

SUBMISSION TO THE PRODUCTIVITY COMMISSION NATIONAL WATER REFORM INQUIRY 2024 – RESPONSE TO INTERIM REPORT

23 April 2024

Irrigation Australia is pleased to provide the following submission in response to the National Water Reform 2024 invitation to submit additional information on its interim report. The responses below refer to one specific information request.

Background

Irrigation Australia Ltd is the peak national organisation representing the irrigation industry. Our diverse membership includes organisations and individuals from across the supply chain including primary producers, government agencies (at federal, state and local levels), manufacturers, retailers, system designers and installers and many other service providers. We are also a Registered Training Organisation delivering accredited training – specifically in irrigation technology, management and a range of certified short courses which support qualifications with a commitment to continuing professional development.

Our other key activities include a large range of member services, conferences and regional events, waterwise programs and advocacy.

From 2024, we are implementing a series of new activities under the "Irrigation Futures" banner. It includes four key program areas:

- 1. Irrigation industry profile and industry policy;
- 2. Adoption of best practice, including research and development;
- 3. Industry skilling, including Irrigation Training Australia (the RTO); and
- 4. Industry careers.

Finding, recommendation, information request

Draft finding 8.1 - Jurisdictions are not projected to meet their AS4747 metering installation commitments

No states or territories are on track to meet their commitment to have all new and replacement meters AS4747 compliant by July 2025. This undermines the ability of states to conduct proper measurement of watering limits and increases the risk of unreported water use and overextraction.

The private benefits for water users to upgrade their water meters to AS4747 standard are low and therefore not a sufficient incentive to upgrade.

Draft recommendation 8.2 - Improving the rollout of AS4747 meters

To better allow water users and the public to benefit from the improved AS4747 standard, jurisdictions should take steps to accelerate their rollouts.

Jurisdictions should:

- Report annually on non-urban water users' compliance with the AS4747 metering standards.
- Actively engage with non-urban water users to improve understanding of their metering compliance requirements.
- Set a higher bar when approving interim standard or grandfathered water meters.
- For both interim and grandfathered meters, water users should be required to actively prove their meter is accurate to within +-5% of AS4747 meters as is the requirement in Victoria, New South Wales and the Australian Capital Territory.

Information request 8.1 - What are the main causes of the low uptake of AS4747 meters by non urban water users for new and replacement meters, and what targeted interventions would be most cost effective in addressing this low uptake? What are the public benefits of metering?

The Commission has heard that there is a shortage of Certified Meter Installers and Duly Qualified Persons. What is causing the shortage, and how can it be overcome?

Response

Irrigation Australia is the national accrediting body for the Certified Meter Installer and Validator and Certified Storage Meter Installer and Validator qualifications. We train technical staff in the processes around meter installation and validation and work in concert with state regulators to keep those professionals informed of regulator changes as well as seek to continuously improve the quality of installation and management practices for meters. The draft recommendations refer to "DQPs" which incorporates other qualifications and **our comments below predominantly refer to CMIs.**

- 1. We agree that non-urban water users' compliance with the AS4747 metering standards should be reported. All of this information should be transparently reported along with any related compliance data on DQPs.
 - One of the most common comments we hear from regulators is that DQPs are not appropriately completing certificates or other administrative requirements to ensure accurate records are kept. As a Certifying Body it is critical to ensure quality of work and to maintain the integrity of the program to protect the professional reputation of all practitioners, and it is challenging to improve and educate in the absence of data.
- 2. We agree that there are greater opportunities for engagement with non-urban water users on compliance. Previously modest funding had been made available for a governance officer role which provided direct support to DQPs and worked with regulators in each state and our industry to develop Codes of Conduct and other support processes. This approach ultimately helped DQPs better engage with their customers and build understanding of compliance requirements and supported the efforts of staff in each state regulator working towards the same end. The key point is that collaboration across jurisdictions and with practitioners is crucial to achieving this improved understanding. A funded governance role would substantially assist this effort.
- 3. We are advised that a number of larger meters have risks associated with tampering and will never achieve pattern approval. There is merit in a program to work with manufacturers, regulators and the NMI to understand what the impediments are to setting a "higher bar" rather than assuming the regulators have a real choice. In addition, an assessment of the effectiveness of the requirement to actively prove meter accuracy in the listed states would likely assist in driving policy and regulation in other states.
- 4. The espoused shortage of DQPs has been mentioned in several reviews. As a key component in the supply of DQPs, we offer the following notes, many of which have been discussed with state regulators:
 - Certified personnel often report that the installation and validation of meters is not an economically viable business. There are some who focus on it and succeed, but typically it is an extra service offered by irrigation technicians in small businesses and it competes with other more profitable services.
 - o The interactions with entitlement holders who in general would prefer not to have their water measured are not always amicable.
 - The market matching is poor. We frequently seek information from regulators on the broad location of meters and schedule for validations to offer to DQPs to send a signal to the market of where there might be business opportunities.
 - There is a reputation of poor work in some areas. For our part we have commenced an extensive review of the training materials and created new Continuing Professional Development options for DQPs. There is a need for other support materials including strong standards/ drawings/ guides to support installations.
 - o The lodgement systems, both paper based and electronic, have historically been poor and the administrative load is often cited as a factor contributing to reduced interest in the work by DQPs.

While we have these discussions; until there is a strong, planned collaborative approach across jurisdictions and with the industry to address and clearly communicate to DQPs, with suitable investment, the challenge will remain. There have been suggestions in various reviews about reducing the training requirements to allow more trade occupations to undertake the work. From our perspective this would be a mistake. The introduction of more people doing casual jobs with limited experience can only lead to greater instances of poor installations.

Yours sincerely

Dave Cameron Chief Executive Officer