

Submission Number: 595

Date Received: 08/02/11

Sc

Comparison of River Murray Water Rights and Diversion Limits

1. Summary

The following table compares the long term diversion limits for the River Murray in South Australia, Victoria and New South Wales with the modelled “current diversion limit” detailed in the Guide to the Basin Plan.

	Long Term Diversion Cap (GL)	Basin Plan Current Diversion Limit (GL)	% Reduction
SA Murray	756*	665	13.1%
NSW Murray	1702	1692	1.0%
VIC Murray	1880	1825	3.0%

* Adjusted for net permanent interstate water entitlement trade

The data above shows that South Australia is disadvantaged by at least 10% when compared to other basin States through the development of “current diversion limits” by the MDBA in the Guide to the Proposed Basin Plan.

2. Detailed Information

2.1. SA Licensed Water Entitlements

Granting on Water Licence of River Murray Water Access Entitlements (“WAE”) in South Australia is made under the *Natural resources Management Act 2004* and is subject limits set out within the Water Allocation Plan for the River Murray Prescribed Water Course (“WAP”) as detailed below

WAE Class	WAE Share Limits (GL)	Predominant Use
1	8.7	Domestic
2	50.0	Country Towns
3	565.0	Irrigation
4	4.4	Recreation
5	5.5	Industrial
6	130.0	Urban Adelaide
7	38.3	Environmental
8	22.2	Environmental
Total	824.1	

2.2. SA Long Term Diversion Cap

Use of River Murray water within South Australia must also comply with the diversion caps set out in the Murray-Darling Basin Agreement. Annually River Murray water diversions in South Australia are monitored against these caps to ensure compliance. There are four caps as follows

Cap Class	Initial Cap (GL)	Trade Adjusted Cap (GL)
Urban Adelaide	130.0*	130.0*
Country Towns	50.0	50.0
Lower Murray Swamps	94.2	53.8
All Other Purposes	449.9	522.7
Total	724.1	756.5

*Nominally 130 GL with the actual cap being a rolling 5 yearly 650 GL limit

Prior to implementing “tagged” water trade that allows the purchase of interstate water entitlements, the transfer of water entitlements from one state to another state resulted in permanent adjustments to individual state’s diversion caps. In the case of South Australia there was a net adjustment of +32.4 GL that accounted for interstate trade of water entitlements.

Since the implementation of “Tagged” trading for interstate transfer of water entitlements the Commonwealth Environmental Water Holder has acquired 54 GL from South Australian irrigators. This is in addition to 36 GL previously acquired from irrigators as part of South Australia’s first commitments to “The Living Murray”.

2.3. SA Current Diversion Limit in Proposed Basin Plan

In developing the Guide the Proposed Basin Plan the MDBA has derived a subsequent diversion limit against which it has determined potential sustainable diversion limits and potential reductions in diversions as a result on a catchment basis. This limit is described in the guide as the “Current Diversion Limit”, and is a modelled volume in GL/year of water diversions in the period 1895 to 2009. In respect the River Murray in South Australia this limit has been determined to be **665 GL**.

A summary of these Caps is

	CAP		
	WAP (GL)	MDB Agreement (GL)	Basin Plan Diversion Limit (GL)
Urban Adelaide	130.0*	130.0*	100
Country Towns	50	50.0	48.0
Lower Murray Swamps	644.1	53.8	50
All Other Purposes		522.7	467.0
Total	824.1	756.5	665.0[#]

*Nominally 130 GL with the actual cap being a rolling 5 yearly 650 GL limit

Excludes approx 36 GL held for “The Living Murray” purposes

2.4. NSW/VIC Current Diversion Limit in Proposed Basin Plan

Similar limits on water entitlement granting, cap diversions and determination of current diversion caps exist for the River Murray catchments in New South Wales and Victoria. The following table details (as determined from MDBA publications) diversion cap information for NSW and VIC.

	MDB Agreement (GL)	Basin Plan Diversion Limit (GL)
NSW Murray	1702	1692
VIC Murray	1880	1825