

## **WATER LEGISLATION AMENDMENT BILL 2008**

### **Second Reading**

**Mr LLEWELLYN** (Lyons - Minister for Primary Industries, Water and Energy - 2R) –

Mr Speaker, I move –

That the bill be now read a second time.

The purpose of this bill is to amend the Water Management Act 1999 to support the findings of the 2005 review of the Water Management Act and the on-going implementation of the National Water Initiative. The bill makes minor amendments to the Irrigation Clauses Act 1973, Farm Water Development Act 1985, Inland Fisheries (Commercial Nets and Fees) Regulations 1999 and Approvals (Deadlines) Act 1993 and to ensure consistency with the Water Management Act 1999. It also repeals the Cressy Longford Irrigation Act 1969 and Cressy-Longford Irrigation Water Act 1972 both of which have been identified as redundant legislation.

Members of the House may recall that the Government provided a report to Parliament in 2005 on the operation of the Water Management Act and submissions were then invited from interested parties on ways to improve the operation of the act. The submissions addressed a range of issues and the Government undertook to address them in a two stage process. Stage one of this process was completed in 2007 when Parliament passed the Dam Works Legislation (Miscellaneous Amendments) Act 2007.

The bill I present today represents the second stage of amendments to the Water Management Act 1999. The amendments not only address some of the issues identified out of the 2005 review of the act but also support Tasmania's ongoing implementation of the National Water Initiative.

Mr Speaker, it has been noted many times in this House that the Lennon Labor Government has clearly recognised the importance of our water resources and the need for their ongoing sustainable use and development. The clear blueprint for development and protection of water resources provided through the Water Development Plan and SMART Farming Initiatives has demonstrated this recognition. And most recently, with the establishment of the high level expertise based Tasmanian Irrigation Development Board and our \$80 million commitment to foster major water infrastructure projects around the State, this Government continues to meet this need. And it is the Water Management Act, Mr Speaker, that provides the contemporary legislative framework to ensure the sustainable use and development of the State's water resources.

The amendments I present today are comprehensive and cover a number of matters to build upon the robust legislative framework of the Water Management Act and to support Tasmania's obligations as a signatory to the National Water Initiative.

Mr Speaker, Tasmania has now been a signatory to the National Water Initiative for three years and substantial progress has been made towards meeting our obligations under the Agreement. However, some elements of the National Water Initiative cannot be progressed until legislative amendments are made. This includes a broad suite of amendments aimed at enhancing the fundamental characteristics of water access entitlements, providing contemporary water metering and water trading regimes as well as enhancing the regulation of groundwater.

Mr Speaker I am fully aware of the need for clearly defined, certain and secure water access entitlements to underpin investment in water dependant businesses around this State. To this end, Mr Speaker, I am introducing amendments to the Water Management Act to enable the automatic renewal of licences, which will enhance the certainty and security of these entitlements. This will mean that licensees will no longer need to apply to the department for licence renewal, rather automatic renewal will occur, as long as all fees have been paid, the conditions of the licence have been complied with, the licensee is not disqualified from holding a licence and the renewal is not inconsistent with the objectives of the act or a relevant water management plan. This builds on the complimentary measure I have previously publicly announced that the term of a water licence will be extended from 10 to 40 years when licences are next renewed.

Mr Speaker, the question may be asked as to why this particular measure has not been included as an amendment to the Act? Tasmania's water access entitlements are defined under the Water Management Act, and are recognised by the National Water Commission as meeting the requirements of the National Water Initiative. The act provides for 'ongoing' entitlements, where a licence is in force for such time as the minister determines and is endorsed on the licence, but must be renewed if the Minister is satisfied that a set of specific, limited considerations have been met.

Mr Speaker, if we were to amend the act such that the duration of licences was specified by statute as a fixed period, for example 40 years, it would reduce the certainty and security enjoyed by licensees as they would no longer have an ongoing entitlement. A more appropriate course of action is to endorse the term on the licence, as provided by statute, and retain the presumption of renewal upon the meeting of specific considerations. This provides a sound balance between ensuring security of investment and providing exclusive access to a public resource.

By giving greater certainty and security to licensees, I consider these measures to be significant step in securing ongoing investment and trading in the State's water resources. They also demonstrate that this Government is serious about providing the ideal climate for investment in water resource use and development.

Mr Speaker, the bill refines the existing water metering provisions in the Water Management Act in order to support the State's National Water Initiative commitment to have meters installed on all commercial direct take water extractions where intensive water usage occurs. The increasing competition for, and value of, water, together with the need to maintain environmental flows means that water meters will play an integral role in the effective management of the State's water resources.

Through the 'Tasmanian Water Use Management Project' my Department is working with Hydro Tasmania to fit 3000 Ajenti telemetry units to water meters around the State. This will enable the collection of individual water meter data that is then transmitted via SMS to a central database where it can then be made available to DPIW and licensees. This information will be invaluable to water users and water managers alike, to assist with day to day water management, planning and compliance, as well as to ensure water trades and transfers can be accurately monitored.

A key component of the National Water Initiative is the facilitation of effective water trading markets. A range of minor amendments to the Water Management Act are proposed that will enhance the consideration of applications made to transfer licences and associated water allocations.

To explicitly deal with the release of water from dams to downstream water users, the bill presented today inserts provisions authorising the conveyance of water via a watercourse. These amendments are aimed at facilitating water trading, via the physical transfer of water where neither a licence nor an allocation changes ownership. The Water Management Act currently allows such trades to occur, however, the administrative process required by the act is unnecessarily complex. The introduction of Part 6A to the act will ensure such approvals are much simpler in future.

Under the new powers, the holder of a 'watercourse authority' will be able to release water into an adjacent stream that has previously been taken into storage under a licence. The water being released is delivered via the stream to a downstream purchaser. A watercourse authority will be subject to necessary conditions to protect water quality, the aquatic environment and other water users.

Mr Speaker, groundwater is an integral part of the State's water resources and needs to be managed in conjunction with surface water, as they are essentially different parts of the same resource. The bill I present before you today is a further step towards improving the way in which we manage the State's valuable groundwater resources.

Due to a number of different factors, enhanced regulation of Tasmania's groundwater activities has become an imperative. Firstly, unprecedented drought conditions have meant that water users have begun to look for other sources of water outside the more traditional form of surface water extractions. This has meant that more and more water users are beginning to access the groundwater resources underlying their property.

Secondly, there is a growing understanding of the interconnectedness of surface water and groundwater with the result that groundwater activities effect the surface water resources of the catchment. This has meant that there is the need to jointly manage the two resources to ensure their on-going sustainable use.

Thirdly, the National Water Initiative - Australia's blue print for water reform - requires a planning system that provides for the adaptive management of surface and groundwater systems in order to meet productive, environmental and other public benefit outcomes. An initial step in planning for the adaptive management of groundwater systems is to have regulatory control over groundwater activities.

Mr Speaker, whilst we encourage development of the State's water resources as an imperative for Tasmania, these amendments will ensure that the increasing use of our groundwater resources will be managed so that existing water users and the environment are protected.

Mr Speaker, the amendments relating to groundwater I present today have been designed to enable my department to regulate both where groundwater wells are drilled and who performs the drilling.

The bill introduces a system of well works permits. It will be the responsibility of landowners to obtain permits for the construction of new wells. Such a permitting system will enable my department to regulate where bores are drilled to ensure water availability for existing groundwater users can be maintained. It will also ensure that groundwater wells are more effectively regulated in those systems where there is a strong interaction between surface and groundwater. And finally, a system of well works permits will ensure that public safety is addressed, minimising the potential impact of subsidence.

Furthermore, the bill also seeks to introduce a driller's licensing system requiring a person to hold a Tasmanian Well Driller's Licence before they perform well works. Licences will be issued for five years and will be non-transferable. This will require existing and future well drillers to demonstrate that they have the appropriate knowledge and skill prior to undertaking any works. The driller's licensing system will bring Tasmania into line with all other jurisdictions who have already licensed their drillers. In order to be licensed, a driller will have to undertake examinations developed by the National Uniform Driller's Licensing Commission that are the same as those used in other States. This will mean that, should a Tasmanian licensed driller wish to become licensed in another State, they will only need to demonstrate knowledge of that jurisdiction's relevant legislation and they will be able to become licensed without sitting additional examinations. Existing groundwater drillers have been widely consulted in the development of the driller's licensing system. They have shown considerable support for such a licensing system and I would like to thank them for their endorsement.

Mr Speaker I'd like to briefly outline some of the other minor amendments to the Water Management Act proposed by the bill. These amendments are aimed at improving

the operation of the act and in response to public submissions received during the review of the act.

The bill increases the period for which a temporary water allocation can be granted from three to six months. This means that only one temporary water allocation will be required over the irrigation season rather than applying for two.

The bill includes a range of measures aimed at reducing the financial costs for smaller licence holders, such as the ability to offer rebates on licence fees and the removal of the requirement to advertise water licence applications for non-commercial stock and domestic users who take less than 0.01 megalitres per day.

Separately, Mr Speaker, I am amending the Water Management Regulations 1999 to offer fee rebates for those licensees who take water solely for non-commercial stock and domestic use, where the maximum daily quantity taken is less than 0.01 megalitres per day. Rebates will be given to all licensees who meet this criterion, with a slightly greater rebate for eligible pensioners.

The bill simplifies the provision relating to trust elections, and I would like to thank the Electoral Commissioner, Bruce Taylor and his staff for their help with this matter. These amendments are supported by Regulations that will commence once this bill is enacted.

The bill makes a range of minor amendments to expand on the provisions of the Dam Works Legislation (Miscellaneous Amendments) Act 2007. This includes clarifying that a notice can require an applicant to take 'specified action'. For example, the requirement for an applicant to submit design plans prepared by a professional engineer with particular qualifications. The Act will be amended to enable applicants to seek modification of their dam permit application where only minor variations are made that relate to either the size, type, location or purpose of use for that dam. This avoids the applicant having to submit a new dam works permit for a slightly modified proposal. For example, if a botanical survey identifies a threatened species at a proposed dam site and the impacts can be mitigated if the dam is located further downstream, then it is more logical that the applicant seek to vary an existing application rather than resubmit a new application.

Mr Speaker, during the debate in this House last year on the Dam Works Legislation (Miscellaneous Amendments) Act 2007 I gave an undertaking that consultation would be undertaken in relation to these amendments. Fifteen key stakeholder groups were provided with a copy of the draft bill as well as a detailed synopsis on the proposed amendments. In addition, detailed consultation with 14 groundwater drilling companies was undertaken to gain feedback on the proposal to introduce a driller's licensing system. It is pleasing to note that key stakeholders are very supportive of the proposed amendments, recognising that they will provide a contemporary framework for the sustainable use and management of this State's precious water resources.

Finally, Mr Speaker, the bill amends a number of other statutes including the Irrigation Clauses Act 1973, Farm Water Development Act 1985, Inland Fisheries (Commercial Nets and Fees) Regulations 1999 and Approvals (Deadlines) Act 1993. These amendments are made to ensure consistency with the Water Management Act 1999. The bill also repeals the Cressy Longford Irrigation Act 1969 and Cressy-Longford Irrigation Water Act 1972 both of which have been identified as redundant legislation, relating more to the establishment and initial funding of the scheme.

In conclusion, I am pleased to present a bill that not only provides for enhanced management of the State's groundwater resources and protection and equitable allocation of our valuable water resources but also enjoys wide support from all key stakeholder bodies. Mr Speaker, I commend the bill to the House.