

**MURRAY-DARLING BASIN  
MINISTERIAL COUNCIL**

**REVIEW OF CAP IMPLEMENTATION  
- QUEENSLAND WAMP IMPLEMENTATION**

**- Progress Report of the Independent Audit Group**

**FEBRUARY 1998**

9 February 1998

The Hon John Anderson MHR  
Chairman  
Murray-Darling Basin Ministerial Council  
Parliament House  
CANBERRA ACT 2600

Dear Minister

We have pleasure in submitting to you our "Progress Report on Queensland Water Allocation and Management Planning (WAMP) Implementation".

The audit team met with the Condamine-Balonne Community Reference Panel in Brisbane on 6 February and representatives of the Border Rivers Community Reference Panel at Goondiwindi on 7 February. We also had the opportunity to fly over the catchment and meet with catchment management committee and other community representatives in Dalby and Dirranbandi.

The Condamine-Balonne Community Reference Panel appeared to be constituted to reflect a wide range of community interest including downstream users.

There appears to be general understanding of the WAMP process and a commitment to contributing to a successful outcome.

In view of the high level of community consultation, and a dispersed community, and delays in developing the IQQM models, the WAMP reports that will set proposed end of valley flow targets (the CAP) are unlikely to be available for consideration by Council until December 1998 (Condamine-Balonne) and March 1999 (Border Rivers).

The Water Management Plans for the Warrego/Paroo, and Moonie Rivers are also unlikely to be available before December 1998.

The IAG draws to Councils attention the rapid growth in water harvesting from floodplains and overland flows. This is of concern to existing downstream water users as in their view it has affected the reliability of their water supply. It is understood the WAMP process, through the hydrologic modelling, will seek to quantify and assess the impacts of such developments on river flows and available water supplies, including downstream impacts.

Yours sincerely

---

**DR W J COX**  
Chairman

---

**PAUL BAXTER**  
Member

## **1. INTRODUCTION**

The Murray-Darling Ministerial Council has previously agreed, in response to proposals put by Queensland, that any final agreement on a cap be expressed as end of valley flows and that associated management/market frameworks would need to await the completion of the WAMP process being undertaken by that State.

Council has also agreed that the WAMP process should ensure that Queensland balances consumptive and instream uses.

The IAG, in supporting the WAMP process, noted that:-

- it must accommodate instream use not only in Queensland but also in the Border Rivers under the control of the Border River Commission and the rest of the Murray-Darling Basin;
- a management regime needs to be developed that includes pricing, property rights and measuring and reporting;
- the Precautionary Principle should be applied through the establishment of an allocation to be held in reserve to minimise the risk of over allocation for consumptive use; and
- final independent audit of the WAMP process be conducted, including modelling of impacts on downstream Basin flows.

Council has asked the IAG to audit the Queensland Water Allocation and Management Planning (WAMP) process and the outcomes of the process.

The August 1997 report of the IAG outlined an agreed audit methodology which had been negotiated with the Queensland Department of Natural Resources. The process comprises audits of key stages of WAMP against key criteria. Key products to be audited include Technical Advisory Panel Reports, River Modelling, Options and Impacts Report, Community Consultation Process and Report, Draft Plan, modified Draft Plan and Final Plan.

The proposed audit process also incorporates a site familiarisation to coincide with one of the Community Reference Panel meetings.

This progress report provides advice to Council on progress with the WAMP process for the Condamine-Balonne and Border Rivers and the Water Management Plans for the Warrego/Paroo and Moonie catchments.

## **2. WAMP/WMP STATUS**

Following advice from Queensland, the IAG in its August 1997 report, considered by Council in December 1997, advised that the WAMP process was expected to be complete with plans available for Council by June 1998 for the Condamine-Balonne catchment, and August 1998 for the Border Rivers. The Water Management Plans for the Warrego/Paroo and Moonie catchments were to be available in June.

The current status is:-

### **Condamine-Balonne Catchment**

The Technical Advisory Panel have produced a preliminary report on desirable flow characteristics for key nodes within the catchment.

The IQQM model is now complete. With the assistance of the WAMP Community Reference Panel, a roadshow to demonstrate the model in a number of centres in the catchment occurred in November and December 1997 with some 130 people attending the meetings. The Community Reference Panel has provided comments on ways the model should be adapted to include floodplain abstraction and overland flows.

It is now proposed to conduct a number of model runs which will look at a range of water allocation scenarios, including 1993/94 levels of development, December 1997 levels of development, December 1997 plus the St George off-stream storage development, and a number of other water allocation scenarios. The work of the Technical Advisory Panel is currently being analysed to enable a number of flow management strategies to be identified and then included in the model runs.

It is understood the resulting hydrology information and an analysis of the economic, social and environmental impacts of the various water allocation scenarios and flow management strategies is to be provided in an Information Paper to enable the Community Reference Panel to consider and discuss the possible trade-offs.

The impact analysis has not yet commenced and, given the difficulty in valuing environmental benefits, may require a combination of hard economic/financial analysis and the more subjective multi-criteria analysis incorporating community values.

The Department of Natural Resources have advised that the WAMP plans are unlikely to be available before December 1998.

In view of the commitment demonstrated by the Community Reference Panel to WAMP, and the need to integrate community consultation/ownership, this is not in the view of the IAG an unrealistic timetable. For this to be achieved however, the Community Reference Panel would need to be provided as soon as possible with information from the model runs and analysis of the economic, social, and environmental impacts of the various water allocation scenarios flow management options to enable Panel discussion and consideration of their value judgements in developing the draft WAMP.

The Community Reference Panel appears to the IAG to constitute an appropriate range of interests including downstream users and environmental considerations.

### **RECOMMENDATION**

**Council note that the WAMP plan for the Condamine-Balonne is unlikely to be available before December 1998.**

Community Reference Panel members and Catchment Committee members raised a number of issues that will need to be addressed to enable the cap end of valley flow targets to be implemented. The key of these is the need to establish management rules, a regulatory framework and market mechanisms that ensures not only allocative efficiency, but also the best benefit to the community from scarce water resources.

The IAG was advised that drafting of resource legislation had commenced.

## **RECOMMENDATION**

**Council note that drafting of legislation to establish a modified regulatory framework and market mechanisms has commenced.**

A particular area of concern to community members was the reduced security of water supply experienced by existing licence holders and water harvesters from the increased construction of storages to capture overland and floodplain flow. It was estimated that storages with a capacity of some 70,000 ML in each of the upper Condamine and lower Balonne have already been installed to harvest these flows. This had resulted in noticeable reductions in reliability of supply. Water users considered that, irrespective of the outcome of the WAMP process, management rules including definition of property rights be established.

While Queensland, under its interim cap arrangement, has put a moratorium on the issue of licences for river abstraction, no statutory basis exists for controlling water use on the floodplain or from overland flows. Approvals are required from some Local Governments for the erection and construction of the storage facility, but no control is available over water use.

The IAG considers that this issue needs to be addressed if equitable and efficient allocation of the water resource is to be achieved. It is understood that the WAMP modelling will examine the basin-wide significance of the development of the off-stream water diversions.

The growth of these structures appears to be increasing with advice provided at Dalby by a community representative that over 20 applications were lodged in the last month for harvesting overland flow in the Upper Condamine.

The construction of additional storages during the extended period of WAMP completion effectively presumes that WAMP will indicate additional resources are available for consumptive use. There is no information available to support or reject this position at this time and a moratorium on construction of new structures is an appropriate response, although the IAG were advised that there is no statutory basis for preventing the construction of new storages apart from those currently in place through some Local Governments who have powers to license such structures in so far as the potential impact of such structures, as levee banks, to cause physical damage to land and existing infrastructure.

Similarly, the issue of the State Government Dam Incentive Scheme where a 22.5% subsidy is available for water storage infrastructure costing more than \$200,000 would appear to be incongruent with establishing a market based water use environment.

## **RECOMMENDATION**

**The IAG recommend that Queensland in establishing a management, market and regulatory framework in conjunction with the WAMP outcomes address the issues of licensing water storage (use) for floodplain and overland storages and subsidies for storages.**

### **Border Rivers**

The IAG was previously advised that the WAMP plan was expected to be available for Council in August 1998.

The process is significantly delayed predominantly due to delays in developing a validated IQQM model for the Border Rivers. The model is expected to be completed within the next month at which time a number of runs will be conducted. These runs will model natural conditions, current development (with and without the enlarged Pindari Dam), 1993/94 levels of development and other water allocation scenarios.

The Technical Advisory Panel has also met and provided some initial views on the flow management options, but cannot progress their work until the model runs are available.

The Community Reference Panel, including representatives from NSW, are supportive of the WAMP process and are waiting for the water allocation scenarios and flow management options to be developed and run in the model before contributing to the debate on balancing consumption use and environmental flows.

## **RECOMMENDATION**

**It is recommended the Council note that the WAMP process for the Border Rivers is unlikely to be finished before March 1999.**

In its August 1997 report, the IAG raised the issue of the joint development of the Border Rivers process and in particular the need for NSW and Queensland cooperation to deal with downstream issues.

The IAG was advised that the formal process for resolving the differences in approach would be through the Border Rivers Commission.

The IAG was also advised that discussions had been held between NSW and Queensland officials but that no formal agreement had yet been reached on a process for resolving outstanding issues.

In view of the importance of this issue, the IAG previously recommended that, failing resolution by November 1997, the MDBC should facilitate resolution. If the current negotiations fail to resolve the issue, the IAG again supports a role for the MDBC.

## **RECOMMENDATION**

**It is recommended that the MDBC offer to facilitate resolution of NSW/Queensland across border issues.**

A number of other issues were raised by representatives of the Border Rivers Community. These largely mirror the issues raised by the Condamine-Balonne stakeholders and have not been separately covered.

### **Warrego/Paroo and Moonie River Water Management Plans**

The IAG were previously advised that the Water Management Plans for the Warrego/Paroo and Moonie Rivers would be available for consideration by Council in June 1998.

The IAG has now been advised that with the priority for finalising the WAMP for the Condamine-Balonne and Border Rivers, the Water Management Plans will not be available until December 1998.

### **RECOMMENDATION**

**It is recommended that Council note that the Water Management Plans for the Warrego/Paroo and Moonie Rivers are unlikely to be available until December 1998.**

### **ACKNOWLEDGMENT**

The IAG appreciated the opportunity to be briefed by the Department of Natural Resources officers, to participate in discussions with the Community Reference Panel members and Catchment stakeholders. The aerial inspection of aspects for the catchment was most helpful in understanding some of the complexities of the river systems.