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"Healthy Rivers Healthy Communities"

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<u>Submission to Senate Standing Committee on Environment, Communication and the Arts inquiry into Water Licences and Rights.</u>

The Australian Floodplain Association (AFA) would like to thank the Senate Standing Committee on Environment, Communications and the Arts inquiry into Water Licences and Rights for the opportunity to comment.

The AFA wishes to address each of the reference points put forward by the Senate Committee.

- a. the issuing, and sustainability of water licences under any government draft resource plans and water resource plans;
 - The current WSPs and WRPs run to their completion date, the earliest of which
 is 2014. There is therefore limited scope, other than buying licences, to
 presently sustainably manage water resources in the national interest,
 especially when there is so little water in the system.
 - CSIRO modeling has shown that as conditions become drier from climate change including less rainfall, the current water sharing plans favour extractive industries. There is less water for the environment and for our members who rely on flow for their livelihoods.
 - States have made commitments in relation to sleeper/dozer licences with which the Commonwealth will not interfere. Senator Wong has confirmed this in writing and verbally, in relation to sleeper licences on the Warrego River. The Commonwealth entered into this agreement with the States and this agreement severely limits the capacity of the Commonwealth to influence existing management. There should be the opportunity to cancel sleepers to protect high conservation value ecosystems.
 - Overland flows are an important component of system management yet are
 not properly accounted for in WSPs or WRPs. Future planning must target
 improved overland (floodplain) flow by removing existing structures so they
 reflect the intention of at least the original cap (i.e. 93/94 levels of
 development). Satellite image analysis provides an archive to do this and yet
 Governments do not currently have any commitment to this and instead
 generally are 'grandfathering' the current infrastructure on floodplains. This
 potentially just creates another major problem for future Governments in the
 same way that the over allocation of rivers in the past has created the
 problems for present Governments. Current Commonwealth water

management money should be directed to subsidizing the removal of structures that interfere with natural flows of rivers, particularly those that harvest flows. If floodplain diversions are to be licenced, they should not be allowed to be traded because of the significant issues about transfer rates. Further, the licencing should recognise the potential impacts of climate change and the location of structures on the floodplain, not just the storage capacity of structures.

- For water resource plans to be sustainable, state by state agreements need to take into account the environmental, and/or economic impacts that occur at the end of the system (over the border) when licences are issued. A whole of system basin management plan based on the 93/94 cap is the least that Governments can do.
- No new water licences should be issued. The 93/94 Murray Darling Basin cap should be initiated and be the guide for sustainable water licences.
- Given that the Commonwealth [Senator Wong] freely admits that they have no intention of interfering with state rights it would seem that they have little or no ability sustainably manage water resources.
- There needs to be better understanding and management of groundwater resources particularly where these are interacting with surface water.
 Significant development of connected groundwater resources has occurred as Government has tightened access to surface water.

b. the effect of relevant agreements and Commonwealth environmental legislation on the issuing of water licences, trading rights or further extraction of water from river systems;

- The Ramsar Agreement, to which State and Commonwealth governments are a signatory appears not to have influenced government behaviour in relation to the issue of water licences, trading rights or further extraction from river systems. It is evident Ramsar sites have run a poor second to agriculture in the water competition race, despite the Environment Protection and Biodiversity Conservation Act. There are also significant waterbird habitats for which the Australian Government has a responsibility (e.g. migratory shorebirds) that do not seem to have exercised any effect in water management.
- The existing agreement between the Commonwealth and the States in relation to Water Sharing and Water Resource Plans again impacts on this area. Sleeper/dozer licences can be still enacted in Queensland which means more water can be extracted from a system, which everyone agrees, is over allocated. Approval of such practice is illogical and irresponsible.
- Free trading of water has been a positive outcome of legislation because it has allowed government to buy temporary water to specifically target urgent environment issues such as the Narran Ramsar site where a major Ibis breeding event occurred.

- The issuing of water licences, trading rights and further extraction of water from river systems currently allowable under individual state water resource plans, is not compatible with a sustainable whole of system approach. Indeed the upcoming Basin Plan pertains to the idea of sustainable management, although this plan is incompatible with existing state water resource plans, as these state plans do not encompass the whole of system approach. The Commonwealth Basin Plan should take precedent over the state water resource plans and be enacted before 2014 as the decline in our MDB rivers is occurring at a rapid rate. Current agreements preventing an effective whole of system management need to be restructured to ensure the environmental assets of the MDB are preserved.
- There should be no issuing of water licences, trading rights or further extraction of water from river systems until the current ecological state of individual MDB rivers is addressed and environmental outcomes relating to the MDB assessed. The existing extraction of overland flow water is not accurately mapped and monitored, and no effective metering system is in place. Trading in unregulated water in largely unregulated systems will affect flows and therefore environmental assets such as wetlands and unique riparian areas. These areas in ephemeral river systems need low and high flows to stay healthy. The continuing decline of wetlands, riverine systems and bird habitats within the MDB is of concern.

c. the collection, collation and analysis and dissemination of information about Australia's water resources, and the use of such information in the granting of water rights;

- There has to be compatibility of management information systems across jurisdictions in the basin if sustainable extraction and ecologically sustainable levels are to be set for the different river systems.
- The Commonwealth must insist the Precautionary Principle is applied to WSPs or WRPs at all times. Otherwise systems will be overcommitted as in the past.
- Management Information Systems must be transparent and available for public interrogation to ensure accountability.
- More scientific information on sustainable extraction limits and the monitoring of such is required. There needs to be clear identification of the impacts of water resource development as well as good management of current available water to maximize environmental outcomes.
- Clearly the granting of water rights in the future is not realistic considering the current level of information. This is particularly an issue in other undeveloped regions of Australia (e.g. Northern Australia). Governments need to invoke the precautionary principle in these areas.

d. the issuing of water rights by the states in light of Commonwealth purchases of water rights;

- The freeing up of trade had allowed the government entry into the water market. It is imperative that the government continues to operate in an unrestricted market so excess licences (allocations) can be removed from over allocated river systems. Barriers to the access of licences in Victoria, and more recently in NSW need to be lifted to allow water to be purchased for priority areas.
- There needs to be a whole of basin approach, incorporating all states with cooperation from the relevant state departments, for the government's continued purchase of water to be successful. There should be no management decisions or issue of rights that reduces the reliability of environmental water purchased.

e. any other related matters.

- Efficiency savings at least 75% of savings from infrastructure programs should be returned to the environment rather than the current 50-51%. On the whole, government provides funds so the environment should receive a higher share on behalf of taxpayers for these projects. Given the current state of the rivers, as much water as is available needs to be returned to the system.
- There is a shortage of people with on-ground water management skills in the MDBA. Skilled staff from state agencies should be contracted to assist in the development of the Basin Plan and management of environmental water. Staff should be located in such places as Wagga Wagga, Dubbo, Tamworth or Armidale where NSW natural resource and environment management agencies have a strong presence.
- The current state of the rivers of the Murray-Darling Basin resulting from over allocation of water and floodplain harvesting means that governments must significantly reduce the extractive share on all rivers in order to reach sustainable limits. Access to science, which is often not available, should not be a restriction. Many of our members live on rivers where significant changes have occurred as a result of over allocation and poor government policies. It is fundamentally important that the Murray-Darling Basin Plan take this once in a life time opportunity to redress this imbalance.
- The Water Act 1912 states that the order of priority of water use in Australia be environment>town>riparian>irrigation.