

Australian Greens Dissenting Report

Water Amendment (Review Implementation and Other Measures) Bill 2015

1.1 The Senate Inquiry into the *Water Amendment (Review Implementation and Other Measures) Bill 2015* received 15 written submissions. A number of these submissions raised serious concerns regarding some of the proposed changes to the Water Act outlined in this Bill.

1.2 Despite the evidence provided by these experts the Chair's report has recommended that the Bill be passed without any amendments addressing these concerns. The Australian Greens believe that this response is not sufficient and provide two recommendations that differ from the committee's report.

Issue One – Expanding the function of the Commonwealth Environmental Water Holder to include environmental activities

1.3 As indicated in the Chair's report the primary issue of concern to submitters was water trading by the Commonwealth Environmental Water Holder (CEWH) and the related amendments proposed under Item 27 (Section 106) of the bill.

1.4 These changes would allow trade revenue to be used for 'environmental activities'. This raises two primary concerns:

- (1) The use of trade revenue for funding environmental programs could result in cost-shifting whereby CEWH's funds are used to subsidise environmental programs that should be funded from other sources.
- (2) The term 'environmental activities' is vague and does not outline how an objective assessment would be made to determine whether an environmental activity actually improves the CEWH's ability to meet the objectives of the environmental watering plan.

1.5 Some safeguards are in place for these changes (e.g. Section 106(5) stating that the disposal of water must not impact on the SDLs in the catchment), however they do not directly address the above concerns. The current legislation limits the CEWH to only disposing of water which is not currently required to meet the objectives of the environmental watering plan or any applicable environmental water schedules and would otherwise be forfeited. This structure has provided positive outcomes for the health of the Murray Darling Basin and the Bills Digest notes that this limitation was imposed to ensure that the CEWH operates to meet environmental objectives.

Recommendation 1

1.6 That this Bill is amended to remove the amendment under Item 27 which would allow trade revenue to be used on 'environmental activities'.

Issue Two – Review and reporting requirements

1.7 Section 50 of the *Water Act 2007* outlines that ten-yearly reviews of the Basin Plan must be undertaken by the Murray Darling Basin Authority. If the *Water Amendment (Review Implementation and Other Measures) Bill 2015* is adopted in its current form there would be no review of the Basin Plan for about 14 years. This is particularly concerning as the current Murray Darling Basin Plan does not account for any changes in water flows due to climate change and the impact this would have on the Sustainable Diversion Limits (SDLs). Scientific literature predicts that there will be substantial changes to Australia's weather due to climate change. If a prolonged drought were to occur before the proposed review of the Basin Plan in 2026 this could have a substantial impact on the health of the Murray Darling system as the current plan does not account for climate change.

1.8 Last year Professor R. Quentin Grafton, Professor John Williams and Associate Professor Jamie Pittock published an article in the academic journal *Water*. These three highly regarded water scientists outlined that failing to use current scientific knowledge on climate change to model the Basin Plan's SDLs, or provisions for systematic adjustment into the future "significantly increases the risks to the health of the river systems". Failing to account for climate change in the SDLs also "increases the uncertainty to communities, who now have no clear policy setting or process to manage the anticipated changes in water availability into the future".

Recommendation 2

1.9 That the Sustainable Diversion Limits in the Murray Darling Basin Plan are reviewed in 2017 to determine if they adequately account for the projected impacts of climate change.

1.10 The Australian Greens do not support the Bill in its current form. The Australian Greens recommend that this Bill only be passed with amendments that address the two recommendations outlined in this report.

Senator Robert Simms
Australian Greens Senator for South Australia