

## Australian Rice is Not a Waste of Australian Water

Dr John Angus – Summary Argument

In fact rice uses general-security irrigation water more efficiently than any other crop in the NSW Riverina, the region where almost all Australian rice is grown. The Riverina draws its irrigation water from the catchments of the Snowy, Murray and Murrumbidgee rivers. Precipitation is unreliable in these catchments so the supply of irrigation water varies from year to year. Each year, Riverina farmers aim to match the area of rice, along with irrigated pastures and other annual crops, to the volume of general-security water allocated by the irrigation regulators. General-security water is distinguished from the relatively small volume of high-security water reserved for perennial crops such as grape vines and fruit trees, which would die or be severely damaged if not irrigated. General-security irrigation water provides flexibility for regulating the total water supply of the Murray-Murrumbidgee catchment. For example large rice crops were grown with water allocated in 2001/02 and 2005/06 but there has been almost no irrigation water used on rice since April 2006.

Of all the annual crops that can be grown in the Riverina, rice gives the highest water use efficiency. This applies whether efficiency is measured in the physical terms of tonnes per megalitre or the economic terms of dollars (at the farm gate) per megalitre. When economic efficiency of water use is measured for the Riverina region, rice is far superior to other annual crops because the grain is milled and packaged for supermarket shelves while other grains are sold as raw commodities. Many perennial crops provide greater returns than rice but expansion of their area would be at the risk of less reliable water. The Australian rice industry contributes to food security in the 72 countries where it exports. The industry ensures reliable sales of rice, despite variable water allocations, by holding stocks in the Riverina and by purchasing on the world market. High profitability and the ability to expand or contract production in response to water supply are the strengths of rice in Australia.