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The Territory's water is at risk: Water Controller's decision on Fortune Agribusiness' groundwater extraction licence sets a troubling precedent

Environment Centre NT is disappointed by news today that the Water Controller has approved Fortune Agribusiness' licence to extract 40 billion litres per annum of groundwater at Singleton Station, south of Tennant Creek.

Co-Director Kirsty Howey, said today, "Despite overwhelming opposition by Territorians, the Water Controller has just approved the Territory's largest ever groundwater extraction licence, which will permit Fortune Agribusiness to drain an ancient aquifer in the arid interior of the Territory by 40 billion litres per year. This decision flies in the face of common sense, as well as science, and is likely to cause irreversible environmental harm."

The Environment Centre NT believes that the decision does not bear close scrutiny, and is inconsistent with the declared Western Davenport Water Allocation Plan and the precautionary principle.

Dr Howey said: "Fortune Agribusiness has indicated that the project may drawdown the aquifer by up to 50metres, whereas the water allocation plan states that the maximum depth to groundwater should not exceed 15 metres. This could have serious impacts on groundwater dependent ecosystems, which impacts do not appear to have been comprehensively modelled. Water Allocation Plans are not something that can be opted in and out of at will – the water licence should have been rejected on this basis alone."

"Not only that, the impacts of this project on salinity are astounding – the licence indicates that the project would bring between 28,000 and 26,000 tonnes of dissolved salts to the surface per annum. This could be catastrophic for groundwater quality and ecosystem function in the region."

Dr Howey also raised concerns about considerable uncertainty in the scientific knowledge base and modelling associated with this aquifer: "The water allocation plan indicates that drawdown in one area can have serious impacts on other areas, and that groundwater recharge is highly episodic. For example, we know that the aquifer did not recharge much at all between 1900 and 1975, meaning that it may take many decades for aquifer levels to recover. This warrants an extremely cautious approach."

"Instead, the Water Controller appears to be placing a lot of confidence in the proponent to undertake "adaptive management" to resolve the considerable scientific uncertainty associated with this project. Adaptive management shouldn't be used as a proxy for actual scientific study or detailed analysis of environmental impacts up-front. Impacts on groundwater drawdown from extraction may not reveal themselves for many decades, rendering adaptive management largely redundant. It is an immensely risky strategy for the Water Controller to take."

Dr Howey also expressed concerns about flaws in the Northern Territory's water regulatory regime: "As is the case across the Northern Territory, Fortune Agribusiness will obtain this vast amount of water for free. The Northern Territory is the only jurisdiction apart from Western Australia that does not charge irrigators for water. This is the key mechanism by which water resource management, including regulatory, compliance and enforcements functions, is funded in Australia. One expert estimated that Fortune's water licence would cost \$20million elsewhere in Australia. This is nothing short of an unacceptable transfer of a public good to private interests by the Northern Territory Government."

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