



PO Box 216, DUBBO NSW 2830

email inlandriversnetwork@gmail.com

web inlandriversnetwork.org

ABN 34 373 750 383

Productivity Commission
Locked Bag 2, Collins St East
Melbourne Vic 8003

Wednesday 24 April 2024

Submission
Interim Report
National Water Initiative Review 2024

Introduction

The Inland Rivers Network (IRN) is a coalition of environment groups and individuals concerned about the degradation of the rivers, wetlands and groundwaters of the Murray-Darling Basin. It has been advocating for the conservation of rivers, wetlands and groundwater in the Murray-Darling Basin since 1991.

Member groups include the Australian Conservation Foundation; the Nature Conservation Council of NSW; the National Parks Association of NSW; Friends of the Earth; Central West Environment Council; and Healthy Rivers Dubbo.

IRN has participated in water reform processes to improve the health of the Murray-Darling Basin including the Cap on water extraction implemented in 1994, the passing of the NSW Water Management Act in 2000, the adoption of the National Water Initiative (NWI) in 2004, the passing of the Water Act (C'wlth) 2007 and the adoption of the Basin Plan in 2012.

We note that in 2004:

‘The Parties agreed to implement the NWI in recognition of:

The continuing national imperative to increase the productivity and efficiency of Australia’s water use, the need to service rural and urban communities, and to ensure the health of river and groundwater systems by establishing clear pathways to return all systems to environmentally sustainable levels of extraction.¹

¹ NWI paragraph 5.

More work is needed to achieve these key aims and a renewed NWI must retain this overarching goal to guide future water management, sharing and use with a change in the order of priority:

- Conducting a scientifically rigorous assessment of an Environmentally Sustainable Level of Take (ESLT) in each water source, incorporating ESLT into each jurisdiction's water plans must be the first priority.
- Improved water security for urban areas must focus on demand management and be prioritised over other extractive uses. Improved management of climate change variability and extreme weather events must be central to planning processes, including restrictions of development on floodplains and identification of regions that can support a larger population.
- Greater water use efficiency can be achieved in a drying climate by adopting modern technologies in agriculture. Irrigated agriculture is the largest user of water in the nation. A move away from wasteful flood irrigation, towards higher value food security uses must be a top priority for the new national water agreement.

Draft Recommendations

IRN supports the general direction of the draft recommendations in the interim report, particularly recognition that principles and objectives must include First Nations knowledge and need for water dedicated to cultural outcomes.

Also, principles and objectives to include climate change considerations are long overdue, particularly in the context that the NWI was negotiated during the Millennium drought.

The primary aim of the renewed NWI should be more efficient and effective use of available water sources, while reserving minimum flows and adequate water quality to sustain river and ecosystem health.

A rigorous scientific and properly calculated ESLT should be the basis for all water planning.

The principle of providing minimum flows to sustain river health before allocating consumptive take is strongly supported. Water accounting should include minimum end-of-system flows. Connectivity between water sources, both surface and groundwater, is critical for maintenance of resilience.

A renewed NWI must accelerate the focus on addressing over-allocation and over use, with incentives and penalties for failure to tackle this issue.

Section 3.3 Water Security in a changing climate

IRN notes that the Interim Report states that: *'Australian governments need to consider a diversified portfolio of water security options to ensure a least-cost response in the face of uncertainty due to climate change. Options are not limited to building infrastructure to augment supply, but also include demand management, conservation and water trade.'* (p 83)

We note the Sydney Water submission to this review and support that recycling of water, a fundamental action that will need to be adopted to address reduced availability of water, should be explicitly referenced in the above statement. It is fundamental to address climate change reduced water availability. Urban water security can be significantly improved and addressed by the introduction of non-rainfall dependant (recycling) sources as a core component of urban water infrastructure. The updated NWI should include progress towards policy settings and community engagement strategies to provide a consistent nationwide policy and regulatory approach for non-rainfall independent water supply options (water recycling).

Response to selected information requests

Water security in a changing climate

Information request 3.1 What nationally agreed priority outcomes of water security should form part of a renewed NWI? How should these outcomes be treated when considering trade-offs between competing priorities and the management of risk when addressing water security concerns?

The hierarchy of water entitlement during water scarcity must be based on the type of water use. Critical human needs and the environment must have highest priority.

The environment requires both secure entitlements and statutory provision for connectivity, including protection of first flushes, low flows, end of system flow targets and shepherding of planned and held environmental water to protect it from re-extraction. Carry-over water in dams for irrigation should not take precedent over critical human or critical environmental needs downstream.

The calculation of available water determinations from water storages must include the best available information on drought forecasts and inflows, with priority for town water supply and environmental needs to prevent water dependent species extinctions.

It is imperative that groundwater sources are not permanently drawn down and that any increased reliance on groundwater during drought is based on best available knowledge and research. The risk of aquifer collapse is a permanent damage that must be taken into account.

Water entitlements and planning

Information request 4.1 How can a renewed NWI assist jurisdictions in establishing a consistent approach to developing climate change triggers and rebalancing processes? How can common principles help manage uncertainty, and jurisdictional and regional differences?

The first principle should be based on the calculation of an Environmentally Sustainable Level of Take for each water source and a cap on extractions that takes climate change predictions into account.

Industry must be encouraged to adopt the most efficient form of water use, through adoption of new technology, to move away from old, wasteful practices such as flood irrigation. Urban and industrial water security must be based on an accelerated investment in water recycling, capture and efficient use.

A broad framework that recognises all the benefits of healthy rivers (ecosystem services, cultural, recreational, amenity, tourism etc) is required to fully account for the balance needed to ensure sustainable water security.

The impacts of extreme weather events are already being felt across the nation. Improved planning and diversification away from industries with high water demands is imperative. Development on floodplains must be controlled and urban population increases focussed on areas with higher water security. All planning for new development must take water availability into account.

Climate change impacts emphasise the imperative of risk modelling and monitoring at regional scale. Impacts triggers are a necessary tool for adaptation to actual and expected changes in effective rainfall, runoff and flows. Impact triggers should be required in each water plan, and designed based on the level of risk, to reset consumptive use and environmental allocations.

Governance arrangements for the NWI need to be strengthened, consistent with the level of importance of national water policy. There is a need under the renewed NWI to strengthen leadership, interjurisdictional coordination and cooperation, to manage growing climate adaptation complexity, and to restore water user and community confidence.

Community partnerships and adjustment

Information request 11.1 In the past three years, what, if any, improvements have been made by governments to improve community engagement processes? Where engagement has occurred or feedback provided by community groups, do those groups feel they have a greater understanding of how decisions were taken and what consideration was given to community views?

There has been an improvement in community engagement processes at the state and federal levels. The Murray-Darling Basin Authority and Commonwealth Environmental Water Holder have stepped up the level of engagement with communities and organisations representing environmental interests. This has helped to improve general understanding of the complexities of water management.

A consistent rolling accountability framework with independent assessment should be publicly available, that includes performance reporting on implementation of the renewed NWI, including compliance, work plans, triggers, water trading.

The NSW Government has improved transparency of some processes, but not all. The production of ‘What we heard’ reports have been useful summaries of engagement processes. However, there is little or no reporting on how this information is used in the final decision-making process.

The focus of the previous NSW Government on no ‘third party impacts’ for any water management and planning process has caused a considerable failing to meet NWI sustainability goals, particularly in the Murray-Darling Basin.

Engagement needs to be a shared conversation, not a top-down presentation of complex information. Identification of information gaps, and need for additional research, should be an ongoing process with community input, especially with First Nations groups.

For further information contact:

Bev Smiles

inlanddriversnetwork@gmail.com