



Murray Irrigation

HPE-WFF

Mr Christopher King
Acting Director, Purchase and Northern Infrastructure
Department of Agriculture, Water and Environment

Email: fodder.review@agriculture.gov.au

Thursday, 16 April 2020

Dear Christopher,

RE: Review of Round One of the Water for Fodder program

Thank you for the opportunity to provide feedback and views on Round One of the Water for Fodder program.

Our response is in two parts, the first being our principled view about how water should be distributed in times of low allocation when water saving initiatives are made, and the second part is to provide detailed feedback regarding the Water for Fodder program implementation.

1. Principle View on Water Saving Initiatives

Murray Irrigation welcomes and congratulates the Australian Government on any initiative that saves and releases agricultural irrigation water. Creating an alternate source of water through utilisation of a desalination plant was a clever approach in our view.

The most significantly impacted landholders were those who had low or zero allocations against their Water Entitlements in either New South Wales or Victoria. Water entitlement holders have equal rights to water when it is available, and we believe this principle should be followed whenever possible. When water is saved it should be distributed to those water entitlement holders who would have been next in line to receive water and distributed fairly through current mechanisms via the water allocation process.

Applying similar principles to 'Water for Fodder' would have meant a much fairer distribution of water to all entitlement holders, enabled the water to be released in a much timelier manner and saved an enormous amount of administration work to implement for both government and irrigation corporations.

Although valuable, 'Water for Fodder' distributed a relatively small amount of water to many landholders when the market value was around \$600/ML. This meant that the 'Water for Fodder' program became something like a lottery where one out of five farmers effectively 'won' a \$30,000 prize.

There were, in some cases, applicants who received two parcels of water. This is upsetting for the four out of five landholders who missed out on receiving water under the program.

2. Feedback for Round One of the Water for Fodder Program

We welcome the recent announcement that landholders are now able to carryover the water they obtained through the Round One Water for Fodder program. This has provided additional flexibility and ensures the most efficient and timely use of water.

We thank the Department for the opportunity to provide detailed feedback in the areas of interest outlined in your letter.

Eligibility Criteria

- Murray Irrigation has an internal administrative process that combines landholdings into single entities known as “amalgamation”. We continue to be able to determine what the original landholding entities were as they relate to voting as part of our constitution. The department made the decision that amalgamated landholdings were not eligible to submit multiple applications. These criteria meant that amalgamated landholdings were worse off. The number of applications made should be eligible based on original landholdings, providing that the applicant and the irrigation corporation can provide evidence (if requested) of this.
- If the next program is oversubscribed, the balloting process should only allow one successful application per landholding entity.
- In the event that the next round is oversubscribed, consider a pro-rata approach to the amount of water available to applicants, or against another unit such as water entitlements, to spread the water further over a greater number of applicants.

How and when the water can be used

- There needs to be more flexibility around where the water can be used. As long as the water is being used to grow crops that meets the program criteria, it should not matter which specific landholding the crop is grown on.
- In the application, the landholders also had to put in the coordinates of the paddock they were planning on growing the fodder. It’s important to note that circumstances often change and another location either on the same or related properties is more viable, the program needs to be flexible enough to accommodate these changes.
- As stated earlier, we welcome the ability of landholders to now carry over the water obtained through the Water for Fodder program. Where landholders do not have enough water entitlements to carryover against that landholding, they should have the ability to transfer it to another landholding they own that has enough water entitlements. They can then transfer the water back at the start of next season.

The application process

- The application process should be timelier, less complicated and have more support from Government. Round One was labour and resource intensive for Murray Irrigation, who’s staff who were caught up between frustrated landholders and departmental rules and procedures.
- For successful applicants, the next stage of the approval process needs to be much more streamlined, with an estimated date that water will be placed on the account so that landholders can prepare. Some landholders thought the water would be in their account sooner, to then find that their crops started dying before the water arrived. Delivering water takes four to six days to arrive.
- Given the number of stages, departments and complexity surrounding external trades, we recommend that customers should be able to log in to a portal and view the status of their application. For example, the application could be anywhere between the Water for Fodder team, South Australia, WaterNSW, Murray Irrigation or the Landholder. Murray Irrigation received many calls querying the status of their application and water delivery, and we could only direct them where we thought the issue may lie. This was also an issue for customers who thought their documents had been processed but had missed an email (went to spam/junk etc.) and were unaware that they were required to submit more information before it could be processed. We

suggest that a text message is sent at the same time as the email, to help negate some of the confusion.

- Murray Irrigation agreed with the Department with the method for managing “merged” accounts (“S” accounts); however, it seemed this was not relayed to all ‘Water for Fodder’ team members processing applications. Some applications were accepted initially while others were repeatedly rejected pending additional requirements.
- The application approval process should be streamlined to facilitate a bulk transfer to the licence to save a significant amount of time.
- If a customer’s application required further information/forms for approval, the customer had to resubmit their entire application and all forms and questions again. If further information is required, it should just be for that matter or specific form, not the entire application.
- There should be more payment options for the successful applicants instead of just credit card.

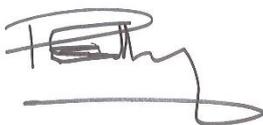
The impact of the program on our organisation (how they could reduce any negative impacts)

- Murray Irrigation experienced a significant increase in workload. In total we received 890 calls regarding Water for Fodder, with a peak of 179 in one day. Significant numbers of customers also visited our offices for help. At any one time we had up to six customers in the office seeking assistance with applications. This increased workload and used significant staff resources who were then unable to complete their daily tasks.
- Clearer communication is recommended from the Water for Fodder program to landholders and irrigation corporations regarding program details. The lack of detail caused a large volume of incoming calls that we were unable to assist.
- The list of conditionally approved landholdings should have been released to Murray Irrigation before Phase Two of the application process opened. This would have enabled us to proactively issue this information to landholders in a planned and streamlined way.
- Murray Irrigation should have been provided with a copy of the application in advance. This would have enabled us to help landholders more effectively. It also would have reduced confusion around the wording of the document
- There was frustration from landholders with the 1800 number and email address provided to get in touch with the Department’s ‘Water for Fodder’ team. There were very long wait times and email enquiries were not responded to. Landholders would then contact Murray Irrigation for help. The Water for Fodder program should be better resourced to manage peak demands and equip Murray Irrigation with necessary information to provide a better frontline service.
- Apart from Murray Irrigation’s contact within South Australia we had limited contact with ‘Water for Fodder’ staff. We recommend a Case Manager for each irrigation corporation to provide a timely response to queries so that it can be relayed to landholders.

This submission is not confidential.

Please don’t hesitate to contact Murray Irrigation on 1300 138 265 if you wish to further discuss this feedback. Once again, thank you for allowing us to provide feedback on the Water for Fodder program.

Yours Sincerely,



Philip Endley
CEO
Murray Irrigation Limited