



**Media release:**

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## **Rushed laws rolling out the red carpet for water speculators nothing to do with economic recovery**

The Environment Centre NT (ECNT) is calling on the Gunner Government to drop its rushed *Water Act* amendments in the Statute Law Amendment (Territory Economic Reconstruction) Bill 2021 (TERC Bill) due to be debated in the Northern Territory Parliament.

Last week, Territorians stood together for our water, signed petitions and took action and as a result the Gunner Government has thankfully delayed its proposed Environmental Laws Omnibus Bills. These changes would have further weakened our water laws.

However, the Government is inexcusably sticking to its changes that will pave the way for water speculation with reduced oversight. The changes on the agenda would allow for a completely new category of licence - 'headwater licences' - to be granted for specific developers, such as NT Land Corporation. Under these licences, developers would get water for free without any intention of developing the land themselves, and then will be able to onsell sub-licences to other developers with next to no regulatory scrutiny.

In addition, significant discretionary power will be transferred to the Water Controller to extend the length of water licences and decide how the public will be notified about dam proposals.

ECNT's Co-Director Kirsty Howey said: "These changes will weaken our already shoddy water laws, which the Environmental Defenders Office only this week diagnosed as among [the worst in the country.](#)"

"The changes to the Water Act embedded in the TERC Bill have absolutely nothing to do with economic recovery, and were not recommended by the Territory Economic Reconstruction Commission (TERC). What we're seeing is a Government desperately trying to push through these laws, despite only last week acknowledging the strong community concerns with changes to water laws. What's left in this bill is still bad news for the water all Territorians rely on."

"Territorians are rightly asking what's the rush? Instead of this poorly thought out legislation to give more water to big developers with less public oversight, we need to see the Government's public consultation on its Water Security Strategy and a legislated Safe Drinking Water Act before this legislation is brought to the chamber. Today is a day for the Gunner Government to show it is listening – starting with withdrawing this water bill and listening to Territorians who want better water futures."

Please see attachment for an explanation of the TERC Bill amendments.

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## Attachment

ECNT has identified the following problems with the *Territory Economic Reconstruction) Bill 2021*:

### **1. The TERC Bill gives the Water Controller arbitrary powers to extend the term of water licences, locking water away from other users and increasing sovereign risk**

Water licences are generally only granted for 10 years in the Northern Territory, which is a useful tool for managing the sustainability of water extraction, as well as to reduce sovereign risk (ie to reduce the risk of the Territory needing to “buy back” water licences including due to overextraction of the resource). However, the TERC Bill gives the Water Controller, a bureaucrat, a very broad power to extend the term of water licences if she is “satisfied that special circumstances justify the longer period”. No explanation is given for what “special circumstances” might be, and no time limit is given on how long the Water Controller can extend water licences for. This is a dangerous level of discretion to give to a senior bureaucrat, which could have the effect of locking away water from other prospective users, will remove a key sustainable management tool, and will increase the risk of “buy backs” of Territory water licences (a cost which would be borne by the Territory taxpayer).

### **2. The TERC Bill paves the way for speculative water development, that will lock away water from other prospective users and enable unscrupulous profit-making**

Speculative water licences are a particular risk in the Territory, where unlike other jurisdictions water is handed out for free to irrigators, who can then trade it at a profit. To stop rampant speculation, water licences in the Territory must be granted for actual irrigation developments, and require precision about the bore points where extraction is to occur. They are also subject to a “use it or lose it policy”. This is to prevent “water hoarding” whereby the available water in a particular resource is taken by a particular irrigator, locking others out.

The TERC Bill makes it possible for a developer to obtain water licences on a speculative basis – that is, without the need to specify extraction points or submit detailed development plans. The developer will then be able to subdivide or sub-lease the land and transfer the water licence to others. This means that a developer can “hoard” water with very little justification, locking the resource away from other prospective users. Again, the water would be given to the developer for free, but can then be used by that developer for profit-making purposes. This is a massive transfer of a public good to private interests, without appropriate compensation.

### **3. The TERC Bill removes public scrutiny for dam approvals**

The agribusiness industry has been pushing for years for a “surface water harvesting” policy, which is code for on-farm dams using an environmentally destructive practice known as “floodplain harvesting”. Industry reports suggest that over 500 billion litres of water a year “may be available” from the Daly River catchment alone for on-farm dams. Floodplain harvesting has been enormously damaging in the Murray Darling Basin, and a major cause of fish kills and dry river-beds in the Darling-Baaka River in particular. It has no social licence in the Territory, and requires the closest scrutiny.

The TERC Bill reduces public scrutiny for the construction of dams for floodplain harvesting. It removes the requirement for notices for permits to obstruct waterways (needed to build dams) to be advertised in the newspaper, instead placing public notification requirements within the discretion of the Water Controller. It is vital that Territorians know about industry plans for dams, and this level of uncertainty and discretion about public notification requirements is unacceptable.