

Unallocated water—a sustainable approach to future needs

When will unallocated water be released?

Generally, unallocated water will only be released after alternative ways of meeting demand have been explored. This might mean seeing whether the water needed to meet demand can be obtained by using existing supplies more efficiently.

Similarly, in some catchments there is considerable scope for meeting short- to medium-term needs from existing entitlements that are only being partly used. In some areas this could occur through the introduction of water trading, which would enable water users to sell any existing surpluses and any water saved through innovation and efficiency.

However, unallocated water may sometimes be released to meet specific economic or social objectives—for example, to promote growth in conjunction with a regional development plan. In addition, different approaches might be needed in different parts of a catchment.

In most cases the potential demand for water, potential sources of supply including those discussed above, and the timing and process for the release of any unallocated water will be clearly identified through the water resource planning process in close consultation with the community.

What form of water entitlement will be given?

Where entitlement conditions can be adequately defined, tradable water allocations will be created. However, these are only being introduced through the water planning process where there is sufficient demand, and where adequate hydrologic information exists to define the volume of water available and how well entitlements can be expected to perform.

In areas where water entitlements cannot be clearly defined, non-tradable licences will generally be issued. The nature of a proposal for using unallocated water would influence whether a water allocation or non-tradable licence is issued.

For example, if the water resource planning process identified the potential for a large dam, the department would prefer to issue a supplemented high- and medium-priority tradable water allocation.

The water allocation required for the dam could be made available in the first instance to the dam proponent, who would in turn sell smaller allocations to individual water users on completion of the project.

In other areas, unsupplemented tradable water allocations would be better suited, while landholders on small tributaries or in overland flow areas would be more likely to secure non-tradable licences.

These factors are resolved through the water resource planning process.

How will the water be valued?

Unallocated water, whether it is to be released as tradable allocations or non-tradable licences, will normally be sold through open tender or at auction—processes that have been widely used for water sales throughout Australia. Its potential value in a given situation, and therefore the price that bidders are prepared to pay, will largely reflect the level of demand.

A departmental assessment of these factors would precede any decision to release water and to set a reserve price.

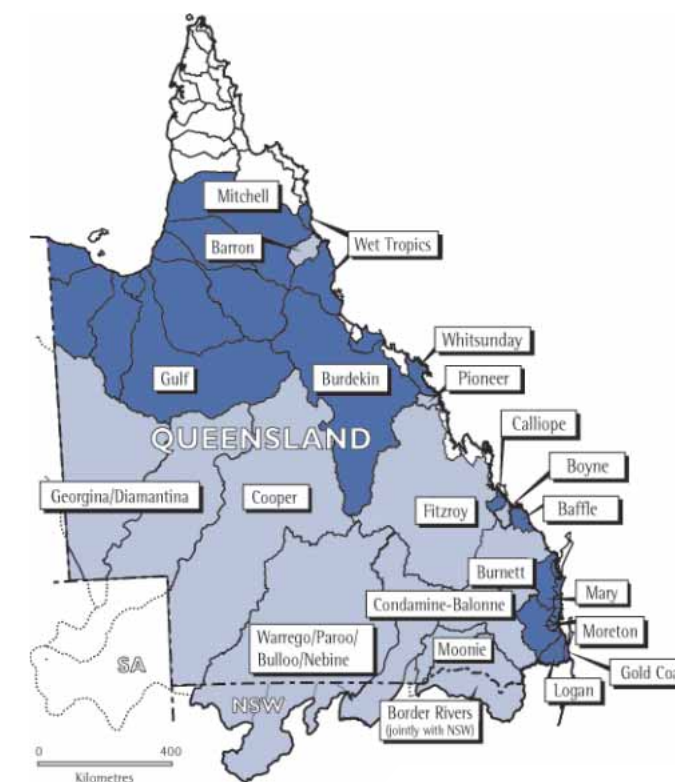
How will unallocated water be identified?

The department identifies whether any unallocated water is available in Queensland catchments during its water resource planning process.

This process first develops water resource plans which are implemented through resource operations plans. The status of water resource planning throughout the state is shown in the map at right.

Need more information...

Contact any office of the Department of Natural Resources and Mines or visit www.nrm.qld.gov.au/about/contactus/.



- Water resource plans completed and resource operations planning under way or complete
- Water resource plans yet to be completed

Current: October 2004

Unallocated Water

and water resource planning



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The way in which water is supplied throughout our state is crucial to the wellbeing of all Queenslanders.

Careful planning and coordination will help determine the value of unallocated water and regulate the way this water is made available to the community.

This summary explains how the case will be made for making unallocated water available and how these water resources will be valued prior to their release.

Importantly, unallocated water will only become available when the opportunity for maximising the benefits of existing supplies has been fully explored.

The *Water Act 2000* (Qld) outlines the government's responsibilities for allocating and managing water in a sustainable way.

This is facilitated through a water resource planning process that carefully assesses each catchment's water resources and its economic, social and environmental needs.

This tailored, community-based approach extends to identifying an area's future requirements, and any unallocated water that may potentially be made available.

Unallocated water is water identified under a water resource plan as being potentially available for consumptive use without compromising the security of existing supplies or environmental objectives.

Unallocated water supplies have been identified as potentially available in many parts of Queensland where water resource planning is in effect. Unallocated water does not include any existing 'spare' water held in dams that is already available for use.

Policy principles to reflect sustainability priorities

Policy principles have been released to ensure the broadest community benefit arises when unallocated water is made available.

The principles are consistent with the Council of Australian Governments' water reform objectives for sustainable water allocation and use.

They will regulate how much water is released and when. These principles will also help to determine the type of entitlements that will be made available— for example, tradable allocations or non-tradable licences.

Unallocated water could be released to support urban growth, industry including mining, or for irrigation. Releases could also be tied to regional development planning priorities. They would be preceded by an assessment through the water resource planning process of an area's existing water supplies, and the potential for innovation, trading and efficiency gains to meet short-term water needs.

The policy principles also set out how unallocated water will be valued and how anyone interested will be able to bid for a share. This is in line with national water reform requirements designed to ensure that water moves under market forces to its highest value use and that all new water infrastructure is economically viable and environmentally sustainable.

The policy principles can be viewed at www.nrm.qld.gov.au/wrp/unalloc_water/.

How much water will be released?

This will vary from area to area and is likely to be influenced by: the overall amount of unallocated water that could be made available; the level of demand for water; and any existing planning processes in effect in the area—for example, regional, and water supply planning programs.

The volume that may be made available during the life of the water resource plan will be specified in the resource operations plan, which will also define the criteria that must be met for any release of unallocated water.

In catchments with comparatively large volumes of unallocated water and where demand is high, releases may be tied to uses and needs identified through the water resource planning process. The water release procedure would be specified in the resource operations plan.

In catchments with comparatively large volumes of unallocated water, and where demand is low, an appropriate volume would be reserved for the longer term.

In catchments with small volumes of unallocated water, releases will probably be tied to shorter-term uses and needs identified through the water resource planning process. Typically, this might include provision for town supplies in remote areas.

Meeting the needs of our fast-growing population and strong economy is presenting many challenges. Efficiency, innovation and the potential for water trading are watchwords that will underpin future unallocated water strategies.

Glossary

Overland flow water is the water—including floodwater—that runs over land following rainfall, before it enters a watercourse, or after it erupts from a watercourse, lake or spring.

It does not include:

- water that infiltrates soil under normal farming operations, such as clearing, replanting or tillage.
- tailwater from irrigation if the tailwater recycling arrangements meet best practice requirements
- water collected from roofs for rainwater tanks

Supplemented water is water that is supplemented by releases from public water infrastructure, such as dams and weirs, in a water supply scheme managed by a water service provider such as SunWater, or a local authority provider such as Gold Coast Water or Toowoomba City Council.

Unsupplemented water is water sourced from natural flow and is not dependent on public water infrastructure.