

Friday 21 August 2020

National Water Reform inquiry
Productivity Commission
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Dear Commissioner,

RE: National Water Reform Issues Paper

Thank you for the opportunity to provide input to this Inquiry on National Water Reform. As the peak body representing Australia's dairy farmers, it is critical that the Productivity Commission understands our position on water policy.

ADF has worked extensively with the National Farmers' Federation (NFF) to prepare a detailed submission to this inquiry. We support the NFF's submission, particularly the commentary around the following points:

- Since its creation in 2004, the National Water Initiative (NWI) has provided a valuable blueprint to advance water reform in Australia. However, it is clear that the NWI is now outdated and must be renewed to better reflect the lessons from past and current reform, and to provide a foundation to address future challenges.
- A renewed set of principles should centre on communities, trust and integrity, recognising the body of work that has been undertaken through the NWI.
- Adaptive Management: Water management, particularly in the Murray Darling Basin, must be genuinely 'adaptive' and ensure that new data is incorporated as it is available and that management arrangements should reflect this new information.
- Water Markets: The purpose of the water market must be re-framed in terms of achieving the outcomes that we want to see for all water users and the environment, rather than a continued focus on facilitating trade as an end unto itself. Whether or not the market is achieving the desired outcomes in the Murray Darling Basin is a key issue which has been highlighted by the forthcoming final report from the Sefton Review of Social and Economic Conditions in the Basin.
- Environmental Management: There is strong merit in a move towards assessing policy according to outcomes achieved, rather than assessing success using purely volumetric measures as is the case in the Murray Darling Basin Plan.

There have been several reviews of water policy over the last few years, particularly concerning the Murray Darling Basin Plan. ADF continues to call on the Australian Government to implement the recommendations from these reviews.

Should you require any further information, please contact Craig Hough, Director Policy and Strategy

We look forward to continuing to work with you on these important reforms.

Yours sincerely,

David Inall
Chief Executive Officer