



PRIVATE MEMBERS BILL: WATER MANAGEMENT AMENDMENT (WATER ACCESS LICENCE REGISTER REFORM) BILL 2024

STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

The Bill supports the NSW Water Strategy and aligns closely with the NSW Government's commitment to enhancing fairness and transparency of the water market and water regulation in NSW. Priority 1 of the NSW Water Strategy is to "Build community confidence and capacity through engagement, transparency and accountability", and Action 1.2 is "Increase the amount and quality of publicly available information about water in NSW".

The Australian Competition and Consumer Commission (ACCC) recommendations on Murray-Darling Basin water market reform provide a strong evidentiary basis for supporting a more robust water market, which were addressed in the Australian Government's "Water Market Reform Roadmap Report", currently being rolled out.

The NSW Government is actively collaborating with the Australian Government and other Basin States to advance this reform, alongside the NSW Water Strategy. Both initiatives aim to improve the fairness, transparency and rigour of the water market in NSW. The Bill supports and advances these objectives, furthering the Government's commitment to effective water market reform.

Objectives: What is the policy's objective couched in terms of the public interest?

The Bill serves the public interest by increasing the transparency of both public water registers and the identification of water access licence holders. The Bill also aims to improve community confidence in the integrity of water trading in NSW. As a shared natural resource, there is a strong public interest in ensuring transparent management of water trading, to prevent market imbalances, and improve customer and community confidence in the system.

Options: What alternative policies and mechanisms were considered in advance of the bill?

The Member for Murray engaged constructively with the Government in developing and finalising this Bill, to explore the intended outcomes and options for achieving these outcomes.

Analysis: What were the pros/cons and benefits/costs of each option considered?

The Bill is consistent with the NSW Government's agenda for the implementation of the National Water Initiative, the Water Market Reform Roadmap and the NSW Water Strategy, which set out a comprehensive framework for water reform and management in NSW.

The Bill provides mechanisms to implement reforms already underway through either the Australian Government's Water Market Reform Roadmap or broader NSW Government reform programs.

Additional costs beyond work already planned is manageable within existing budgets.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

The Water Group in the NSW Department of Climate Change, Energy, the Environment will continue to work with Australian Government agencies, along with WaterNSW, to implement the reforms in the Bill. The Department will also develop public facing communications as required for any changes that impact stakeholders.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

The Member for Murray has brought forward this Bill in response to feedback and input from constituents and stakeholders.

There was also consultation undertaken by the ACCC in undertaking its Water Markets Inquiry, and the NSW Government surveyed stakeholders on Transparency in the NSW water market in 2020.