Queensland Government submission

Senate Environment and Communications Legislation Committee's Inquiry into the Water Amendment Bill 2015

July 2015

Queensland Government

This publication has been compiled by Water Policy, Department of Natural Resources and Mines

Summary

The Queensland Government welcomes the opportunity to make a submission to the Environment and Communications Legislation Committee on the Water Amendment Bill 2015.

The Queensland Government supports the Murray–Darling Basin Plan and is committed to working with the Commonwealth and other jurisdictions to implement the plan in full.

In regards to the Water Amendment Bill 2015, the Queensland Government:

- supports the intention of the Bill to prioritise environmental water recovery through infrastructure investment over water buybacks
- reiterates the need for increased certainty for Murray–Darling Basin communities about the process and trajectory of water recovery
- strongly request the Commonwealth to consider the current progress towards achieving water recovery in the Queensland Murray–Darling Basin catchments (currently at less than half of the targeted volume) when prioritising future recovery programs
- supports the proposal in the Bill for increased flexibility to recover an additional 450 gigalitres for enhanced environmental outcomes in the southern Basin through efficiency measures, noting the low likelihood of this water being recovered from Queensland catchments.

Introduction

The Queensland Government welcomes the opportunity provided by Environment and Communications Legislation Committee to provide a written submission on the Water Amendment Bill 2015.

The Queensland Government supports the Murray–Darling Basin Plan (the Basin Plan) and is committed to working collaboratively with all relevant jurisdictions in ensuring the Basin Plan is implemented.

In this context, the Queensland Government would like to acknowledge the ongoing work of the Murray–Darling Basin Authority (MDBA) in overseeing the complex task of implementing the Basin Plan in conjunction with the Basin States. The Queensland Government has, and continues to maintain, a collaborative partnership with the MDBA.

The Queensland Government continues to support the Murray–Darling Basin water reforms and the environmental benefits which it may provide, but remains cognisant of indications that social and economic impacts from water recovery are in occurring in Queensland communities.

The Queensland section of the Murray–Darling Basin (QMDB) comprises the Border Rivers, Moonie, Condamine and Balonne, Nebine, Warrego and Paroo catchments. These catchments are shown in Map 1.

River flows in the QMDB are highly variable, typically characterised by long periods of no flow and large flood events. Climatic conditions in recent times have particularly highlighted these 'boom and bust' extremes. The hydrological features and patterns experienced in the QMDB (and other parts of the northern Basin) and the low level of regulation of these flows by major storages means that water planning and management practices differ significantly from those in the southern connected Basin.

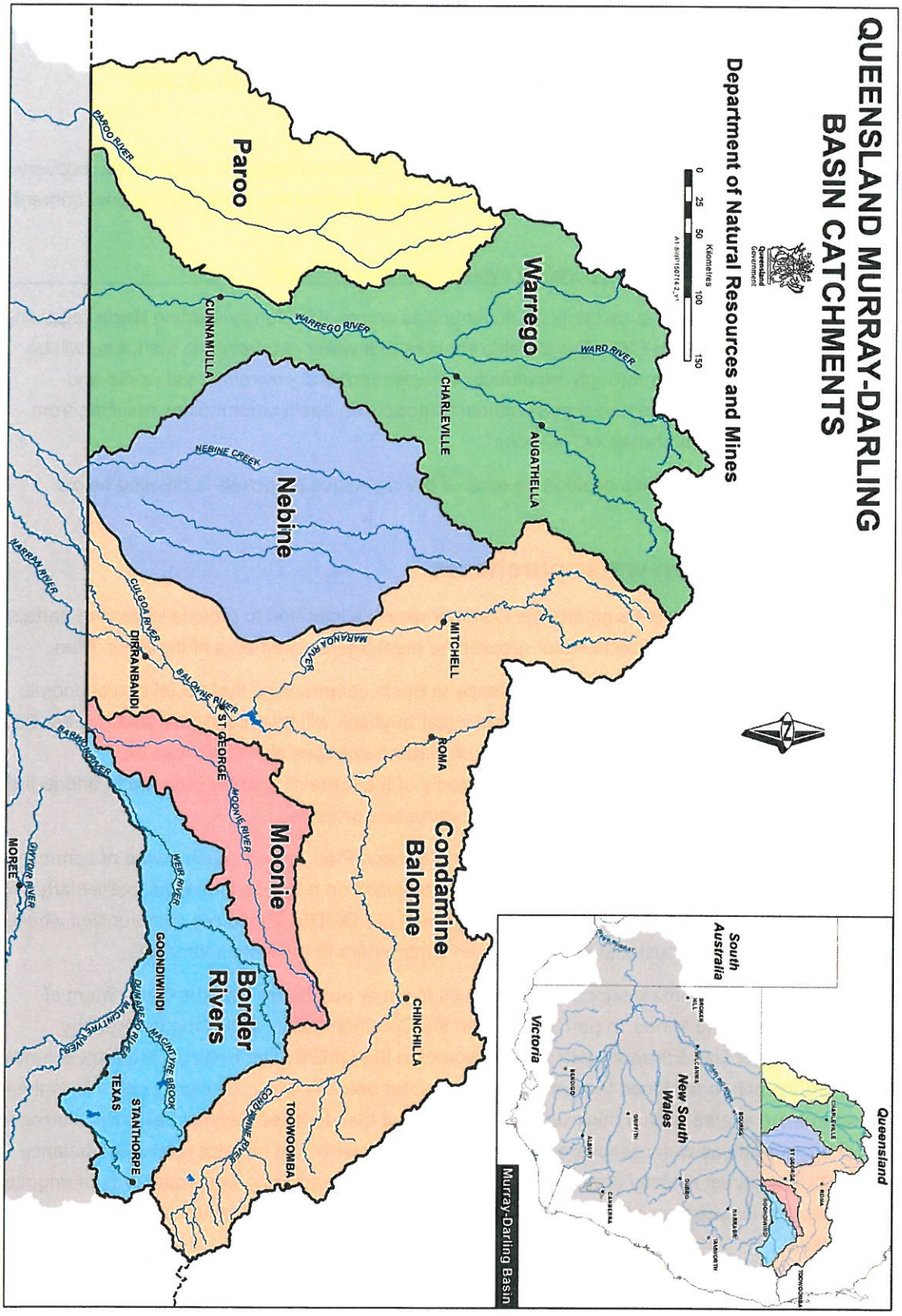
Rivers in the QMDB flow across the state border into the Barwon–Darling River system in northern New South Wales. The geography of the south-west Queensland landscape and geomorphology of many of the northern tributaries is such that the natural processes of inundation of wetlands, breakouts to the floodplain, evaporation, and seepage consume significant volumes of water. As a result of these natural processes a considerable proportion of the flows that originate in the QMDB do not reach the Barwon-Darling River system.

Flows originating in Queensland support important environmental sites within local catchments including the Narran Lakes wetland, the Lower Balonne floodplain, the Currawinya Lakes, and Paroo Overflow Lakes. As well as these important wetlands, flows originating in Queensland sustain key functions in riverine and floodplain ecosystems in the Barwon and Darling rivers.

QMDB catchments contribute very limited flows to the southern part of the Basin (other than as a result of major flooding events). It is not possible for environmental management interventions on Queensland rivers to provide significant beneficial environmental inflows to the Murray River.

Queensland's location in the headwaters of the Murray–Darling Basin, with its largely unregulated river systems and associated distinctive water management framework, must be taken into account when considering approaches to recovering water that will deliver tangible environmental benefits.

Figure 1 – Map of Queensland Murray-Darling Basin catchments



Water Amendment Bill 2015—Proposals

The Queensland Government understands that the Water Amendment Bill 2015 proposes to:

- amend the Water Act 2007 to impose a statutory limit of 1500 gigalitres (GL) on Commonwealth purchases of surface water across the Murray–Darling Basin

  and

- amend the Murray–Darling Basin Plan 2012 to provide increased flexibility in the recovery of 450 GL of water through efficiency measures funded under the Water for the Environment Special Account.

The Queensland Government supports the overall intention of this Bill.

The Bill will provide increased certainty for communities across the Murray–Darling Basin regarding implementation of the Basin Plan. The Bill also ensures that water recovery into the future will be focussed on efficiency gains through infrastructure investment and environmental works and measures which will minimise social and economic impacts on basin communities resulting from Commonwealth water purchases or "buyback".

The Queensland Government's position on each of the legislative proposals is detailed below.

1. 1500 GL limit on water purchases

The Queensland Government supports the Commonwealth's intention to provide increased certainty to Basin communities in relation to water recovery to meet the requirements of the Basin Plan.

A cap on water purchases will provide confidence to Basin communities that social and economic impacts on regional communities resulting from water buyback will be partially mitigated as the Basin Plan moves towards full implementation. A cap on water purchases also reinforces the Commonwealth's commitment to recover the majority of the remaining water required to bridge the gap through efficiency gains by investment in infrastructure projects.

The Queensland Government, while supportive of the Basin Plan, is very much aware of community concerns regarding social and economic impacts of buyback on basin communities, particularly on St George and Dirranbandi in the Lower Balonne region of the QMDB. These are communities where irrigation and associated businesses are the main contributors to the local economies.

The Queensland Government supports alternatives to water purchases with the Department of Natural Resources and Mines, in partnership with the Commonwealth, delivering the Healthy Headwaters Water Use Efficiency (HHWUE) program in the QMDB. The HHWUE program is funding on-farm infrastructure designed to improve on-farm water use efficiency. Efficiency gains from these investments are shared, with a minimum of 50 per cent of the identified savings being transferred to the Commonwealth as water recovered for the environment while the irrigator retains the balance. The HHWUE program thereby enables water recovery while maintaining the productivity of irrigation enterprises and reduces social and economic impacts on farmers, their families and basin communities.

As of 31 May 2015, the volume of water recovered in the QMDB was 78.2 GL which is less than half the targeted surface water volume of 175 GL. Of the 78.2 GL total, only 13.7 GL has been recovered to date through the HHWUE infrastructure efficiency projects. Although the proposed 1500 GL limit would not apply, it is worth noting that QMDB communities also will be impacted by the additional groundwater recovery target of 40.4 GL, again from within the Condamine–Balonne catchment.

While the HHWUE program has been successful, the funding currently allocated to this program, according to the Commonwealth's Water Recovery Strategy for the Murray–Darling Basin 2014 (the Water Recovery Strategy), will not be adequate to achieve the outstanding water recovery. In combination with additional funding, fundamental changes may be required to the policy approach and program design of the Sustainable Rural Water Use and Infrastructure Program in order to increase irrigator participation to achieve the required recovery targets.

This is particularly the case in the Lower Balonne area where the local catchment recovery target of 100GL is still to be met and where an additional 40 GL of northern basin shared zone reduction is also required under the default apportionment arrangements. This issue is noted in the Water Recovery Strategy, and the Condamine-Balonne catchment is highlighted as a location for targeted water purchasing.

While the Queensland Government is supportive of investment in water recovery through efficiency measures, it is also of the view that significant progress is still required to be made on water recovery in Queensland to meet targets. The proposed 1500 GL cap will only provide increased certainty for QMDB communities where a credible pathway can be identified to achieve the significant water recovery that is still required. The imposition of the cap, combined with the existing timeframes and limited funding for infrastructure recovery has potential to create greater uncertainty for affected communities in Queensland.

The Queensland Government acknowledges that the water recovery task is complex and has therefore committed to providing advice to the Commonwealth on the Water Recovery Strategy which aims to provide a pathway for achieving water recovery targets by 2019. The Queensland Government strongly requests that when implementing a 1500 GL limit on water purchases, the Commonwealth recognises the slow progress of water recovery in the QMDB to date, and prioritises approaches to achieving the remaining water recovery.

2. Basin Plan amendment to provide increased flexibility in recovering 450 GL of water through efficiency measures

The Queensland Government acknowledges that the proposed changes to the Basin Plan intend to increase flexibility in recovering an additional 450 GL for the environment through efficiency measures funded under the Water for the Environment Special Account.

The Water for the Environment Special Account was established to allow for the recovery of an additional 450 GL of water in order to pursue enhanced environmental outcomes as set out in Schedule 5 of the Basin Plan. The enhanced environmental outcomes in Schedule 5 of Basin Plan are focussed on the southern Basin including sites such as the Coorong and Lower Lakes, the mouth of the Murray River, floodplains in South Australia, New South Wales and Victoria as well floodplains and habitats along the rivers in the southern Basin.

With the environmental outcomes noted above, and given the limited connectivity of rivers in the QMDB (and northern basin more broadly) to the southern Basin, it is impractical to recover any of the additional 450 GL from the QMDB. The recovery of an additional 450 GL should be focussed on the southern Basin where water recovery will have a more immediate and direct influence on the enhanced environmental outcomes in Schedule 5 of the Basin Plan.

As stated previously, the Queensland Government shares the view of the Commonwealth that water recovery through efficiency gains due to infrastructure investment is the preferred way of recovering water for environment. The Queensland Government is of the view that this also applies to the additional 450 GL. The southern Basin has also suffered from social and economic impacts on irrigation communities due to buyback. In support of jurisdictions in the southern Basin, the Queensland Government supports the amendments that allow for increased flexibility in efficiency measures that can, over time, achieve the additional recovery target while minimising further social and economic impacts on Basin communities.

SUBMISSION ENDS