

## **SECOND READING SPEECH – THE HON. BRYAN GREEN**

### ***WATER LEGISLATION AMENDMENT BILL 2013***

#### **SECOND READING SPEECH**

- Mr Speaker, today I introduce the *Water Legislation Amendment Bill 2013*.
- Mr Speaker, in my second reading speech on the *Irrigation Clauses Amendment Bill 2010*, which I gave on 2 September 2010, I noted my intention to introduce a suite of major amendments to the legislative framework governing irrigation districts in Tasmania.
- At the time, I informed the House that these amendments would be introduced to ensure that the administration of irrigation districts was based on a contemporary legislative framework.
- Whilst I indicated at the time that I intended to introduce an amendment bill in 2011, it became obvious that we in fact needed to make significant amendments to the *Water Management Act 1999* and related legislation more broadly.
- Given the extent of amendments to the Act and related legislation, we decided to tackle these through two sets of amendments.

- The Bill I introduce today is the first part of that package, and deals primarily with the legislative framework governing administration of water districts in Tasmania.
- I also intend to introduce a subsequent amendment bill that will deal with the balance of changes necessary to ensure our water legislation, as a whole, continues to operate effectively.
- Mr Speaker, in considering the *Water Legislation Amendment Bill 2013*, I think it important to reflect on the need for change.
- Water policy is continually evolving and hence we must ensure that our legislative framework remains up to date. This is critical to provide certainty for continued investment in the rural water sector.
- Since the *Water Management Act 1999* came into effect on 1 January 2000, it has been amended on seven occasions, with the most recent amendments commencing in February 2009.
- Amendments to the *Irrigation Clauses Act 1973* and *Waterworks Clauses Act 1952*, as well as to other legislation relating to the rural water sector in some way, have also been made from time to time.
- In addition, we have introduced legislation in recent times underpinning major reform of the urban water sector.

- Mr Speaker, each of the amendments made to the Water Management Act and related legislation were made not only to ensure that the operation of the legislation remained effective, but also to address the evolving water policy environment.
- One of the biggest changes to occur is the major irrigation development program the Government has progressed over the past three years, with the assistance of the Australian Government.
- Farmers have overwhelmingly supported this program by investing their own money, not only in the purchase of water rights in irrigation schemes, but also in gearing up their farms for irrigation.
- Whilst significant investment in irrigation development has occurred in this state, there is certainly scope for additional investment and development in the future.
- Notwithstanding the success of our irrigation development program, the key piece of legislation relating to the administration and operation of irrigation districts took effect in the early 1970s.
- Mr Speaker, the *Irrigation Clauses Act 1973* was originally designed to provide a means for farmers to provide for their own water supply needs, mostly on a relatively small scale.

- It was never intended to deal with complex, large-scale irrigation schemes such as the Midlands Water Scheme, and whilst we have managed to get through to this point in time, we have had to make some changes to the Act to deal with emerging issues.
- It is fair to say that the Irrigation Clauses Act has been stretched to its limits in relation to the new irrigation schemes being rolled out, and it is clearly time that a new legislative framework was adopted.
- On this note, Mr Speaker, I will now provide the House a summary of the key aims of the *Water Legislation Amendment Bill 2013*.
- Firstly, Mr Speaker, the Bill provides a simplified, contemporary framework for the establishment and administration of water districts, and consolidates rural water legislation in the one Act.
- The Bill provides for the effective administration of all water districts in Tasmania, from the smallest and simplest examples to the largest and most complex, and ensures that the concept of water districts, as originally set out in early legislation, is maintained.
- Lastly, the Bill provides for the complete separation of water access rights from land title in rural water supply districts (currently known as irrigation and water supply districts), creating greater

opportunities for water markets to develop and ensuring Tasmania continues to meet National Water Initiative requirements.

- Mr Speaker, the Bill has three main areas of focus. Part 9 of the Water Management Act, which provides for the establishment and administration of water districts, is updated and simplified.
- Secondly, a new Part 9A is inserted, which provides a contemporary set of arrangements for the supply and delivery of water in rural water supply districts. As a result, the *Irrigation Clauses Act 1973* and *Waterworks Clauses Act 1952* are repealed.
- Lastly, a range of associated and consequential amendments are made, dealing with matters relating mainly to water districts.
- Mr Speaker, the amended Part 9 of the Water Management Act will provide for the establishment and administration of rural water supply districts, riverworks districts, drainage districts and hydro-electric districts.
- This Bill restructures Part 9 and simplifies its provisions, primarily through the introduction of an administration licence, which will be issued to entities responsible for administering water districts.

- Each licence will be specific to an individual water district, and easily amended as may be necessary over time, similar to a water licence. An administration licence will always be “current”.
- Mr Speaker, under existing arrangements the establishment of a water district is approved by the Minister, subject to relevant conditions, and, should circumstances necessitate new conditions or a change in conditions, the Minister’s approval to establish the relevant district has to be amended.
- Under the new system, the initial approval for the establishment of a district will stand alone in its own right, and any variations to conditions over time will be made to the administration licence.
- Mr Speaker, this will ensure that water districts are approved through a rigorous process and that each entity has certainty in regard to the requirements they need to meet, as these will be specified on their administration licence.
- The Bill provides for the issuing of administration licences for existing districts within three to six months of the commencement date of the legislation and it is intended that these licences will be issued, by and large, with conditions reflecting those existing.

- Mr Speaker, I wish to emphasise that administration licences are not intended to be an additional regulatory burden. Rather they will provide a more effective and certain instrument of authorisation for an entity to administer a district.
- Indeed, with the exception of receiving their administration licence, each water entity should see virtually no change in their operating environment.
- Mr Speaker, I now turn to the insertion of Part 9A into the Water Management Act, which provides for the supply and delivery of water in rural water supply districts.
- A few years ago a review of the *Irrigation Clauses Act 1973* and *Waterworks Clauses Act 1952* was undertaken by my Department, focussing on contemporary requirements for administration and operation of irrigation and water supply districts in Tasmania.
- The *Irrigation Clauses Act 1973* was introduced to consolidate provisions generally applicable to irrigation schemes, affording responsible water entities certain powers to construct works and to grant occupiers of land in an irrigation district a right to be supplied with water for irrigation of the land.

- The *Waterworks Clauses Act 1952* was introduced to consolidate provisions authorising responsible water entities to make waterworks, for the purposes of providing “a supply of pure and wholesome water” sufficient for the domestic use of all inhabitants of a water supply district entitled to demand a supply.
- In line with the recommendations of the review, this Bill repeals the *Irrigation Clauses Act* and *Waterworks Clauses Act*, incorporates contemporary provisions into the *Water Management Act*, and hence consolidates our rural water legislation in the one Act.
- Furthermore, and given that the reform of the urban water sector made the need for water supply districts and the *Waterworks Clauses Act* largely redundant, we have consolidated water supply arrangements under the one set of powers.
- Hence, Mr Speaker, the Bill provides for rural water supply districts, under which a licensed water entity may supply water for any purpose.
- I expect that the vast majority of water supplied in rural water supply districts will be for the purpose of irrigation, and in this regard, the legislation provides that a rural water supply district may still be known as an irrigation district.



- Mr Speaker, perhaps the most important change I am introducing, with respect to contemporary water policy, is the complete separation of water access rights from land title.
- Originally under the Irrigation Clauses Act, irrigation rights were granted to occupiers of land in an irrigation district, with those rights tied to relevant parcels of land.
- In the 1970s, it was not foreseeable that policy reform would see an impetus to separate water rights from land title and it was not envisaged that irrigation rights would be transferred separate from land title.
- Over time, the legislation has been amended to allow for the transfer of irrigation rights, and for the granting of rights to non-occupiers of land in a district, upon Ministerial approval.
- Nevertheless, Mr Speaker, these amendments in themselves did not completely separate irrigation rights from land title.
- This outcome is achieved through the provisions of this Bill, though at the same time, we have been careful to ensure that the key concept of irrigation districts is continued into the future.

- The premise of irrigation districts is that water supply arrangements are provided for the benefit of farming communities, with statutory rights to the supply of water afforded to individual farmers, and appropriate powers afforded to water entities to ensure they are able to discharge their statutory obligations to supply water.
- Mr Speaker, in separating water access rights from land title, ensuring that these rights are tradeable, in full or in part, it follows that the location at which a water access right may be exercised cannot be tied to a specific piece of land and must also be able to change accordingly.
- By providing an appropriate balance between the statutory rights of water access right holders and the statutory obligations of water entities, this Bill ensures that any occupier of land in an irrigation district, or any holder of a water access right or potential holder of a water access right, the latter important in the context of markets and the transfer of rights over time, can reasonably expect to be supplied with water in a relevant rural water supply district.
- In this regard, this Bill enables a water access right holder to nominate the location at which they require a supply of water, compels a licensed water entity to supply water to a nominated

location where it is within the supply and delivery system, and to not unreasonably withhold agreement on a location elsewhere.

- Additionally, the Bill provides for the identification of “serviced land” within a district, where a licensed water entity chooses to do so.
- Identifying serviced land provides certainty to all concerned in regard to where within a district the supply and delivery of water is guaranteed and where it will be subject to individual agreement.
- Mr Speaker, the new provisions preserve the relationship between occupiers of land in a rural water supply district, holders of water access rights and licensed water entities, ensuring certainty for all in regard to expectations on water supply.
- At the same time, they allow much greater opportunity for water markets to develop and for investment in irrigation schemes.
- Mr Speaker, the third and final focus of the Bill is a number of consequential amendments that deal with other matters pertaining to the administration of water districts and the role of water entities.
- In conclusion, this Bill will ensure ongoing certainty for investment in irrigation development in Tasmania, important not only for existing districts in the state and the highly successful program of

irrigation schemes we have progressed, but also for second and potentially subsequent tranches of projects in the future.

- Mr Speaker, I commend the Bill to the House.