2014 REVIEW OF THE WATER ACT 2007

The Commonwealth Water Act 2007 (the Act) commenced on 3 March 2008 and implemented key reforms for water management in Australia. The key features of the Act include establishing: the Murray-Darling Basin Authority (MDBA), a national framework to manage Basin water resources, including through the adoption of the Basin Plan, and the Commonwealth Environmental Water Holder. The Act also provided for water charge and market rules to be developed and for national water information to be provided.

A review of the operation of the Act will be carried out in accordance with section 253 of the Act. Consistent with the Government’s deregulation agenda this will include consideration of opportunities to reduce or simplify unnecessary regulatory burden.

The Government is committed to ongoing water reform, including the implementation of the Murray-Darling Basin Plan on time and in full. The focus of the review will be on improving the effectiveness of the Act itself, although amendments to the Act resulting from the review process could affect regulations or subordinate instruments made under the Act.

The Murray-Darling Basin Ministerial Council is separately progressing a review of the governance arrangements for, and efficiency of, joint activities in the Murray-Darling Basin, the outcomes of which may inform the review.

The terms of reference for the review are set out below.

REVIEW OF THE WATER ACT 2007
TERMS OF REFERENCE

1) A review of the Water Act 2007 (the Act) will be carried out in 2014 in accordance with section 253 of the Act, which specifies the following mandatory terms of reference:

a) having regard to the extent to which water resource plans are in transition, the review will conduct an assessment of the extent to which:

i) the management objectives and outcomes of the Basin Plan are being met; and

(ii) long-term average sustainable diversion limits are being met; and

(iii) targets in the Basin Plan are being met; and

(iv) water trading is occurring effectively and efficiently; and
(v) other key elements of the Basin Plan are being implemented;

(b) an assessment of:

(i) the level of Basin-wide consistency in water charging regimes; and

(ii) the contribution made by those charging regimes to achieving the Basin water charging objectives;

(c) an assessment of the extent to which water is being used in higher value uses;

(d) an assessment of the progress in the implementation of improved water information systems, including the National Water Account.

2) In addition, the review will examine and report on:

a) the effectiveness of the Act in achieving its objects, as set out in section 3 of the Act; and

b) opportunities to reduce or simplify the regulatory and/or reporting burden while maintaining effective standards.

3) The review will also recommend appropriate future review points for the Act and Basin Plan, noting the 2019 implementation date of the Basin Plan.

4) The review will be undertaken in consultation with state and territory governments and stakeholders.