



LEGISLATIVE COUNCIL

SELECT COMMITTEE ON THE STATUS OF WATER TRADING IN NEW SOUTH WALES

MEDIA RELEASE

UPPER HOUSE COMMITTEE HANDS DOWN REPORT ON WATER TRADING

FOR IMMEDIATE RELEASE

20 December 2022

A Parliamentary Upper House committee today handed down its report on the status of water trading in New South Wales.

The report found that the current system of water trading is not operating effectively to meet the needs of the state's economy, communities and environment. The committee made ten recommendations for reform, covering a range of actions including digitising trade platforms, tightening market conduct rules, publishing water market information, and improving water access for First Nations people.

Chair of the committee, the Hon Robert Borsak MLC, said: 'Water trading is a huge industry in the Murray Darling Basin, with \$1.8 billion worth of water rights traded each year. However, the governance of water markets has not kept pace with their growth. The committee heard of serious deficiencies with the way markets are regulated, which is allowing practices like market manipulation, unfair dealing and insider trading to flourish. It is clear that much tighter regulation is needed and the committee makes recommendations to this effect'.

'Hand-in-hand with these issues is the lack of openness in water trading markets. The community is left in the dark about who owns water and when it is traded, as limited information is publicly accessible. The committee therefore recommends the Government establish a public water market register to provide some urgently needed transparency'.

Mr Borsak continued: 'Another key issue during this inquiry was the involvement of private traders in water markets. While the committee recognises the value of having an open market, we are concerned that millions of dollars of profits are being made in Sydney and Melbourne, rather than going back to Murray Darling Basin communities. The decline of towns in this region is a serious concern and this report examines the role that water trading has played in this'.

Information about the inquiry, including the committee's report, is available on the committee's [website](#).

For further information please contact Committee Chair, Hon Robert Borsak MLC, on 02 9230 2573.

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