

Water Industry Alliance Award Winner

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Bob O'Brien, Managing Director, **Percat Water**

Key Words

Cap on water
Murray Darling Basin Plan
Murray Darling Basin Authority
Sustainable Diversion Limits

Sustainable diversion limits to be announced

Sustainable diversion limits (SDLs) will determine whether or not a cut in growers' water licences will occur. They will replace the current cap on water, which was implemented in the Murray Darling Basin in the mid 1990s.

The cap meant that, generally speaking, no new government licences were issued to growers while SDLs are part of the new draft Murray Darling Basin Plan, which is to be released in the middle of this year and finalised in 2011.

The Concept Statement released by the Murray Darling Basin Authority (MDBA) in June 2009 states that the Plan 'will seek to protect and restore key environmental assets – rivers, streams, wetlands, forests, floodplains and billabongs – and key ecosystem functions which are essential to the life of the rivers and their surrounding landscapes, as well as to human activities and cultural values'.

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The emphasis in the Plan will be on environment but it 'must also take into account the impact of this protection and restoration on individual communities, industries, regions and the wider economy'.

SDLs will limit the quantity of surface (river) water and groundwater (bore water) that may be taken from the Basin. Previously, groundwater was not included in the cap. It related only to surface water and was set on historic use, which is now considered not sustainable.

Diversion limits is a much broader concept and it will relate to different areas within the Basin and not just apply to State boundaries. SDLs will relate to the management of 'key environmental assets and ecosystem functions, key environmental outcomes and the productive base of water resources'.

Interestingly, the Concept Statement states on page 7, 'given the stresses on the Basin environment, it is **likely** (my emphasis) that the Basin-wide SDL for both groundwater and surface water will be set at a level below the current level of use'. What this means in practice will not be known until the draft Plan is released later this year.

However, the following comment is made on page 8. 'To ease the transitional impact of any reduction in the amount of water available for the purposes that will be limited by the SDL, including water available for consumptive use, an additional quantity of water can be made available for up to five years after the SDL comes into effect.

This signals less water for irrigators and the cities.

Importantly, if the current buy back of water licences by the Federal Government and savings of water from investing in infrastructure, do not address future shortages of water in the Basin, then a reduction in the amount of water attached to water licences may be considered.

Consideration of any reduction of water licences has not been publicised but growers need to read and understand the draft Basin Plan and Percat will be making further comment about SDLs in future articles.