

Minister for Agriculture and Food Response to North Wanneroo Agriculture and Water Taskforce Recommendations

30 January 2019

Summary

The North Wanneroo Agriculture and Water Taskforce was established by the McGowan Government as part of an election commitment to work towards resolving water allocations and land use issues in the area. Ms Sabine Winton MLA, Member for Wanneroo, chaired the Taskforce.

I congratulate the Taskforce on their work on this challenging topic. North Wanneroo's agriculture industry clearly continues to generate a significant contribution to the local economy and the state's agricultural exports. The area is also an important source for Perth's fresh, seasonal, diverse horticultural produce.

With an estimated over 100 horticultural growers and with an agricultural sector in the City of Wanneroo that employs nearly 1040 people, the area contributed an estimated \$119 million in gross value of agricultural production, 30 per cent of the total produced in the Perth region. The North Wanneroo area's gross value of agricultural production was estimated to be \$47.7 million in 2015-16.

Support existing agriculture at North Wanneroo

I support the retention of the existing irrigated agriculture area at North Wanneroo to continue supplying fresh and diverse horticultural product to the local domestic and the interstate and international export markets. The McGowan Government has responded the concerns of water users in the North Wanneroo area and proposes a 10 per cent reduction to groundwater allocations for growers in the North Wanneroo area from 2028. In 2016, under the previous Liberal-National Government, it was originally proposed that there would be reductions in groundwater allocations of 25 per cent. The revised proposed reduction will be included in the draft Gngangara groundwater allocation plan planned for release later in 2019 for a three-month public consultation period. This will provide further clarity on the extent of proposed reductions to water licenses in the area.

Recognising the constraints around water availability, the State Government's new investment in the Water Use Efficiency program offers existing growers business and water use assessments to support their transition to a 10 per cent reduction in their allocation by 2028. This will take the form of a pilot trial of independent irrigation assessments as well as demonstrations of water efficient techniques and best practice irrigation.

I also support generally retaining the existing rural zoning in the North Wanneroo area which will allow rural land uses to continue as well as the development of agri-tourism that is compatible with agricultural land use. Competing land uses in the area present issues for existing growers. Retaining the existing rural zoning for the majority of the area while supporting an agri-tourism zone along Wanneroo Road will provide a buffer of compatible land uses and avoid land use conflicts with existing horticultural growers.

Develop a business case for a new leasehold agri-precinct in State Forest 65

The Department of Primary Industries and Regional Development (DPIRD) will develop a business case that includes cost benefit analysis and approvals pathways required for a new leasehold agri-precinct in State Forest 65, supplied with recycled water. With the understanding that water production and pricing will be the key limiting factor to the precinct scale, the business case will consider the level of public investment required through an assessment of grower's willingness to pay a component of capital costs plus water scheme operating costs. A case will be made to the Commonwealth Government for publically funding the remainder of the capital cost including potential of funding from the National Water Infrastructure Development Fund.

Detailed response to recommendations in the Taskforce report

A. Evaluation of options for water efficient horticulture given a drying climate and potentially reduced water allocations

I support recommendations A.1 and A.2 in principle. The principles behind these recommendations will be a useful first step to support growers transitioning to the proposed 10 per cent reduction by 2028 in accordance with the draft Gngangara water allocation plan, planned for release later in 2019.

Support will be provided to existing growers to transition to reduced water availability through State Government funding for the new Water Use Efficiency program. This will take the form of a pilot trial of independent irrigation assessments as well as demonstrations of water efficient techniques and best practice irrigation, to be managed by DPIRD.

B. Advice on best options to enable land and water security to facilitate investment

I generally support recommendations B.1 and B.2 but cannot support ex gratia payments, where reduction of water licences is due to climate change as per recommendation B.3.

The proposed 10 per cent reduction in water allocations by 2028 provides certainty to existing growers in the North Wanneroo area. The State Government will support growers in improving their water use efficiency through the Water Use Efficiency program mentioned in section A.

Recommendation B.4 is supported in part. The *State Planning Policy 2.5: Rural Planning* allows a range of uses on rural land including primary production, basic raw materials, regional facilities and protection of biodiversity and landscape. In general, I support the retention of existing rural zoning at North Wanneroo which will allow rural land uses to continue while allowing for compatible uses such as agri-tourism.

C. Consideration of a newly planned Carabooda precinct for agriculture and food

I support the approaches under section C, particularly recommendation C.2. The business case as per this recommendation will include a cost benefit analysis and identification of the approvals pathways required for a new leasehold agri-precinct in the existing State Forest 65. The level of public investment required would need to be determined by assessing growers' willingness to pay a component of capital costs plus water scheme operating costs as well as a case for public funding for the remainder of the capital cost, including the potential of funding from the National Water Infrastructure Development Fund. DPIRD has advised that 500 ha would be a reasonable size for further investigation given a potential new water supply for a first stage which could be 3 GL.

D. Evaluation of options for recycled waste water to enhance existing and support potential new horticultural areas in North Wanneroo.

I support in principle recommendations D.1, D.2 and D.3. DPIRD will work with the Department of Water and Environment Regulation and the Water Corporation on State Government priorities for the use of recycled water from Alkimos Wastewater Treatment Plant in the context of the draft Gngangara Groundwater Allocation Plan. Decisions will also take into consideration wastewater access and fee arrangements that would enhance the commercial feasibility of a North Wanneroo recycled water scheme as well as potential cost sharing and water service provision arrangements to construct and operate a North Wanneroo recycled water scheme.

Recommendation D.4 regarding further investigation of the transfer of stormwater from East Wanneroo is generally supported, however the priority would be use of stormwater for the recharge of the aquifer.

E. Coordination and governance

The next steps are to undertake a pilot trial of independent irrigation assessments as well as demonstrations of water efficient techniques and best practice irrigation, and the development of the business case for establishing an agri-precinct in State Forest 65. Recommendation E.1 to establish an inter-agency steering committee will be reconsidered once the business case is completed.

The State Government will also be making a case for Commonwealth Government funding through the National Water Infrastructure Development Fund as per Recommendation E.2. The funding will be used to support water users across Gngangara in adapting to climate change and reduced water availability.