



Australian Government



Report summary:

Transition period water take report 2017-18

The Murray-Darling Basin Authority (MDBA) has released its assessment of water use for the 2017-18 water year. This is known as the *Transition period water take report 2017-18*.

Water is a limited resource in the Murray-Darling Basin. There are many demands for water including agriculture, industry, towns, individuals and the environment. Robust water accounting is essential to ensure:

- the volume of water actually taken from the Basin does not exceed the limits
- water is used in accordance with the relevant rules
- outcomes from environmental water recovery investments are realised
- rights to water are protected
- investment certainty for irrigated agriculture
- the water needs of water dependent ecosystems can be met.

Surface water accounting and compliance has been applied across the Basin since the Cap on Surface Water Diversions (the Cap) was established in 1995.

Roles and responsibilities

Basin governments are committed to ensuring that water entitlement holders follow the rules when taking water, including compliance with the Cap and SDLs.

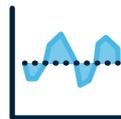
Basin states are the frontline of compliance and enforcement, and are responsible for policing water use and reporting on collective annual water use to the MDBA. The MDBA reviews annual water use by states to determine if their water use remains within the limits.

Having an effective, robust and fair compliance system underpins the integrity of water for the environment, water resource plans, the water market and water entitlements.

Water accounting



During the water year (July-June), **water is allocated against entitlements according to local rules and water availability**. Water availability can depend on the climate, rainfall, carryover, and water in storage.



The historical data has consistently demonstrated that **the amount of water used is quite different, and often less, than the amount of water allocated**.



Entitlement holders make business decisions about water usage, **and many choose not to use all the water allocated to them** in every water year.



At the end of each water year, Basin state **governments assess how much water was permitted to be taken and how much water was used**. Water is accounted for after the water year has ended.



Once Basin state governments report on how much water was used, **the MDBA assesses this information against sustainable diversion limits (SDLs)**. SDLs come into effect on 1 July 2019. Current water accounting is based on transitional arrangements, including Cap compliance.

The 2017–18 water year

Climate conditions

The Basin experienced significantly drier conditions in 2017–18 compared to 2016–17, with rainfall and inflows below to very much below average.

Some areas of New South Wales and Queensland recorded the lowest rainfall on record. As a result, inflows to the Murray system were below average, and Menindee Lakes effectively had zero inflow during the water year. Compounding the lack of rainfall were above average temperatures, with several areas of the Basin experiencing record highs.

These conditions had a substantial effect on surface water availability, with active storage for the northern and southern Basins sitting at 32% and 56% respectively (as at June 30, 2018).

Key findings

There were a number of key findings covering the 2017–18 water year.

- There were no instances of surface or groundwater use that breached the limits. **All valleys were compliant with water take limits** under the Cap, and nominally compliant with the SDL accounting trial.
- **Total water consumption for the Basin was 12,248 GL**—this is slightly higher compared to total take in 2016–17, which was 11,867 GL.
- Total **surface water use was similar to the previous water year** with 10,621 GL of surface water used, compared to 10,674 GL in 2016–17.
- Groundwater use was 1,627 GL, **registering an increase of 434 GL** (1,193 GL in 2016–17).
- **The use of groundwater generally increases during drier periods**, which was evident in the Basin during 2017–18, especially during the drier than average period in the latter half of the water year.
- **Surface water use varied across the Basin** with Queensland recording a decrease, NSW registering a small increase, while other Basin states reporting increases. This pattern could be due to drier periods being experienced in the northern parts of the Basin for the year.

- In 2017–18 the volume of held environmental water used was 2,424 GL compared to 2,198 GL used in 2016–17. **This is an increase of 225 GL** (10%).
- The increase in environmental water **is similar to the increase from 2015–16 to 2016–17** (244 GL or 12%).
- **Carryover of consumptive water increased substantially from 2016–17 due to above average rainfall in the Basin**, and subsequently decreased through use in the following year due to increasingly hot and dry conditions. During the same period, carryover of held environmental water remained consistent. It is anticipated that all carryover will decrease over the next year or two in response to drought.

Compliance

Basin states and the MDBA are using the transition period (2012–13 to 2018–19) to trial the types of water reporting, accounting and compliance methods and processes that will need to be in place from 1 July 2019 to ensure the arrangements are fit for purpose. The trial is necessary because the change from Cap to SDLs is substantial and the new approach needs to be well understood, ahead of formal implementation.

The trial makes an important contribution to building community trust in Basin governments' capacity to implement new water accounting rules set out in the Water Act and the Basin Plan. It is also a timely demonstration of how the MDBA and Basin states are working together in preparation for full compliance from July 2019.

Encouragingly, results show compliance with the Cap, and also suggest that there are no actual trial compliance consequences during the transition period.

The MDBA is aware that continuing improvement is required to increase the volume of take that is metered across surface water and groundwater.

While the trial of SDL water accounting has no compliance status, publishing the accounts is an important step in providing transparency about how compliance will operate.

The Murray–Darling Basin



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