

Opening statement

- The Department of Agriculture and Water Resources thanks the Committee for the opportunity to give evidence to the inquiry today about the importance of water use efficiency for Australia's agricultural sector. The department recognises that water is a scarce resource and has many competing uses.
- The department is committed to enhancing the sustainability, efficiency and productivity of water resources in order to maximise the contribution of Australia's water resources to social, economic and environmental outcomes.
- Supporting agricultural industries, through enhancing water use efficiency, is an integral part of Australia's water policy reform agenda.
- Since 2007 the Australian Governments have committed more than \$15 billion for water reform activities. In addition, the current Government has committed \$500 million for the National Water Infrastructure Development Fund and \$2 billion for the loans facility.
- Of this, \$8 billion funds a range of activities aimed at increasing water use efficiency in the Murray-Darling Basin.
- The department defines water use efficiency in both technical and economic terms. The department notes other submissions have defined the concept of water use efficiency in different terms.

- Technical efficiency can include improvements in technology to use less water for the production of equivalent volumes of products; and economic efficiency can include the operation of water markets to enable water to move to higher value uses.
- The Australian government has carried out a range of activities to increase technical and economic water use efficiency.
- Australian government investments pursue three broad themes;
 - the reduction of existing over allocation of water systems,
 - the capture of surplus or non-productive (wasted) water for productive use, and
 - the enhancement of water security and resilience more generally
- As part of the move to more sustainable levels of diversions in the Murray-Darling Basin there is an unprecedented level of works underway to improve our on and off farm irrigation systems.
- We are funding more than 2000 on-farm projects across the Murray-Darling Basin which are demonstrating real water efficiency gains.
- An on-farm project with the Australian Processing Tomato Research Council (APTTC) reported a reduction in the average water use by converting surface furrow irrigation to subsurface drip technology. This technology has allowed application rates to drop from 8 ML/ha to 5 ML/ha. This flexible management of

crop watering also reduces plant stresses, optimising the potential yield.

- In addition, more than 900 kms of irrigation network delivery channels across the Basin are being modernised. For example, modelling of the project outcomes from the Tenandra Scheme project in the NSW Macquarie Valley shows an improvement in delivery efficiency to the farm gate from 80 per cent to 93 per cent.
- Outside of the basin, the Supporting More Efficient Irrigation in Tasmania program is harvesting surplus water with the construction of nine irrigation schemes and associated water storages providing 71.6 GL per annum of additional irrigation water, at a projected 95 per cent reliability for irrigators.
- The range of benefits being realised by irrigators from our programs goes beyond water efficiency: increased farm productivity, higher yields from reduced water usage, improved business opportunities through crop diversification and the ability to irrigate with lower allocations and improved work life balance.
- A landholder from Yarrawonga, Victoria commented, “The most significant lifestyle improvement following the infrastructure upgrade has meant less irrigation management during the night on a motorbike!”
- All programs have well-established monitoring, evaluation, review and improvement frameworks in place. Water programs

are enhanced and improved in response to stakeholder comment and are subject to a high level of internal and external scrutiny including parliamentary and other inquiries.

- The department works together with stakeholders to improve water use efficiency and water management across Australia and looks forward to your questions and findings.