

Director
Murray-Darling Basin Inquiry
Australian Competition and Consumer Commission
By email: waterinquiry@acc.gov.au

28 November 2019

Submission on the Murray-Darling Basin water markets inquiry issues papers

The National Parks Association of NSW (NPA) was formed in 1957 and sixty-two years later we have 15 branches, 4,000 members and over 20,000 supporters. NPA's mission is to protect nature through community action. Our strengths include state-wide reach, deep local knowledge and evidence-based approach to conservation advocacy.

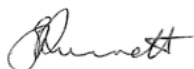
NPA welcomes the opportunity to comment on the Water Markets Inquiry Issues Papers. NPA has consistently advocated that best practice water management is required to maintain the ecological health of river, wetland and floodplain systems across the landscape, including protected areas and Ramsar wetlands of international importance. Through our membership of the National Parks Australia Council we share these concerns on an Australia-wide basis.

The Terms of Reference expressly exclude consideration of 'the effectiveness of water buy-backs for environmental purposes'. Notwithstanding this exclusion, NPA considers it essential that the Inquiry, in conjunction with the other evaluations referenced in the Issues Paper, identifies and assesses those elements of the current market arrangements that are resulting in damage to water-dependant ecosystems. The immediate causes of adverse impacts include inappropriate constraints on the delivery of water for environmental purposes. Formal assessment of the capacity of the water market to deliver water for environmental purposes is essential to ensure that the Commonwealth and States meet their legislated obligations under the *Water Act*.

It is recognised the present regime is designed to deliver the 'highest and best use', in commercial terms, of a scarce commodity. While the overall quantities of water in the trading 'pool' are outside the Terms of Reference, the ongoing decline in the health of our rivers demonstrates that all is not well, and as a consequence the trading rules must be reviewed to reduce risk of failure, including realistic rules for acceptable 'take' and locational use. It is worth noting that a precondition of the separation of water entitlements from locations in the 1990s was that the market ensure the continued delivery of water for environmental and community needs. The evidence strongly suggests that this requirement is not being achieved.

If you have any questions about these matters I can be contacted at garyd@npansw.org.au or on 02 9299 000.

Yours sincerely,



Gary Dunnett
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National Parks Association of NSW
protecting nature through community action

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