and the surety attaching to the irrigation right.

An undertaker must, before each irrigation season, determine a rate per megalitre or other quantity of water which is to have effect throughout an irrigation district or in such part of the district as may be provided by the by-laws. Every person having an irrigation right is liable to pay the sum due on the first day of the irrigation season. The undertaker has a charge on every tenement within the water district for all amounts due. Water may be cut off where payment of rates or charges is in arrears.

The statutory scheme is well set up and without tangible points to be changed, the imperative to alter the rules fades on review of what has been set up already.

In a rare dispute alleging negligence or breach of statutory duty about a dam licence the Supreme Court reviewed the Water Management System in Gunns Limited v State of Tasmania [2016] TASFC 7. Chief Justice Alan Blow reviewed the case for Gunns about the State's failure to approve a dam licence:

[10] The legislation in question in this case has been enacted for public purposes. The relevant objectives are set out at length in s 6 and Sch 1 to the Act. The relevant public purposes concern the allocation of the State's water resources and the protection of the environment. It is true that some objectives are concerned with the "economic development of water resources" and "economic benefits resulting from the sustainable use and development of water resources for ... commercial activities dependent on water": s 6(1)(a) and (b).



However, when the Minister or a delegate makes a decision whether to grant a water licence and, if so, upon what conditions, the decision-making process requires a taking into account of the competing interests of applicants and other users of water, as well as any possibility of desirable future development, and the need to protect the environment.

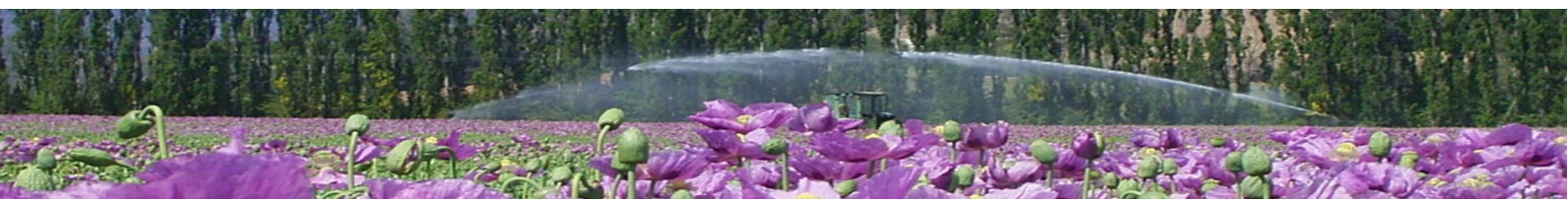
[18] Under s 56(1)(b) of the Act, it was possible for a water licence to be endorsed with a water allocation that specified the maximum volume of water that the licensee was permitted to take from the watercourse in question. The evidence established that such endorsements were common. Decision-making in relation to water allocations had to accord with the applicable statutory objectives, as well as the requirements of ss 63 and 64. In the circumstances, Gunns had no reasonable basis for assuming that it would be granted a licence with a particular water allocation. It is true that an assessment of the likely allocation was made in 2005. But where environmental factors are concerned, it is not uncommon for government policies to change, to the benefit of the environment and to the detriment of those who wish to profit from exploiting natural resources.

[19] ... S6 The objectives of this Act are to further the objectives of the resource management and planning system of Tasmania as specified in Schedule 1 and in particular to provide for the use and management of the freshwater resources of Tasmania having regard to the need to—

- (a) promote sustainable use and facilitate economic development of water resources; and
- (b) recognise and foster the significant social and economic benefits resulting from the sustainable use and development of water resources for the generation of hydro-electricity and for the supply of water for human consumption and commercial activities dependent on water; and
- (c) maintain ecological processes and genetic diversity for aquatic and riparian ecosystems; and
- (d) provide for the fair, orderly and efficient allocation of water resources to meet the community's needs; and
- (e) increase the community's understanding of aquatic ecosystems and the need to use and manage water in a sustainable and cost-efficient manner; and
- (f) encourage community involvement in water resource management.

[34] From February 2006 a different assessment tool was used to assess water licence applications. The new assessment tool is called the Farm Dam Assessment Tool or FDAT. According to Mr Curran, with whom Mr Shackcloth agreed, the FDAT tool was very similar tool to the SKM tool

In Tasmania, an owner or occupier of land may take dispersed surface water from the land for any purpose and, if there is a well situated on the land, he or she may take water from that well for any purpose. (TAS) Water management Act 1999 s 48(4). However, a licence to take water may be required if a water management plan provides that a licence is required: *ibid* s 50. Under *ibid* s 14, a water management plan may include dispersed surface water.



'Dispersed surface water is:

- (1) water flowing over land otherwise than in a watercourse after having fallen as rain or hail or having precipitated in any other manner or after rising to the surface naturally from underground; or*
- (2) water in list item (1) that has been collected in a dam or reservoir.*

(TAS) Water Management Act 1999 s 7(1) (abolishes common law rights with respect to the flow or taking of naturally occurring water)

A licensee may transfer a licence (including any water allocation) to another person. The transfer is subject to conditions of the licence regarding transfer (if any) and may be conditional, absolute or for a limited period. The (TAS) Water Management Act 1999 (the 'Act') provides that the Minister must approve an application for transfer that:

- (1) complies with the application requirements;*
- (2) is consistent with the Act's objectives and relevant water management plans;*
- (3) could not reasonably lead to material environmental harm or serious environmental harm;*
- (4) will not significantly adversely impact on others taking water from the relevant water resource; and*
- (5) is accompanied by evidence that a person registered as having a financial interest in the licence water allocation has consented to the transfer.*

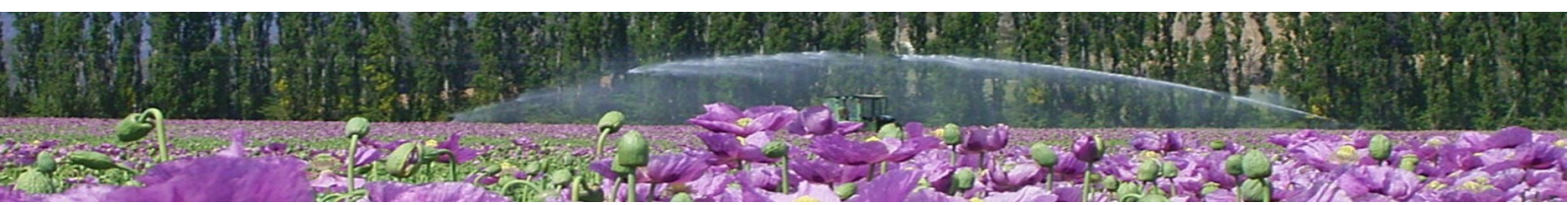
When a water allocation is transferred, the Minister may approve the variation or transfer of a licence if:

- (1) the water resource specified in the licence is a watercourse; and*
- (2) the transfer of the water allocation will result in*
 - (a) water being transferred from that watercourse to one of its tributaries, or*
 - (b) water being transferred to that watercourse from one of its tributaries.*

The Minister may refuse the application on grounds prescribed by the Act, such as where the transfer would be inconsistent with the objectives of the Act or any relevant water management plan, or impose conditions on the transfer. Within seven days after approving or refusing an application, the Minister must give written notice of the decision and of review or appeal rights to the applicant.

Application for the transfer of a special licence may be made by the holder of the licence to the Minister and transferred to a transferee who fulfils particular statutory requirements to hold such a licence. Unless the transfer would be contrary to the Act's objectives, the Minister must approve the transfer. However, before considering the application, the Minister must consult with the Advisory Committee.

After examining the system, the Department's processes were upheld.



The system has been subject to the tests of drought, demand and supply shocks and even litigation. It can be said to have been very durable.

The introduction of the *Water Management Act* in 1999 was a radical shift in the legislation and systems around water use. For the first time, the common law rights of riparian access were entirely removed and effectively the water resources that occur on land through water courses were codified and, to use a phrase, “nationalized” by the WMA.

It is the case historically that there was little or no objection from the agricultural sector to those changes and there has been a high degree of trust placed in successive governments about the sympathetic attitudes to traditional water use that appear to have led to stakeholders saying that 20 years on there is no need for wholesale changes.

Both practically and politically, it will be an extremely significant departure from this settled status quo which has its antecedence well into the 20th century, if not before. If there were significant changes to some of the “issues and ideas” within the in-scope themes abovementioned.

PGT seeks to be heard further on these critical matters.

