

**Senate Standing Committee on Environment and Communications**  
**Legislation Committee**  
Answers to questions on notice  
**Environment portfolio**

**Question No:** 184  
**Hearing:** Supplementary Budget Estimates  
**Outcome:** Outcome 4  
**Programme:** Water  
**Topic:** SUSTAINABLE DIVERSION LIMIT ADJUSTMENT EFFICIENCY MEASURES  
**Hansard Page:** N/A  
**Question Date:** 29 October 2014  
**Question Type:** Written

**Senator Rhiannon asked:**

Please explain the analysis the Department has done on what impact the cap on buybacks may have on recovering the water through efficiency projects?

**Answer:**

The cap on buybacks of water is not anticipated to impact on recovering water through efficiency projects.

Funding for efficiency measures will be drawn from the Water for the Environment Special Account. Note 1 to Section 86AD of the *Water Act 2007* states that the 'effect of the criteria prescribed by the Basin Plan is that water access rights may only be purchased in conjunction with improving irrigation water use efficiency on farms or an alternative arrangement proposed by a State'. The Water Recovery Strategy identifies, at page 18, that the 1500 gigalitre cap on purchasing water entitlements exempts 'purchases from state governments or those integrated with infrastructure rationalisations or reconfigurations that occur after the release of this Strategy'.