

**IMPACTS OF THE WATER AMENDMENT (RESTORING OUR RIVERS) ACT
2023 ON NSW REGIONAL COMMUNITIES**

Organisation: Country Women's Association of NSW

Date Received: 10 April 2025



Country Women's Association of NSW

Incorporated in 1931 by an Act of NSW Parliament

ABN 82 318 909 926

Thursday 10 April 2025

Mr Roy Butler (MP)
Committee Chair
Inquiry into the Impacts of Water Amendment (*Restoring Our Rivers*)
Act 2023 on NSW regional communities
Committee on Investment, Industry and Regional Development
NSW Parliament House
6 Macquarie Street
Sydney NSW 2000

Re: NSW Parliamentary Inquiry into the Implications of the Water Amendment (*Restoring Our Rivers*) Act 2023

The Country Women's Association (CWA) of New South Wales (NSW) is the state's largest women's rural issues advocacy group with well over 8000 members and close to 400 branches across NSW. There is no other rural, regional, remote member-based organisation that has the breadth and depth of membership on matters affecting country people.

The CWA of NSW aims to improve conditions for country women, children, and families by advocating for its members, helping local communities, creating a network of support and meeting together in towns and cities across NSW. The CWA of NSW advocates for positive action on a range of issues that impact the lives of women, children and families throughout NSW and welcomes the opportunity to respond to the *NSW Parliamentary Inquiry into the implications of the Water Amendment (Restoring Our Rivers) Act 2023* (*the Act*) on New South Wales (NSW) (*the Inquiry*).

CWA OF NSW POLICY PRIORITIES

The CWA of NSW has consistently advocated for transparent, equitable, and sustainable water management policies that balance the needs of regional, rural, and remote communities with sound environmental management. The Association's policy positions on water reflect long-standing concerns about water ownership, quality, availability, and management. Key themes across policies include transparency in water ownership and management, prioritisation of water for critical human needs, protection of agricultural water use, and domestic and foreign investment controls. These policies aim to ensure that regional, rural, and remote communities have a sustainable and secure water future.

CWA of NSW RESPONSE

a) Social, Economic, and Environmental impact of repealing limits to the cap on Commonwealth water purchases

The Act's repeal of the 1,500 gigalitre (GL) cap on Commonwealth water buybacks aims to provide more flexibility in achieving water recovery targets. While environmental restoration is essential, the CWA of NSW is concerned about potential adverse effects on regional communities:

- **Economic impact:** Large-scale buybacks may reduce water availability for irrigation, leading to decreased agricultural productivity. This reduction could in turn result in job losses, lower income for farming families, and diminished economic activity in rural towns. The NSW Government has

Level 2, 244 Coward St, Mascot NSW 2020
PO Box 222, Mascot, NSW 1460 • Telephone: 02 8337 0200 • Facsimile: 02 8338 1595
Email: info@cwaofnsw.org.au • Website: www.cwaofnsw.org.au

expressed concerns about the socio-economic impacts of extensive water buybacks, advocating for alternative water recovery methods that minimise harm to communities.¹

- **Social impact:** Reduced agricultural activity could lead to population decline as families move away in search of employment, impacting local schools, healthcare services, and community cohesion.
- **Environmental impact:** While returning water to the environment has clear ecological benefits, it is crucial to ensure that water recovery strategies do not inadvertently harm local ecosystems or lead to unintended consequences, such as increased salinity or waterlogging.

b) Risks to effective implementation of the Act, including unlicensed water take and options to address these risks

Effective implementation of the Act requires:

- **Suitable timeframe:** The NSW Government has highlighted the importance of realistic timeframes and flexibility in delivering Basin Plan elements, acknowledging that without extensions, projects may be withdrawn, increasing reliance on buybacks.²
- **Stopping unauthorised water take:** Unauthorised water extraction undermines both environmental objectives and fair water distribution. Strengthening monitoring and enforcement is essential to address this issue.

c) Impact of planned environmental water rules on the reliability of water allocations in NSW and the Commonwealth's environmental water holdings

Planned Environmental Water (PEW) rules are designed to ensure that sufficient water is allocated to maintain ecosystem health. However, these rules can affect the reliability of water allocations for other users:

- **Irrigators and farmers:** Changes in PEW rules may lead to reduced water availability for agricultural purposes, affecting crop planning and financial stability.
- **Environmental water holdings:** The Commonwealth's environmental water holdings must be managed transparently to build trust among stakeholders. Clear communication about water use and benefits is vital.

d) Impact of rules-based changes on the reliability of water allocations in NSW, including their impact on different water License categories

Rules-based changes, such as alterations in allocation policies or trading rules, can have varied impacts:

- **High-security license holders:** Typically, these users expect consistent water availability. Changes that reduce reliability can have significant financial implications.
- **General security license holders:** These users are accustomed to variability but still require a degree of predictability to make informed business decisions.
- **Stock and domestic users:** Ensuring that basic water needs for households and livestock are met is paramount.

¹ NSW Government submission on the Water Amendment (Restoring Our Rivers) Bill 2023 p.1.
https://www.pc.gov.au/_data/assets/pdf_file/0005/369158/sub111-basin-plan-2023-attachment.pdf (accessed 26.02.2025)

² NSW Government submission on the Water Amendment (Restoring Our Rivers) Bill 2023 p.1.
https://www.pc.gov.au/_data/assets/pdf_file/0005/369158/sub111-basin-plan-2023-attachment.pdf (accessed 26.02.2025)

The CWA of NSW calls for comprehensive impact assessments before implementing rules-based changes to understand potential effects on all license categories.

e) Effectiveness and impacts of past water reforms, including community-based water reduction adjustment programs

Past water reforms have yielded mixed outcomes:

- **Positive outcomes:** Some infrastructure investments have improved water use efficiency, benefiting both the environment and agricultural productivity.
- **Negative outcomes:** Programs that did not adequately consider local contexts have, at times, led to community dissatisfaction and unintended negative economic and social consequences.

The NSW Government has emphasised the need for timely decision-making to support project implementation, aiming to minimise the risk of buybacks and their associated impacts on communities.³

f) Options to improve future community-based reduction adjustment programs, including next rounds of the Sustainable Communities Program

To enhance future programs:

- **Community engagement:** Involving local stakeholders in program design ensures that initiatives are contextually appropriate and have community support.
- **Flexible approaches:** Recognising the diversity of NSW's regions, programs should allow for tailored solutions rather than a one-size-fits-all model.
- **Capacity building:** Providing resources and training can empower communities to manage water more effectively and adapt to changes.

g) Any Other Related Matters

The CWA of NSW advocates for:

- **Transparency:** Establishing a publicly accessible water ownership register to promote accountability and trust among stakeholders.⁴
- **Support for affected communities:** Implementing assistance programs for communities adversely impacted by water reforms, ensuring they have the resources to adapt and thrive.

CONCLUSION

The CWA of NSW acknowledges the necessity of the Water Amendment (Restoring Our Rivers) Act 2023 in addressing environmental concerns within the Murray-Darling Basin. However, it is imperative that the implementation of the Act carefully considers and mitigates potential adverse impacts on NSW's rural communities. We urge the NSW Parliament to adopt a balanced approach that harmonises environmental objectives with the socio-economic well-being of our state's residents.

³ NSW Government submission on the Water Amendment (Restoring Our Rivers) Bill 2023 p.2-3.

https://www.pc.gov.au/data/assets/pdf_file/0005/369158/sub111-basin-plan-2023-attachment.pdf (accessed 26.02.2025)

⁴ CWA of NSW Policy Education Kit Transparent water ownership register

<https://www.cwaofnsw.org.au/common/Uploaded%20files/Policy/CWA%20Policy%20Education%20Kit%20Register%20Interest%20Water%202024.pdf> (Accessed 26.02.2025)