



National Irrigators' Council

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Agricultural Competitiveness

*Australian Government
Green Paper 2014*

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The National Irrigators' Council is the peak body representing irrigators in Australia, supporting 31 member organisations covering the Murray Darling Basin states, irrigation regions and the major agricultural commodity groups. Council members collectively hold approximately 7,000,000 megalitres of water entitlement.

The Council represents the voice of irrigators who produce food and fibre for Australia and significant export income. The total gross value of irrigated agricultural production in Australia in 2012-13 was \$13.4 billion. {ABS} Irrigated agriculture produces essential food such as milk, fruit, vegetables, rice, grains, sugar, nuts, meat and other commodities such as cotton and wine. The Council aims to develop policy and projects to ensure the efficiency, viability and sustainability of Australian irrigated agriculture and the security and reliability of water entitlements.

National Irrigators' Council Principles

The National Irrigators' Council objective is to protect or enhance water as a property right and to champion a vibrant sustainable irrigation industry.

The Council's policy positions are guided by the following principles:

- *A healthy environment is paramount
 - *Sustainable communities and industries depend on it**
- *Protect or enhance water property rights
 - *Characteristics of water entitlements should not be altered by ownership**
- *No negative third party impacts on reliability or availability
 - *Potential negative impacts must be compensated or mitigated through negotiation with affected parties**
- *Irrigators must be fully and effectively engaged in the development of relevant policy*
- *Irrigators expect an efficient, open, fair and transparent water market*
- *Irrigators require a consistent national approach to water management subject to relevant geographical and hydrological characteristics*
- *Irrigators expect Government policy to deliver triple bottom line outcomes*
- *Regulatory and cost burdens of reform must be minimised and apportioned equitably.*

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1. Executive Summary

The National Irrigators' Council (NIC) is pleased to provide this submission to the Australian Government's Agricultural Competitiveness Green Paper. The Paper outlines the views of the Australian public on the issue of the health and future of Australian agriculture and provides options proposed by stakeholders for improving the competitiveness of the sector.

The Paper notes: *'The Australian Government's agricultural policy is driven by one key objective: to achieve a better return at the farm gate to ensure a sustainable and competitive Australian agriculture sector'*.

While the nine Australian Government agriculture policy principles outlined in Figure 1 of the Green Paper Overview are worthy ones, this submission focuses on Principle 1, specifically:

'.....an agricultural policy that increases returns at the farm gate – by reducing costs and unnecessary barriers to productivity and profitability'.

The NIC seeks to highlight the barriers to productivity, profitability and financial viability of the irrigated agriculture sector. As price takers, irrigators operate on low margins and even small increases in input costs further erode profitability and competitiveness in what is already a highly competitive and tough international environment.

While the NIC supports moves by the Government to improve Australia's agricultural competitiveness through the range of initiatives posed in the Green Paper, existing barriers to productivity must be addressed. In submissions to the Australian Government's Energy Green Paper and the Competition Policy Review we sought to highlight the issues currently impeding the profitability and sustainability of Australia's irrigated agriculture sector, a recognised contributor to the national economy and to the social and economic wellbeing of local communities.

The prices irrigators receive for their food and fibre products have not matched the unfettered escalation in electricity prices, and particularly the network cost component. Price rises have been far in excess of the Consumer Price Index (CPI) primarily due to the way tariffs are now calculated. The cumulative increases in electricity tariffs are leaving many producers finding it unviable to irrigate using existing electricity infrastructure.

While the removal of the Carbon Tax is a welcome move, it provides insufficient relief from inflated and unjustified electricity prices. The NIC seeks genuine reform of network charges that will result in greater benefits for consumers.

Investment by Government in the improvement and modernisation of existing water resources and roads and rail infrastructure will also play a critical role in supporting the profitability and competitive capacity of the sector.

The submission will in addition, seek to address the proposals put forward by stakeholders for consideration by Government in **Chapter 9: *Water and natural resource management***, focusing on:

- Dams and water infrastructure
- Water markets
- Amending the Environmental Protection and Biodiversity Conservation (EPBC) Act 1999.

2. Introduction

The NIC is the peak body representing irrigators in Australia, supporting 31 member organisations covering the Murray Darling Basin states, irrigation regions and the major agricultural commodity groups. Council members collectively hold approximately 7,000,000 mega litres of water entitlements.

Irrigated agriculture contributes to the social and economic wellbeing of rural and regional communities and to the national economy producing goods such as milk, fruit, vegetables, rice, grains, sugar, nuts, meat and other commodities like cotton. The total gross value of irrigated agricultural production in Australia in 2012-13 was \$13.4 billion. *{Australian Bureau of Statistics}*

The NIC represents the voice of irrigators who perform a vital role in producing food and fibre for local consumption as well as making a significant contribution to Australia's export income. The NIC aims to develop projects and policies to ensure the efficiency, viability and sustainability of Australian irrigated agriculture and the security and reliability of water entitlements.

The NIC is directed by guiding principles designed to underpin current and future policy decisions impacting on our members. It is funded by irrigators for the benefit of irrigated agriculture which provides jobs in rural and regional communities.

3. Recommendations

3.1 Electricity costs

The NIC proposes the following suite of measures to assist in reigning in electricity prices to ensure that network supplied electricity remains a cost-effective source of energy for irrigators.

The NIC recommends:

- a 30% reduction in electricity costs through immediate reform of network charges;
- the Australian Energy Market Commission (AEMC) approve a rule that would allow irrigators to be a separately classified customer across Australia.
- a national suite of volume-based specific irrigation tariffs, reflecting irrigation demands on the network in terms of base load and off-peak use and including worthwhile time-of-use incentives for irrigation during off-peak periods and during weekends.
- the regulated asset base of electricity companies be re-valued to remove the impact of over investment from the underlying cost base.
- promotion of increased competition in the electricity market.
- funding for both on-farm energy audits and to implement best practices energy efficient measures.
- development and implementation of strategies to manage peak demand which will help to optimise the efficiency of network investment, such as use of generators during peak demand.
- recognition by Government, and greater collaboration between Commonwealth departments, of the link between water and energy where improved on farm and delivery technology for water efficiency adds significant cost burdens to agriculture.

3.2 Natural resource management

The NIC recommends:

- long term investment by Government in natural resource management activity through local initiatives such as Landcare and Catchment Management Authorities, in tandem with environmental watering to achieve environmental outcomes.

3.3 Dams and water infrastructure

The NIC supports the principle of *'improving access to reliable water supplies and better managing existing water resources.....for the continued growth of the agriculture sector'*. The NIC seeks to be fully engaged in any development proposals for dams and water infrastructure, so that:

- there be no negative third party impacts on irrigators;
- a consistent national approach to water management subject to relevant geographical and hydrological characteristics; and .
- that dams and water infrastructure investment will deliver triple bottom line outcomes.

The NIC also recommends equal commitment by Government to the improvement and modernisation of existing water resources and road and rail infrastructure.

3.4 Water markets

The NIC seeks to be fully engaged at an early stage with Commonwealth and State agencies in the development of any water trading framework. It supports:

- any framework that ensures water entitlements retain their characteristics of timing, reliability and volume;
- any framework that does not result in negative third party impacts and that codification of existing market practice; and
- extensive prior consultation between Commonwealth and State agencies and entitlement holders at a catchment level.

3.5 Amendment of the Environmental Protection and Biodiversity Conservation (EPBC) Act 1999

The NIC supports:

- existing protections provided under the EPBC Act 1999 'water trigger' remaining in place to ensure the security of agricultural assets.
- amendments to the EPBC Act that remove onerous on-farm conditions
- the removal of duplication, reduction in red tape resulting in lower input costs for irrigators, and removal of barriers to productivity, profitability and competitiveness.

4. Electricity prices

4.1 Background

The current complex federal and state government policy and regulatory framework around the determination of electricity prices is undermining the fair and cost effective delivery of electricity. This is eroding the competitiveness of Australia's irrigated agricultural sector in what is already a tough and highly competitive international environment.

Major reform is critical, particularly in the area of network charges. These charges typically represent around 50% of farmers' electricity bills, environmental charges 20%, and electricity usage making up less than 26%. Around 4% is reflected in administration charges.

Price rises have been far in excess of the Consumer Price Index (CPI) primarily due to the way tariffs are now calculated. While the removal of the Carbon Tax is welcomed, this provides insufficient relief from inflated and unjustified electricity prices; there must be genuine reform of network charges.

Irrigators are left with few choices; they can either cease production, switch off pumps (resulting in loss of productivity) or source cheaper forms of energy. In the latter case, the uptake of alternative energy sources and users moving 'off grid' produces a 'knock on' effect with costs having to be

recovered from fewer users. In those states where demand charges currently exist, irrigators are also severely impacted due to lumpy usage patterns.

In addition, improved on farm and delivery technology for water efficiency, eg through the use of pressurised supply, adds significant cost burdens to agriculture. The inextricable link between water efficiency measures (eg through the Private Irrigation Infrastructure Operators Program) and energy use must be recognised by Government. Greater collaboration between Commonwealth departments would assist in the development of competitive solutions for agriculture.

In the lead up to the 2013 federal election, leaders of the major political parties acknowledged that the high cost of electricity in Australia by global standards is impacting on our national competitiveness. At a state level political representatives have also acknowledged the unreasonably high cost of electricity, yet long-term blame shifting is enabling regulators and electricity companies to avoid scrutiny, resulting in inaction.

The NIC will provide a submission to the current Senate Environment and Communications References Committee inquiry into electricity prices, due to report its findings in early 2015. A Senate Select Committee examining electricity prices in 2012 made a series of recommendations in its report entitled *Reducing energy bills and improving efficiency*, and found the following:

While electricity network infrastructure is a long-lived capital asset that requires maintenance and upgrading, the current regulatory framework in the national electricity market not only permits, but incentivises, over-investment in network infrastructure.

The Committee at that time also expressed concern that network service providers (NSPs) were too easily able to challenge the Australian Energy Regulator's (AER) revenue and price determinations for network businesses, that NSPs frequently did so, and that they were usually successful in having the AER's decisions overturned. Notwithstanding the recommendations of the 2012 Senate Inquiry and the implementation of a series of measures, electricity prices continue to remain unsustainable for many industries.

Chapter 2 of the Australian Government's Energy Green Paper acknowledged recent rises in household electricity prices noting: *'Electricity prices have recently increased sharply, with household electricity prices rising by around 50 per cent nationally over the past four years.'* While a 50 per cent increase is not insignificant, by contrast the cotton industry has experienced power bill increases in the order of 300 per cent since 2000 (*the CPI increase over this period was 43 per cent*). In Queensland cane farmers are now paying 107 per cent more than they were in 2009 (*the CPI increase over this period was 13.9 per cent*), representing price increases far exceeding CPI over these periods.

The recent draft rule determination by the Australian Energy Market Commission (AEMC) in relation to National Electricity Amendment (Distribution Network Pricing Arrangements) Rule 2014 (August 2014) noted: *Distribution network businesses will be subject to a new pricing objective that network prices should reflect the business' efficient costs of providing services to each consumer. Businesses will be required to comply with new pricing principles when determining the structure and level of their network prices.*

The current regulatory pricing framework is enabling an excessive guaranteed return on investment and encouraging over investment in network assets. It is hoped that the current Senate Inquiry will enable a comprehensive re-examination of this process and the way electricity network companies are providing information to the AER. Networks must not be rewarded for over-investment, 'gold-plating' and under utilisation of assets. It is imperative that the regulated asset base of network companies is re-valued to remove the impact of over-investment from the underlying cost base.

It is also vital that the current diesel fuel rebate indexation arrangements remain in place to provide choice for irrigators.

4.2 Privatisation of electricity assets

Governments' desire to maximise sale returns has impeded any progress on reforms. While the NSW and Queensland Governments' majority electricity assets remain in public hands, this is expected to change in the near to medium term with both states looking to privatise assets in their next terms of government. This may be inspired by the Asset Recycling Initiative announced in the 2014-15 federal budget, which provides incentive payments to states and territories that sell assets and reinvest sale proceeds in infrastructure.

Any move to the privatisation of assets however, must come with safeguards to ensure there is sufficient competition in the market for rural and regional users. Safeguards could include the implementation of a Community Service Obligation applied to regional communities, acting as a mechanism to mitigate unreasonable electricity costs.

Electricity price regulators must take into account the financial impact on electricity users' profit margins and their capacity to pay. Any measures implemented should also take into account the impact of other government controlled services such as water delivery charges.

4.3 Sustainability of the irrigated agriculture sector

The Commonwealth is investing \$12 billion in the Murray Darling Basin to recover water for the environment, with \$5.8 billion originally allocated to recover water through increased water use efficiency. However, the 'water efficiency versus energy efficiency' conundrum is impacting on the ability of farmers to make new water efficient systems profitable. Financial pressures caused by electricity price increases are also impacting on the ability of farmers to move to new pressurised water efficient systems.

There is a role for federal and state governments to provide for a policy framework to enable irrigation system audits that would identify and eliminate pump and distribution system inefficiencies and assist with planning and implementation of system upgrades. The recently established Agricultural Industries Electricity Taskforce, made up of a group of Australia's key agricultural industry peak organisations, was borne out of a consensus view on the crippling costs of network charges on agricultural industries, undermining productivity and the viability of rural businesses, and risking flow on effects to the social and economic wellbeing of local communities.

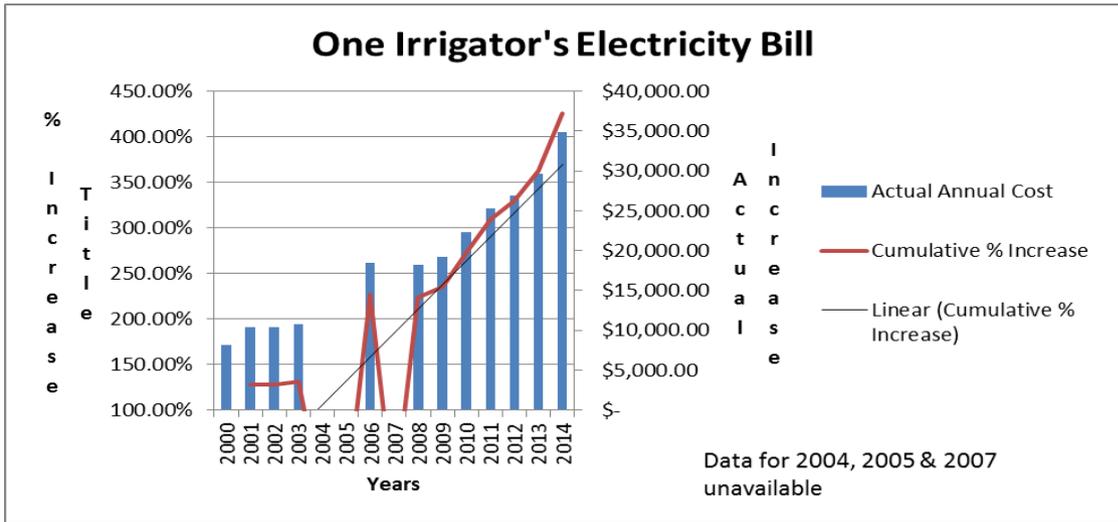
The NIC will play its part in helping to transition irrigators to 'off-grid' and identify other opportunities to avoid unsustainable pricing mechanisms. Network demand is declining in a growing economy and further price increases will reduce rather than enhance network revenue as 'off-grid' options become more competitive.

4.4 State by state overview

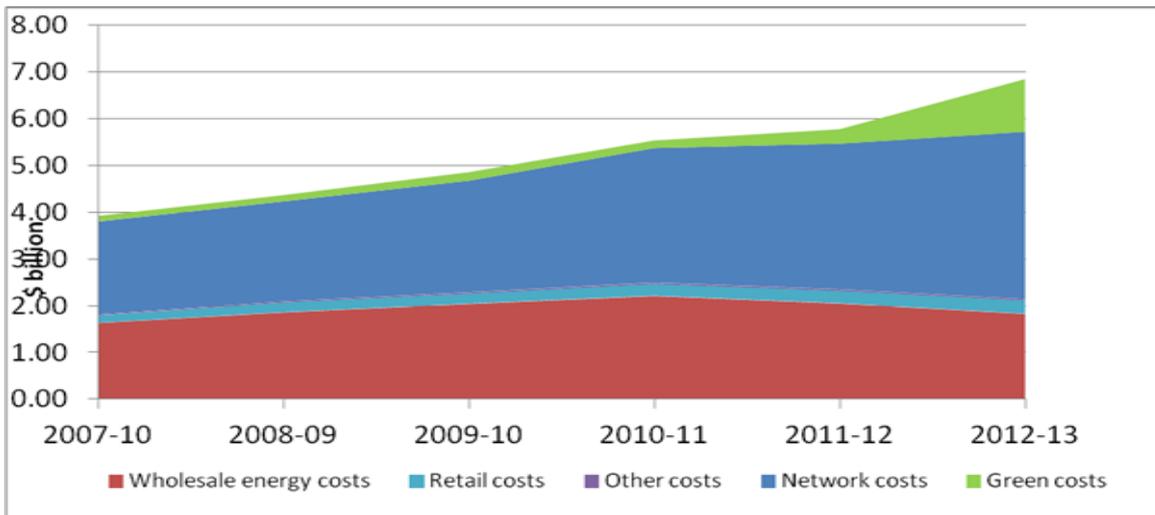
The following graphs show state by state price increases and percentage component costs.

Queensland

The graph below illustrates the effect of electricity prices on one cotton grower in the Emerald district. The graph reflects the cost of a particular quarter's bill in 2000, extrapolated using the tariff prices for the particular year, multiplied by the usage experienced in that quarter in 2000.



The graph below shows that in 2012/13, the network charges (N) accounts for around 54% of the total charge and the retail charges (R) account for 46% of the determined price in Queensland. The R component can be further broken down to show that 26% is actual energy costs and a significant 20% is due to environmental costs. Half the environmental cost is due to the carbon tax and the other half is the cost of green initiatives such as the Renewable Energy Target and the photovoltaic subsidy schemes. {Source: Queensland Competition Authority, 2012}



New South Wales

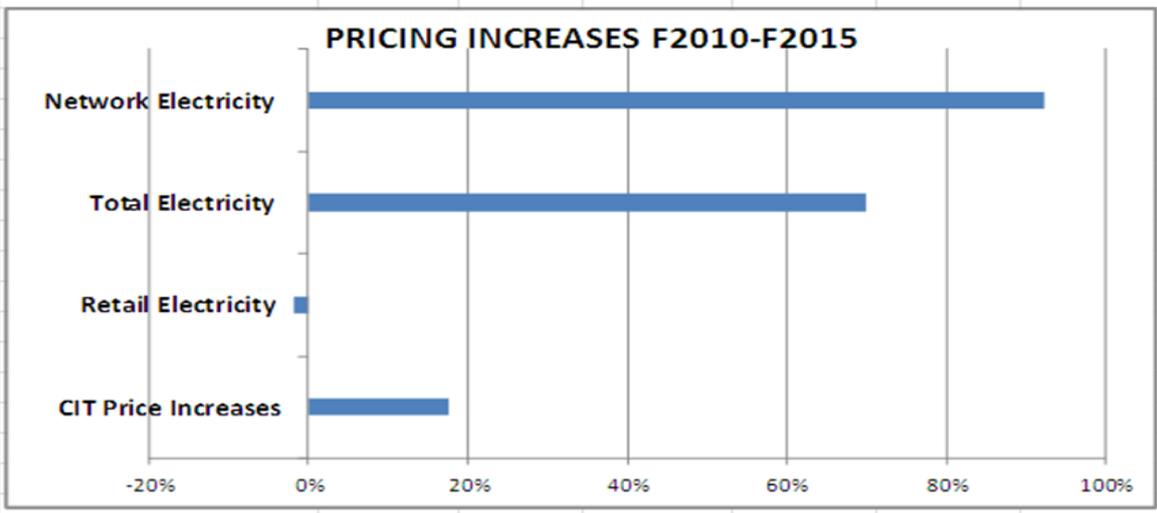
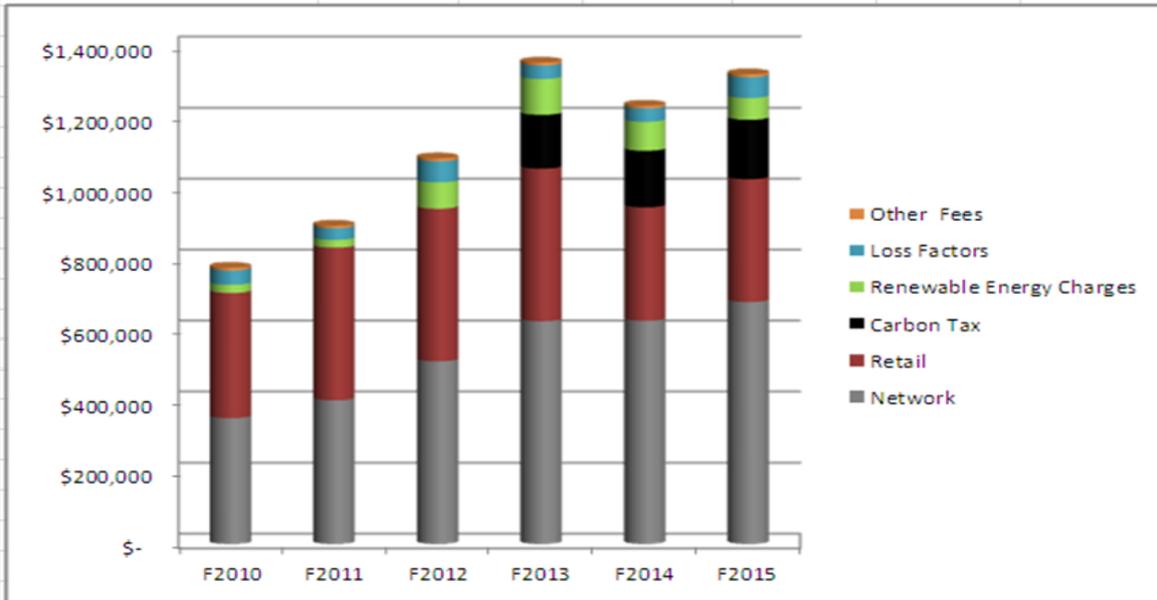
An electricity trial conducted by NSWIC and Cotton Australia has made similar findings. The trial found that overall electricity costs for irrigators participating in the trial have increased by up to 300 per cent over the last five years. Network charges have been the most significant drivers of electricity cost increases, as they make up between 55 and 65 per cent of an irrigator's electricity costs. The biggest network cost increase was \$263,575 by one trial participant (between 2008/09 - 2012/13).

South Australia

The following graph highlights increases in electricity network charges in South Australia.

LOXTON PUMPING STATION ELECTRICITY COSTS F2010 to F2015

Annual Expense	F2010	F2011	F2012	F2013	F2014	F2015
Network	\$ 354,614	\$404,794	\$ 514,720	\$ 627,484	\$ 628,701	\$ 681,605
Retail	\$ 352,669	\$430,008	\$ 430,008	\$ 430,008	\$ 319,779	\$ 346,095
Carbon Tax	\$ -	\$ -	\$ -	\$ 151,483	\$ 159,093	\$ 167,289
Renewable Energy Charges	\$ 22,789	\$ 21,930	\$ 73,950	\$ 100,927	\$ 81,669	\$ 61,252
Loss Factors	\$ 40,388	\$ 32,643	\$ 59,307	\$ 37,823	\$ 37,576	\$ 58,817
Other Fees	\$ 7,787	\$ 7,297	\$ 8,465	\$ 8,491	\$ 7,711	\$ 8,078
Total	\$ 778,246	\$896,672	\$ 1,086,449	\$1,356,216	\$1,234,530	\$ 1,323,136



{provided by Central Irrigation Trust, SA}

5. Water and natural resource management

The NIC notes that Chapter 9 of the Green Paper discusses Water and Natural Resource Management and provides a summary of views of the Australian public on the health and future of Australian agriculture. It further details options proposed by stakeholders for improving the agricultural sector's competitiveness in the area of:

- Dams and water infrastructure
- Taxation concession for water reticulation infrastructure
- Water markets
- Amending the Environmental Protection and Biodiversity Conservation (EPBC) Act 1999
- More targeted and pest disease management and control

Before addressing the above matters the NIC challenges the notion that the pace of water reform has been slow and suggests that those who regard progress as being slow, lack a developed understanding of what is being attempted in the area of water reform. Much has been achieved since the 1994 COAG Water Reform Framework and the 2004 National Water Initiative to the extent that Australia is seen to be leading the way internationally in this area. The NIC notes that the latest Triennial Assessment of the implementation of the NWI observed:

'solid progress on managing the nation's water resources during the past two decades has delivered tangible benefits to governments, communities and industries'.

The Green Paper notes:

The Murray-Darling Basin Plan will restore the Murray-Darling Basin to health while ensuring the viability of the Basin's food-producing communities. In implementing the Basin Plan, the Commonwealth will:

- *Cap Commonwealth water purchases under the Basin Plan at 1500 gigalitres;*
- *Prioritise water recovery through on and off-farm infrastructure investments; and*
- *Increase market certainty by publishing a Water Recovery Strategy.*

The NIC submits that the commitment to cap buyback at 1500 GL must be maintained and legislated. There should be no acquisition of 'up' water until the Government has demonstrated it is using 2750 GL fully and effectively. All water recovery must reflect triple bottom line principles within the NWI; and outcomes must result in either neutral or improved social and economic outcomes for the communities from which the water is being removed.

The Government must continue long term investment in natural resource management initiatives to secure environmental outcomes through, for example, local Landcare activity and Catchment Management Authorities. The 'just add water' approach is unworkable as a stand-alone mechanism. The Murray Darling Basin Authority (MDBA) has acknowledged the need for a broader natural resource management approach in the achievement of outcomes for water-dependent ecosystems. The MDBA November 2014 Basin wide environmental watering strategy noted the influence of other factors on expected environmental outcomes, that *broader natural resource management must therefore be undertaken in tandem with environmental watering.*

The Green Paper refers to a range of Government activity already under way including the Sustainable Rural Water Use and Infrastructure Programme (SRWUIP). It notes that the majority of SRWUIP infrastructure funds are committed to projects in the Murray-Darling Basin for improving the operation of off-farm delivery systems and helping irrigators improve on-farm water-use efficiency.

The NIC has been reluctant to offer wholesale support for the \$5.8 billion SRWUI Programme. In 2011 we flagged concerns that it resulted in too little investment in on-farm infrastructure upgrades

and modernisation, which are known to produce benefits by way of water savings, farm productivity, pasture yield improvements and a boost to regional economic activity. At the time we also noted that significant funds from the SRWUIP Programme had been siphoned off into major projects other than infrastructure upgrades, not designed to be part of the Programme's remit, including for example:

- \$195.8 million to pay costs of the Commonwealth Environmental Water Holder (CEWH)
- \$59 million for the MDBA to write the Basin Plan
- \$60 million for 'compliance and enforcement'
- \$10 million for the Commonwealth's share of costs for remedial work at Hume Dam.

5.1 Dams and water infrastructure

The NIC welcomes the Government's desire to '*seek to identify new dam and infrastructure projects that can deliver Australia's water supply needs in the future, including options for moving water from northern catchments to southern and from eastern to western*'. We have previously argued for Government commitment to the development of new water conservation infrastructure. This is not only to enable growth in the agriculture sector but as a mitigation measure during times of major flooding and protection of public and private infrastructure.

While investment in new dam and infrastructure projects is supported, there must be equal commitment by Government to the improvement and modernisation of existing water resources and roads and rail infrastructure in irrigation communities.

The NIC supports the principle of '*improving access to reliable water supplies and better managing existing water resources.....for the continued growth of the agriculture sector*'. The contribution by irrigated agriculture to the social and economic wellbeing of rural and regional communities and to the national economy is well recognised. In a period of climate variability, projected increased world population and resultant pressures on global food security, there is an opportunity for irrigated agriculture in Australia to play a major role in maintaining and building on Australia's recognised high level of food safety and security.

Through the blueprint of the NWI, stakeholders have a level of certainty in the water reform process and the way Australia manages, plans, measures and trades water. The NIC supports the objectives of the NWI to achieve a nationally compatible market, a regulatory and planning based system of managing surface and groundwater resources for rural and urban use that optimises economic, social and environmental outcomes.

The NIC seeks to be fully engaged in any development proposals for dams and water infrastructure noting that only a nationally consistent approach to water management that takes account of geographical and hydrological differences across the national landscape will generate the required national benefit.

5.2 Water markets

The Paper notes the role of the NWI in Australia's water market:

'The National Water Initiative was designed to create a nationally compatible water market, through planning and entitlements, regulation, pricing and market regulatory reforms. Placing a value on water provides incentives to invest in water-saving infrastructure and practice change to improve the efficiency of water use where water availability is constrained'.

The ACCC Water Monitoring Report 2012-13 released in May 2014 noted: '*Australian water markets are considered to be the most advanced in the world. Twenty years of reform have established clear water rights and reduced barriers to water trading*'. While the NIC would not disagree with the

ACCC's findings, recent reforms have increased reporting obligations yet it could be argued, they have not always delivered improved outcomes for the market.

The Water Trade Rules imposed by Chapter 12 of the Basin Plan, which came into effect on 1 July 2014, have increased the obligations on irrigation infrastructure operators (IIOs) beyond the requirements of the Water Act where much of the information sought is not being utilised and the value of its collection is therefore questioned.

5.2(a) Groundwater – surface water trading: The Murray Darling Basin Authority (MDBA) proposes to allow trading between groundwater and surface water as set out in the Basin Plan, provided certain conditions are met. With the body of knowledge around surface water in Australia being greater than that of groundwater, the NIC cautions the MDBA to move forward carefully on trade between the two, due in large part to the known complex nature of groundwater systems and the need to consider the potential impacts that groundwater trade may have on groundwater quality, aquifer properties and the ability of existing users to extract groundwater from bores.

NIC members will seek to be fully engaged at an early stage with Commonwealth and State agencies in the development of a trading framework. While acknowledging the potential benefits of groundwater/surface water trade, the development of a framework must ensure water entitlements retain their characteristics of timing, reliability and volume. It must ensure there are no negative third party impacts and that the rules codify existing market practice. The process must also include extensive consultation with entitlement holders at a catchment level.

5.4 Amending the Environmental Protection and Biodiversity Conservation (EPBC) Act 1999

The Green Paper details the following feedback received from stakeholders:

- i. *The EPBC Act be amended to remove onerous on-farm conditions, such as certain excessive flora and fauna caveats.* Since the EPBC Act commenced in 1999, there have been 54 agriculture-related projects referred for assessment, of which eight projects have been subject to conditions. The Government is interested in hearing from stakeholders about specific examples where the Act imposes excessive conditions on farmers.
- ii. *The Act be amended to ensure that national transport and infrastructure goals/corridors have right of way.* The Government is interested in feedback from stakeholders about specific examples where the Act impedes national transport and infrastructure objectives.

Amendments to the EPBC Act that provide for the removal of onerous on-farm conditions and right of way for national transport and infrastructure goals and corridors are supported. Agricultural industries have long been subjected to significant levels of state and Commonwealth red and green tape.

In 2013 the NIC successfully argued for the disallowance of listings of the Murray River and Macquarie Marshes as 'critically endangered' under the EPBC Act. The ambiguity around the Act and the listing would have potentially created significant red tape for local government development around housing approvals, roads, levy banks and other routine works ordinarily undertaken by councils, as well as tourism ventures along rivers. It was not clear at the time why the listings were proposed, in addition to other protections such as state government legislation, the Murray Darling Basin Plan and Ramsar listings of wetlands. Nor was there consultation with irrigators or the communities who would have been directly impacted.

The protections provided under the EPBC Act 'water trigger' must remain in place to ensure agricultural assets are secured in the case of coal seam gas and coal mining development approval processes.

Agriculture producers would not argue with the role of regulation in circumstances when there is a clear purpose, where it is appropriately targeted and where restrictions imposed are minimised so as to avoid unnecessary barriers to productivity and profitability.

For irrigators' operating on low margins and usually large input costs, regulation represents an investment of time and money. The NIC has frequently argued for a reduction in red tape, removal of duplication, and any measures that reduce input costs for irrigators and remove impediments to productivity, profitability and competitiveness.

6. Conclusion

The NIC supports the focus by the Government on examining options and implementing policy measures designed to increase returns for agriculture producers by reducing costs and unnecessary barriers to productivity and profitability. The contribution of the agricultural sector to the social and economic wellbeing of regional communities and the national economy must continue to be recognised.

For decades, Australia's agriculture producers have sustained increases in costs, while income derived from their food and fibre has not matched the level of input cost increases. The agricultural sector has demonstrated its ability to adapt to a changing operating environment, embracing new market opportunities while taking up new technologies. Over this period, many of Australia's major agriculture competitors have not embraced at the same level, the elimination of tariff and trade barriers and other agriculture support mechanisms.

The NIC supports measures that reduce barriers to irrigated agriculture's competitiveness and that provide new opportunities for the growth of food and fibre production in Australia.

We look forward to working with Government in the development of policy measures, plans and solutions in a way that offers real world pragmatism supported by knowledge and experience.