

Submission – Review of the Water Act 2007

This submission is from the **Northern Basin Advisory Committee**, a committee comprising 11 members selected by the Murray Darling Basin Authority from communities across the northern Murray Darling Basin. The Advisory Committee was formed in recognition of the different characteristic and management of the river systems in the northern Basin compared to the south. The Advisory Committee's role is to advise the Authority of regional community views on the implementation of the Basin Plan in the catchments of the northern Basin upstream of Menindee Lakes.

We are working with the Authority and others, to develop and implement a work program, identifying and prioritising key northern Basin issues. A key priority of the work program is carrying out a review of selected sustainable diversion limits (SDLs) in the northern Basin. The Basin Plan noted that the Murray Darling Basin Authority intended to carry out further research and investigations by 2015 to inform this review. The main reasons for carrying out this further work are knowledge gaps about environmental water requirements in critical parts of the northern Basin and the less regulated nature of rivers in the northern Basin together with the complexity of water management arrangements providing challenge in meeting environmental water needs.

The matters put forward below are the independent views of the Northern Basin Advisory Committee and do not necessarily reflect the views of the Murray Darling Basin Authority.

Water Act 2007

The Committee is particularly interested in how the Water Act may place limitations on achieving the Basin Plan objectives in the northern basin in the most efficient and effective way. In providing advice to the Authority on the Northern Basin Work Program, the Committee has been keen to ensure that all opportunities to achieve the desired environmental outcomes with the least impact on communities are fully considered as part of the Northern Basin Review. Two opportunities being put forward that may be limited by the Water Act are:

1. Using active **temporary trade of environmental water** as a key component of achieving Basin Plan objectives.
2. Recognising the interaction between flow related actions under the Basin Plan and **non-flow related natural resource management actions**.

1. Temporary trade of environmental water

A key difference between the northern and southern river systems is the level of regulation of rivers through the construction of large public storages and the ability of entitlement holders (whether consumptive or environmental) to order water from these storages. While there are regulated systems in a number of the northern Basin tributaries, there are large sections of river systems that are unregulated, for example the Barwon-Darling and Condamine-Balonne systems. There has still been significant development of the water resources in unregulated systems through the opportunistic water harvesting of freshes and floods into large private off-stream storages. Even along the regulated sections of tributaries such as the Border Rivers, Gwydir, Namoi and Macquarie, waterharvesting of unregulated flows makes a significant contribution to irrigation supplies.

These differences create challenges in parts of the northern Basin to meeting environmental flow needs through the main mechanisms set up by the Basin Plan of recovering entitlements which are then actively managed and used for environmental watering.

In the Condamine-Balonne, water recovery to date has by necessity focussed on recovering unregulated waterharvesting entitlements. This is the main type of entitlement in this system and the small amount of regulated entitlement has not been judged suitable at this stage to contribute to environmental flow needs. In this case meeting environmental flow needs is achieved by the action of recovering entitlements leading to water changing from being taken for consumptive purposes to being left in the river. Active on-going management of the environmental water is not possible in this situation. Additional environmental flows rely on the initial decisions about what entitlements are recovered.

The Northern Basin Work Program includes work on exploring the contributions temporary trade of environmental water could make to meeting environmental flow needs. In the Condamine-Balonne temporary trade could be one way of introducing flexibility to allow greater targeting of environmental flow needs. For example the amount of water diverted from environmentally important flow events could be reduced by temporarily purchasing access rights to these events. Or water diverted into off-stream storage could be purchased to add to an existing flow event.

Temporary trade of environmental water could also contribute in similar ways to meeting environmental needs in the Barwon-Darling. The assessments for the Basin Plan mainly focussed on meeting environmental flow targets in the Barwon-Darling by coordinating releases from upstream storages in the tributaries to supplement unregulated flow events. However coordinating releases in this way is difficult and the Northern Basin Work Program is also exploring the benefits of recovering waterharvesting entitlements in the tributaries. Temporary trade of both regulated and unregulated water could be an important way of being able to meet the environmental flow needs of the Barwon-Darling.

In addition to the above examples there may be other situations across the northern Basin where temporary trade could contribute to greater targeting of environmental flow needs.

Temporary trade of environmental entitlements by the Commonwealth Environmental Water Holder is possible under the *Water Act 2007* (sections 105 and 106). The Act currently allows the Commonwealth Environmental Water Holder to trade the environmental water holdings within limitations (section 106). However these provisions may not fully support water holdings comprising a mix of long term entitlements and temporary allocations (ie permanent and temporary water) that aligns with SDLs and with the flexibility to be more effective in meeting environmental flow needs.

The question that the Committee has for the Water Act Review is:

Does the Water Act 2007 adequately allow for a mix of long term entitlements and active trade of temporary allocations (ie permanent and temporary water) to be used to satisfy SDLs and the associated environmental flow objectives?

2. Interaction between flow and non-flow related NRM actions

One message that the Committee hears regularly from communities in the northern Basin is that achieving the Basin Plan's key objective of healthy and resilient water dependent ecosystems can't just be about reinstating a more natural flow regime. One example commonly put forward is that you can't achieve outcomes for native fish unless something is done about the carp. Also there are a

range of complementary natural resource management actions that are also important in achieving healthy ecosystems.

The Committee acknowledges that the *Water Act 2007* by its nature mainly deals with the management of the water resource of the Murray-Darling Basin. Also the Act does include in its objects “to ensure that the management of the Basin water resources takes into account the broader management of natural resources in the Murray-Darling Basin”. However the Committee questions whether the need for wider natural resource management actions are adequately reinforced by the current legislation. Successfully achieving the objectives of the Basin Plan could well depend on a more integrated approach involving a range of flow and non-flow related actions.

The question that the Committee has for the Water Act Review is:

Does the Water Act 2007 adequately support and reinforce the need for the integrated management of all the natural resources, including water, in the Murray-Darling Basin?