Dear Commissioners,

National Environmental Science Programme

Thank you for the opportunity to provide input to the Inquiry into the reform of Australia's water resources sector and for the associated March 2017 Issues Paper.

As a research Hub focusing on supporting sustainable development in northern Australia we consider that this region provides a unique opportunity to achieve and showcase efficient and sustainable water use, your proposed policy goal for future water reform. For our contribution to the Inquiry we'd therefore like to:

- Highlight the work of the NESP Northern Australian Environmental Resources Hub and previous work by the NERP Northern Australia Hub and the Tropical Rivers and Coastal Knowledge Hub in providing information to support water policy, planning and management in northern Australia.
- Suggest the continued application of the principles and actions in the NWC's Position Statement on Water management in northern Australia (May 2012) as unfinished business that the Commission may wish to pursue. The NWC's submission to the White Paper on Developing Northern Australia (Sub 123) expands on the Position Statement.
- Where inadequate information exists to fully understand a water resource, urge the Commission to advocate for use of the precautionary principle in guiding water allocation to avoid over allocation followed by degradation and expensive restoration.
- Suggest that, to prevent unviable or unsustainable infrastructure projects, the downstream, the ecosystem service, the cumulative, and the opportunity costs and benefits of water extraction are considered amongst other measures, in addition to the more direct social, cultural, environmental and economic costs and benefits.
- Reinforce several findings of the 2014 NWI Assessment, ie

Governments should invest in water infrastructure only after rigorous cost benefit analysis	All government water infrastructure investment should generate a return for the community and be subject to robust water planning and transparent cost benefit analysis.
The National Water Initiative principles should underpin resource development decisions	NWI principles, including best practice water pricing, should underpin all new water developments including those in northern Australia.
The National Water Initiative should guide the way water is allocated and managed for all users, including extractive industries	Water for extractive industries needs to be planned and managed by jurisdictions within NWI consistent regional water frameworks to mitigate potential impacts on other water users and the environment.

We'd be pleased to provide more information on request. Yours sincerely

Professor Michael Douglas Hub Director Northern Australian Environmental Resources Hub National Environmental Science Programme 28.4.2017