



SRI

SOUTHERN RIVERINA IRRIGATORS

Southern Riverina Irrigators represent 1800 generational farming families across the Riverina. We are key contributors and supporters of a \$7 billion agricultural industry. Through dual-purpose irrigation water, we grow staple foods like dairy, rice, wheat, livestock and horticulture while supporting biodiversity on farm. Our economic generation underpins the success of our region socially, economically and environmentally.

WATER PRICING IPART

GENERAL COMMENTS

There has been a seismic shift in Australian water policy over the last two decades - what worked back then is certainly not working now. This is evidenced by the unsustainable business model of WaterNSW based on economic generation from productive water use and a forecast \$80million black hole.

As productive water use decreases so does revenue.

The problem lies in the fact there are competing interests for water and not everyone is on the same pay grade - the Government is now the biggest water user in the basin and continues to get a free ride when it comes to cost structure compared to irrigators.

As stated in previous submissions WaterNSW employees have acknowledged a decreasing productive pool due to the basin plan and water buybacks has rendered their current structure untenable and unsustainable.

WaterNSW has already laid off 1:4 staff and with a further 130GL buyback recently announced by Murray Watt, prepare for this to get worse.

MDBA costs are out of control

The MDBA have no way of generating income, in fact many of their decisions contribute to further economic demise for our state through poor river management, and, further compounding the problem of underuse of around 20 per cent (which NSW Murray unfortunately has a long history of).



- For the 2025-30 Determination period, the proposed total revenue requirement for the MDBA is \$226.3 million. In real terms, this is forecast to be **132% higher** than the 2021-25 average annual revenue requirement.¹
- For the 2025-30 Determination period, the proposed total revenue requirement for the MDBA user share is \$206.7 million. In real terms, the average annual revenue requirement is forecast to be **123% higher** than the 2021-25 average annual revenue requirement.²
- For the 2025-30 Determination period, the proposed total revenue requirement for the MDBA Government share is \$19.6 million, The average annual revenue requirement is forecast to be **274% higher** than the 2021-25 average

annual revenue requirement.

Groundwater, and unregulated and surface water users in the Murray Valley cannot carry the burden of this cost recovery.

It remains in the best interests of not just WaterNSW and the MDBA, but the whole country, to encourage productivity.

- It is worth noting Murray Valley consistently operates under the SDL to the tune of around 20 per cent every year – this underuse impacts on productivity and there are no provisions via a Water Sharing Plan to effectively address this issue. Underuse spirals into additional underuse and ever decreasing productivity.
- Changes to river management have also impacted on supplementary water access. In recent times, there have been various opportunities for a supplementary water allocation but changes to river management, loss of

¹ [2024-Pricing-Proposal-WaterNSW-Attachment-16-MDBA-pass-through-charges.PDF](#)

² [2024-Pricing-Proposal-WaterNSW-Attachment-16-MDBA-pass-through-charges.PDF](#)

PHOTOGRAPH TAKEN IN THE AUSTRALIAN MUSEUM CANBERRA

historical understanding (senior staff) and environmental watering has seen this opportunity dwindle.

If more water was returned to productive use, revenue would increase and we would not be in the predicament we are currently in.

WHAT WE NEED

IPART must take the time to get future cost determinations right and it is imperative stakeholders across NSW be involved in the consultation process moving forward.

Given the rushed time frames and lack of clarity or direction we believe the best decision is to hold cost increases at CPI until a more equitable model can be determined.

Before any draft plan is issued there must be consultation with user groups so IPART fully understand the problems at the core of this issue and how they can be resolved.

- departments and stakeholders must share resources and information
- technical resources to develop options and scenarios must be sourced by IPART and shared with stakeholders for revision
- we do not have the technical expertise to implement funding models other than to say the current model is failing badly and ‘user pay’ must extend to other water users for a more equitable system moving forward.

We urge IPART to explore alternative models to better reflect service use, public benefit and capacity to contribute.

Only 28 per cent of the total volume of water in the basin is used for irrigation industry and towns - 72 per cent supports environmental and broader outcomes.

Water travels vast distances across the basin and without the irrigation infrastructure built by our forefathers, the Murray River and other tributaries would run dry, towns would be without water and environmental outcomes would be limited.

It is not just an irrigator problem!



CONCLUSION

It is imperative IPART give pricing the appropriate time frame to reach a satisfactory conclusion. Again we reiterate costs be capped at CPI until critical policy work is completed and discussed with stakeholders.

There is currently no direction/information and this is unsatisfactory.

- **IPART must release an early indication for charges, ahead of the draft pricing decision being released in March 2026.**

We reiterate the issues impacting productivity in Murray below are not going away

- **increasing water delivery costs**
- **increasing government charges**
- **increasing water prices**
- **underuse**
- **reducing supplementary access**
- **buybacks/basin plan reform**
- **decreasing productive water**

Ensuring long term sustainability for regional areas is imperative for economic success and must at the forefront of any future cost structure.

Our farmers have been burdened by a continual influx of changing policies, red tape and increasing costs and it needs to stop.