

NT FARMERS CONSULTATION PAPER

Water Charging Framework

1. INTRODUCTION

In October 2022 the NT Government's Department of Environment, Parks and Water Security (DEPWS) released the *Draft Territory Water Plan* (the *draft Plan*) for public consultation (see Attachment 1).

The *draft Plan* proposes the reform of water management through fourteen Priority Actions. One of these Priority Actions has been identified as having particularly significant impact on plant industries – Priority Action 6: Placing a value on water. The introduction of a charge for using water for agriculture is a significant policy change that has the potential to detrimentally impact the economics of irrigated agriculture in the Northern Territory. However, there are also potential benefits to be considered and negotiated. Furthermore, charging for water is consistent with the National Water Initiative and would bring us in line with common practice in other states.

The final design of a water charging framework is of critical importance to industry. NT Farmers has a window of opportunity to engage proactively with the NT Government to inform and influence outcomes. The intent of engaging proactively on the issue is to ensure that the cost born by irrigators and other water licence holders is fair and affordable and is offset by perceived benefits including better water management and increased water licence security.

Not engaging, or opposing the introduction of a water charging framework, is unlikely to change NT Government policy in the longer term and risks the water charging framework being developed without input from industry.

NT Farmers has limited time to consult with industry, develop a position, and respond to the NT Government. The *Territory Water Plan* is likely to be finalised this year and will further entrench elements of a water charging framework. The two-stage process described in this consultation paper is an attempt to 'buy more time'. Stage 1 addresses the urgent pressure. While Stage 2 delays the more complicated elements of the proposed water charging framework to allow for more consultation and negotiation.

It is critical that we present a strong and united voice for industry.

2. BACKGROUND

NT Farmers made a formal submission through the *draft Plan* public consultation process in November 2022 (see Attachment 2). The submission addressed in general terms NT Farmers' position on each of the fourteen Priority Actions, with the caveat that NT Farmers holds the right to further engagement as more detail about the *draft Plan* and the proposed water charging framework is released by the NT Government.

The NT Farmers Board has met several times since November 2022 to determine the best approach to developing a response to the *draft Plan*, including consideration of a response to the proposal to implement a water charging framework.

The two-stage process described herein has been endorsed for consultation with industry and wider stakeholders. This consultation paper is an open invitation for you to contribute to the discussion so that an NT Farmers position can be agreed upon as a response to the NT Government by May 2023, in anticipation that the delivery of the 2023-2024 NT Government budget may be the next trigger for decision making about water charging.

3. PURPOSE

You may be familiar with various water charging schemes in other parts of Australia, but there is no precedent for non-reticulated water charges in the Northern Territory.

The purpose of this consultation paper is to provide information about the NT Government's ambition to introduce a charge for water and seek guidance and input from industry into the response to the proposal to implement a water charging framework. Feedback from industry and wider stakeholders will be critical to determining an agreed position for presentation to the NT Government to inform their final *Territory Water Plan* and their final determinations regarding a water charging framework.

You are encouraged to discuss the issue and provide feedback and alternative views.

The response to the NT Government will include a set of principles by which NT Farmers will potentially agree to a charge on water, these are the benefits that NT Farmers expects for industry in return for the introduction of a water charging framework.

These principles are also provided for consideration and feedback.

4. STAGE 1 – SET ANNUAL LICENCE FEE

Stage 1 would see a **Set Annual Licence Fee**, an administrative fee introduced for holders of water licences. The fee would be the same for all water licence holders.

This is consistent with the precedent NT Government has set by charging the gas industry a **Set Annual Licence Fee**. An argument could be prosecuted that agricultural water licence fees should be considerably smaller for a range of reasons, including the large number of agricultural licences and the impact of fees on the agricultural sector relative to the gas sector.

The NT Farmers Board recommends a **Set Annual Licence Fee**, so long as the fee is not an impost on water licence holders and the principles outlined below are agreed to. The highest priority of these principles is the change from ten-year licence terms to perpetual water licences.

A **Set Annual Licence Fee** addresses the NT Governments ambition to partially recover costs for water resource management in line with other jurisdictions and the National Water Initiative.

STAGE 2 – VOLUMETRIC PER MEGALITRE WATER CHARGE

Stage 2 may see the introduction of a **Set Annual Licence Fee + Volumetric (per ML) Water Charge**. In addition to the administrative fee described above there could be a water charge that is scaled according to extraction or the size of an agricultural water licence.

The *draft Plan* proposes “a uniform volumetric charge (in dollars per megalitre) to all licenced users, with a minimum charge for lower levels of take”. It is therefore important to consider a possible future volumetric water charge.

The NT Farmers Board is open to discussing a **Set Annual Licence Fee + Volumetric (per ML) Water Charge**.

For reference, NT Farmers has analysed existing agricultural water licences to show the range of licence sizes against an example scale (see Attachment 3).

A **Set Annual Licence Fee + Volumetric (per ML) Water Charge** allows for consideration of a water charging framework that promotes water efficiency and industry competitiveness. However, considerably more investigation, consultation and negotiation is necessary to allow for a world’s best practice water charging framework that supports industry rather than simply generating revenue for government.

An effective water charging framework must address challenging issues such as:

- encouraging water movement through trading;
- ensuring licenced water is used and not ‘banked’;
- staging water licences appropriately for greenfields development;
- transitioning appropriately to a water charging framework; and
- embedding the principle of fairness, including addressing the proposed exclusion of stock and domestic water users from water charging.

Openness to discussing a volumetric water charge puts NT Farmers in a strong position to negotiate the best possible industry and community outcomes.

5. GOVERNMENT COST RECOVERY V’S COMMUNITY GRANTS PROGRAM

A carefully designed volumetric water charge could benefit industry. With strong industry leadership we have an opportunity to develop a creative solution that strengthens industry viability and public licence. However, designing this solution will take time.

The NT Farmers Board discussed at length the importance of knowing where revenue from a volumetric water charge is spent. One option is that this revenue could be paid into a reserve fund for a community grant program. Revenue could then be used to deliver community benefits to the regions in which the water is being extracted.

The rationale is that the **Set Annual Licence Fee** is an administrative fee which correlates directly to the partial recovery of NT Governments costs in managing water licences. A **Volumetric (per ML) Water Charge** is a payment for extracted or allocated water. Since water is a public resource, any water charge should go to the community rather than to government. Agricultural water users would be paying recompense to the community for access to a public resource for economic benefit.

The suggestion is inspired by Western Australia's *Royalties for Regions*. This is a much larger initiative, with royalties paid by the mining sector into a special investment fund, but is based on the same principle that commercial use of a natural resource should have benefit to the impacted community. *Royalties for Regions* supports economic and social development projects in the regions from which the royalty revenue was generated.

6. ACCOMPANYING PRINCIPLES

The following principles, if supported by industry, will be included in the NT Farmers water charging framework recommendations to the NT Government:

Conditions for Stage 1:

- a. The NT Government will take NT Farmers advice on the **Set Annual Licence Fee** amount, to prevent impacts on the most financially vulnerable growers, prior to any fees being applied to industry.
- b. Water licences that have a charge applied under the water charging framework will be converted to perpetual tenure with appropriate conditions.
- c. Water use reporting will change from monthly to quarterly.
- d. Revenue from the **Set Annual Licence Fee** will be used to improve NT Government water resource management, expenditure of this revenue and corresponding outcomes will be reported on publicly and transparently.
- e. **Set Annual Licence Fee** increases cannot be introduced without appropriate consultation with industry and must be capped at the equivalent of CPI.
- f. The **Set Annual Licence Fee** must correlate directly to the partial recovery of the administrative costs of a licence, there must be no expectation that water licence holders will subsidise the cost of government services such as water planning, monitoring or regulation as these functions benefit the whole Northern Territory community.
- g. In setting a fee for water licence holders, the NT Government will address the fairness issue directly by articulating a staged approach to applying the 'beneficiary pays' principle which demands that the cost of water resource management be shared by all water users.

Conditions for Stage 2:

- h. Any volumetric water charge will only be applied after extensive industry consultation, and rate setting and expenditure of revenue will be managed through a process independent of government and representative of industry.
- i. The NT Government will assist NT Farmers to undertake an independent Economic Impact Assessment (EIA) prior to any volumetric water charges being applied to industry.
- j. Revenue from volumetric water charges will be used to deliver community benefits against agreed protocols, expenditure of this revenue and corresponding outcomes will be reported on publicly and transparently.

- k. Volumetric water charges (rate setting and protocols) cannot be changed without comprehensive consultation with industry.
- l. A volumetric water charge will not come into effect for any water licence holder until a Water Allocation Plan is renewed with the endorsement of a Water Allocation Committee representative of irrigator interests.

7. FEEDBACK

You are asked to provide feedback on the content of this consultation paper by **5 June 2023**.

You are encouraged to consider what an appropriate **Set Annual Licence Fee** might be with regard to the financial implications for your business, as well as the possible risks and benefits to industry of charging for water.

The NT Farmers Board felt an acceptable annual fee might be between \$100 and \$500.

8. NEXT STEPS

Feedback will inform the NT Farmers position on water charging and the NT Farmers water charging framework recommendations to the NT Government.

The recommendations to the NT Government will be circulated to NT Farmers members and to the wider industry so far as possible.

It is anticipated that this process will involve significant ongoing discussions between the NT Government and NT Farmers. It is hoped that this will influence NT Government decision making as they progress to a final *Territory Water Plan*, and as the proposed action to put a value on water progresses to any fees or charges for water licence holders. So far as possible you will be kept informed of the progress of these negotiations.

You are encouraged to engage with the NT Farmers Board and staff about this issue on an ongoing basis, all feedback is welcomed.

Note, if you are not an NT Farmers member, these are the discussions which make it important for you to become a member of your peak body so that NT Farmers is best placed to communicate with you and represent your interests.

Proposed timeframe for water charging and reform:

2023	Introduction of the Set Annual Licence Fee for water licence holders
2024 – 2028	Legislative reform including negotiated conditions for a Volumetric (per ML) Water Charge for water licence holders Legislative reform must also prioritise measures that will ensure fairness, promote a best practice industry and strengthen social licence, including through effective regulation and compliance
Before 2032	Introduction of the Volumetric (per ML) Water Charge for water licence holders

Attachment 1
Draft Territory Water Plan

Department of
ENVIRONMENT, PARKS AND WATER SECURITY

DRAFT TERRITORY WATER PLAN



A plan to deliver water security
for all Territorians, now and
into the future

This is a draft document designed for public consultation. Content and actions do not represent the final position of the Northern Territory Government.



The Northern Territory Government respectfully and proudly acknowledges the Northern Territory's Aboriginal people and their rich cultures. We pay respect to Elders past and present. We acknowledge Aboriginal peoples as the Traditional Owners and custodians of the lands and waters that we rely on for our livelihoods. We recognise the intrinsic connection of Traditional Owners to Country and value their ongoing contribution to managing the lands and waters. We support the need for genuine and lasting partnerships with Traditional Owners to better understand cultural connections, and we will work to establish lasting partnerships to manage water together, now and into the future.



Leliyn Falls



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Ormiston Gorge

Statement of Commitment



The Territory Water Plan is the Northern Territory's first whole-of-government strategic plan for water security. It is the culmination of engagement and collaboration to identify and develop actions to improve how we manage, protect and secure our water, now and for the future. The Plan responds to community feedback on Territorians' needs and aspirations for water management, and proposes a holistic approach to the complex water security challenges and opportunities that we now face, and those that will emerge over the coming decades.

Its priority actions position us to systematically improve and extend drinking water supply for remote and rural areas, to support our growing population and provide secure and sustainable water for economic growth and industry development. It achieves this by focusing on foundations for long-term reform including governance, regulation, science, cultural knowledge and evidence through engagement with the community.

As the Minister for Environment, Climate Change and Water Security, I will champion the Territory Water Plan and oversee the implementation of its actions on behalf of the Northern Territory Government. I will provide an annual Ministerial Statement to the Legislative Assembly of the Northern Territory, detailing its progress and outcomes and forecasting future commitments under the Plan.

I will be supported by the Office of Water Security; a dedicated team tasked with leading and coordinating implementation of the Plan and its actions across the Northern Territory. The Office of Water Security will report annually on progress against the Plan, lead significant water policy development and perform an ongoing community engagement role, building research partnerships and strong relationships across the community and the water sector.

I look forward to working with all Territorians to deliver the Territory Water Plan and secure our water future.

Hon. Lauren Moss MLA
Minister for Environment, Climate Change and Water Security

Water in the Territory



Our water story is like nowhere else in Australia.

Our major rivers remain free-flowing, continuing to support the oldest culture in the world and providing a home for unique species and largely intact ecosystems.

The Territory covers one sixth of Australia or 1,340,000 kms², but is home to less than 1% of its population. Whilst the majority of our 250,000 population live in major centres like Darwin, Palmerston, Alice Springs and Katherine, many live in regional towns and remote areas. The sheer size of the Territory, its diverse climate, and small population makes providing safe and secure water for all Territorians a challenge.

Aboriginal lore and spirituality are intertwined with the land, sea and water. It remains central to Aboriginal lives and culture. More than 30% of the Territory's population is Aboriginal. Almost half the land is freehold held by Aboriginal organisations. Connection to water means that Aboriginal Traditional Owners feel a responsibility to care for water places on their Country. Almost one third (approximately 5,000 of 15,000) of all sacred site records across the Territory are water-related. Protection of these sacred sites, and other culturally significant places that are yet to be recorded, and the values associated with them, are paramount to protecting living Aboriginal culture. It is why Aboriginal connections to water have an important place in the way we manage water. Aboriginal people also want the opportunity to receive an economic and social benefit from using their water to support development.

The Territory's water resources are driven by presence or absence of rainfall. In the Top End more than 95% of our annual rainfall comes

during the wet season. Tropical cyclones and monsoon rains drive our weather systems dropping an average of between 600–1,700 mm of rain during October to April each year. In the wet season this water feeds large river systems to support some of the world's last remaining free-flowing rivers, without interruption by dams or levies we see elsewhere. Aquifers are reliably topped up in the wet season, when high rainfall fills flood plains and wetlands. For the rest of the year, there is practically no rain. We draw water from aquifers and human-made water storages to sustain life in the dry season. Drought is infrequent and it is rare to see a run of failed wet seasons.

In comparison, in the semi-arid and arid regions of the Territory, there is much less rainfall, providing an average of 200–600 mm a year. To sustain life in these environments we must draw on our underground aquifers. These aquifers vary in location and capacity and replenishment occurs less regularly. Recharge can be by the slow movement of water seeping through river beds and flood out areas from large rainfall events. In some cases, recharge rates are so slow they're measured in geological time with these deeper aquifers holding vast stores of water underground for centuries.

Many people think groundwater is stored in underground lakes or is flowing in underground rivers. In fact, the water fills the tiny spaces and cracks in the rocks that form aquifers. The connectivity of aquifers is complex and the quality of the water varies depending on the kinds of soil, parent rock and dissolved minerals. This can mean that not all groundwater is naturally safe for people to drink.

About 95% of Territorians have access to safe drinking water from a public water supply system, the rest rely on their own bores, rainwater tanks or dams. Power and Water Corporation provides safe drinking water across 18 urban centres and 72 remote communities through the reticulated network covering more than 3,000 km of water mains.

Where Territorians get their water from depends on where they live. For the majority of people, such as those living in Darwin, Palmerston and Katherine, water supply mainly comes from surface water sources like Darwin River Dam (~85%) or the Katherine River (~90%). For the rest of the Territory, about 90% of overall water supply comes from groundwater and only 10% comes from surface water. The town water supply for Alice Springs mostly comes from the Mereenie aquifer, while Tennant Creek and other communities across the Territory get their groundwater from a vast number of aquifers. These aquifers range from small less reliable local aquifers, to larger, more resilient regional aquifers, which are typically recharged infrequently.

In the Territory rural stock and domestic use does not require a water extraction licence. This ensures the 5% of Territorians that live beyond the reticulated network on rural blocks, pastoral properties or more remotely can access water for their household and livestock.

About 95% of Territorians have access to a public water supply system - the rest rely on their own bores, rainwater tanks or dams.





Berry Springs

67
SURFACE WATER
LICENCES
135,447 ML/yr



5
TIDAL WATER
LICENCES
154,100 ML/yr



523
GROUNDWATER
LICENCES
326,326 ML/yr



Licensed water extraction by source type.

Most water used for development is allocated for use under a water extraction licence. Licences in the Territory are issued with conditions and requirements for reporting and provide for an entitlement to use water rather than an ownership right to water. There are currently close to 600 licences issued in the Northern Territory accounting for approximately 615,800 megalitres of water. Water allocated under a licence is primarily for the agricultural sector (56%), followed by public water supply (16%) and aquaculture (23% – which includes tidal waters). Water allocated for mining and onshore gas is expected to increase in the Northern Territory following changes to the *Water Act* that require these activities to be subject to water licence requirements and growth in both existing and new industries, such as hydrogen production, will require water to support their development. To support this growth, new technologies, infrastructure and contemporary water legislation will be needed.

Territorians recognise the importance of water to the natural environment and the key role this plays in their identity and lifestyle. Water and water dependent environmental values underpin a range of important economic and liveability outcomes such as commercial and recreational fisheries, parks and reserves, the Northern Territory's tourism sector and

businesses related to recreational activities and attract people to live and work in the Northern Territory. In addition, water-dependent ecosystems provide amenity and food including traditional harvests, have cultural and spiritual values, and are fundamental to landscape function.

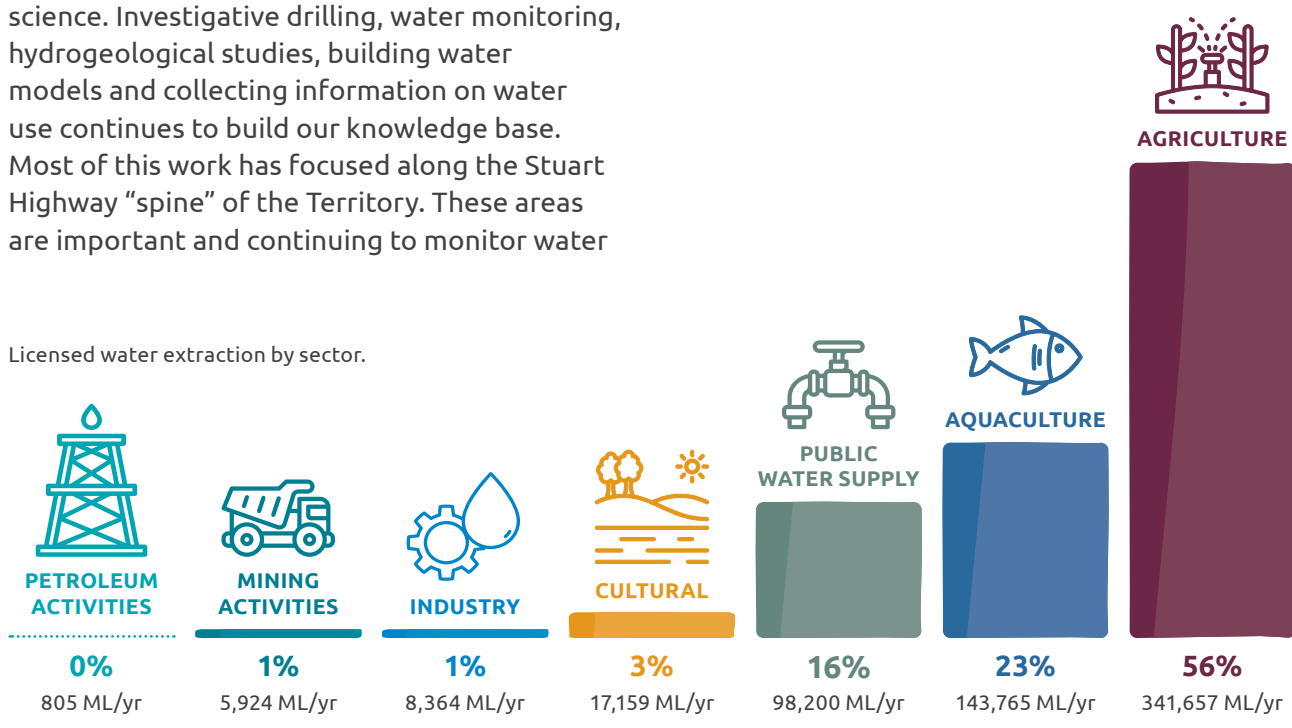
So far the Northern Territory has had sufficient water to meet its needs and has experienced few water restrictions due to drought or other shortages, which has limited attention to water efficiency, water productivity (the benefit derived from a given amount of water) or identifying 'back-up' water sources for population centres. However, as climate change impacts become more apparent and water security issues more prominent, contingency planning must advance.

Our knowledge of the Territory's water resources is informed by millennia of traditional knowledge and more than 60 years of modern science. Investigative drilling, water monitoring, hydrogeological studies, building water models and collecting information on water use continues to build our knowledge base. Most of this work has focused along the Stuart Highway "spine" of the Territory. These areas are important and continuing to monitor water


systems and build knowledge is critical for maintaining sustainable development. However there are opportunities to expand where we get our water from by gathering more knowledge and undertaking new scientific investigation will help make water more secure and inform opportunities to continue sustainable growth. But it is not just about finding more water. Better and more efficient use of water can enable significant growth and improved water security.

This is only a snapshot of our water story for the Territory. For more information on water resource management, visit <https://depws.nt.gov.au/water>.

Licensed water extraction by sector.



Why do we need a plan for water?



Water is essential to life, living and livelihoods and its security is important now and for future generations.

Water is vital for our wellbeing and maintaining the health of our unique environment that the Northern Territory is renowned for. It supports the functioning and resilient cities, towns and communities that maintain our economy and our society, and directly supports a range of industry sectors and enterprises that provide opportunities for all Territorians. Unlike other parts of Australia the Territory's water resources have not been overallocated and are by and large available to be shared. However, with aspirations for a growing population and an economy of \$40 billion by 2030, and the looming challenges of climate change, we need to ensure a comprehensive plan for water security, tailored to the Territory context and able to balance competing and complex water demands, pressures and challenges, now and into the future.

The Territory Water Plan, informed by Territorians, provides for a comprehensive and integrated approach to water security for the Northern Territory.

Water security for the Territory means:

Having an acceptable quantity and quality of water for people, economic opportunities, cultural and environmental flows, now and into the future.

What the Plan does



The Territory Water Plan is the first of its kind in the Northern Territory. It provides a lasting strategic framework to guide all water management functions and activities, using water security as the core principle and lens to guide reform efforts into the future.

Beneath the framework, the Plan brings together existing efforts to improve water management, and provides a set of priority actions to set the foundation for water security into the future by laying the groundwork for further long-term actions.

The Plan will strengthen water governance in the Northern Territory, by delivering the actions under the Plan and by coordinating all water management functions and activities undertaken by the NT Government across water resource management, water services and utilities, policy, legislation, regulation and water use.

Other strategic frameworks across the NT Government complement the Plan, including efforts to grow the economy in response to the Territory Economic Reconstruction Commission's final report, the Northern Territory Infrastructure Strategy, the Northern Territory Implementation Plan for Closing the Gap, the Remote Housing Investment Package, Regional Growth Plans, Northern Territory Climate Change Response and the Circular Economy Strategy. It positions the Northern Territory to respond to the challenges of the future, including the effects of climate change, global geopolitical shifts and the growing community expectations for involvement and participation in government service delivery and shared water stewardship.



Simpson Desert

Bringing together government roles and responsibilities in water



OFFICE OF WATER SECURITY

Roles and responsibilities for water are spread across a number of government agencies and entities, each with their own legislation and remit. The Office of Water Security has been established to provide whole-of-government coordination across these agencies to maintain a coherent and comprehensive reform agenda to improve water security through the implementation of the Plan.

DEPARTMENT OF ENVIRONMENT, PARKS AND WATER SECURITY

- › Water resource management including monitoring, drilling investigation, science and assessment, planning, licencing, regulation and compliance
- › Environmental approvals
- › Biodiversity protection

DEPARTMENT OF TERRITORY FAMILIES, HOUSING AND COMMUNITIES

- › Remote service funding and policy
- › Homelands services

DEPARTMENT OF INDUSTRY, TOURISM AND TRADE

- › Economic and industry development for agriculture, aquaculture, fisheries, mining, energy, manufacturing, tourism sectors
- › Water infrastructure investment and project facilitation

DEPARTMENT OF HEALTH

- › Health regulator of water and wastewater services

POWER AND WATER CORPORATION

- › Utility provider for water and wastewater services
- › Water literacy and education
- › Water infrastructure
- › Remote service delivery through Indigenous Essential Services Ltd

DEPARTMENT OF TREASURY AND FINANCE

- › Economic regulator of water and wastewater services
- › Government funding agency

DEPARTMENT OF INFRASTRUCTURE, PLANNING AND LOGISTICS

- › Land use planning
- › Major infrastructure project delivery
- › Flood mitigation

Territory Water Plan Framework



PLAN PURPOSE

The Territory Water Plan aims to deliver water security for all Territorians, now and into the future.

Water security as a principle

At core of the plan's purpose is the guiding principle of water security for all Territorians. Water security for the Northern Territory is defined as having an acceptable quantity and quality of water for people, economic opportunities, cultural and environmental flows, now and into the future.

PRIORITY AREAS

The Plan identifies four priority areas which reflect the diverse values and uses of water in the Territory. Under each priority area are outcomes which the NT Government will aim to achieve and maintain over the coming decades.

SAFETY

Provide safe and secure drinking water for Territorians.

SUPPLY

Maximise economic opportunities and livelihoods through water management.

SUSTAINABILITY

Use water sustainably to protect the Territory's environmental and Aboriginal cultural assets.

TRUST and CONFIDENCE

Engage Territorians in water management and decisions to build confidence and foster a shared understanding.

THE DROPLET CONCEPT

Water is central to all life, it flows across both physical and managerial boundaries and is not easily compartmentalised.

Shown as part of a droplet, the four priority areas of safety, supply, sustainability, and trust and confidence are interconnected. Water security challenges and opportunities such as climate change, economic development, protection of environmental and cultural values or the provision safe drinking water are considered across multiple priority areas.



Plan outcomes and actions at a glance



There are a range of supporting outcomes that can be identified for each priority area in the Plan framework that map across the economic, social, environmental, cultural and governance aspects of water security.



SAFETY

Provide safe and secure drinking water for Territorians

- All Territorians have safe drinking water with secure supply
- Fit for purpose management and governance structures for safe drinking water
- The Territory's water is resilient to climate change.



SUPPLY

Maximise economic opportunities and livelihoods through water management

- Secure public water supply for urban centres to support population and economic growth
- Support remote services through infrastructure investment
- Enable sustainable development and regional economic participation
- Economic opportunities from the energy transition, circular economy and environmental offsets are realised.



SUSTAINABILITY

Use water sustainably to protect the Territory's environmental and cultural assets

- Territory rivers, groundwater and water-dependent ecosystems remain healthy
- Water use supports and maintains liveability and the Territory lifestyle
- Water use is efficient and productive across the water cycle
- Aboriginal cultural values are recognised and protected.



TRUST AND CONFIDENCE

Engage Territorians in water management and decisions to build confidence and foster a shared understanding

- Water management and governance frameworks fit the Territory context and align with best practice
- Water is valued by community, business and government
- Water science, literacy and communication supports water stewardship
- All Territorians are empowered to participate in water management.

Like water itself, the actions in the Plan cannot be easily compartmentalised, and contribute to multiple priority areas and supporting outcomes. The icons beside each action map the action to the priority areas it contributes to. For more detail on each action, read the full description further below.

PRIORITY ACTIONS

- 1** **4** 1. New safe drinking water legislation
- 1** **2** **3** 2. Securing Darwin's future water supply
- 1** **2** **4** 3. Improved water security for remote communities
- 1** **2** 4. Improved water outcomes for homelands
- 2** **3** **4** 5. Government leadership on water efficiency
- 3** 6. Placing a value on water
- 4** 7. Territory voices in water security
- 2** **3** **4** 8. Documenting the cultural values of water
- 3** **4** 9. Contemporary water resource management legislation
- 1** **3** **4** 10. Climate resilience and adaptation for the water sector
- 2** **3** **4** 11. Accelerated water science program
- 1** **2** **4** 12. Ensure water supply and sewerage services meet customer needs
- 2** **3** **4** 13. Sustainable water supply for energy transition
- 4** 14. The role of the Office of Water Security

What the NT Government is already doing



While this Plan is new and brings together government actions on water security, various NT Government agencies have been working for a long time to improve water security outcomes for Territorians.

- ✓ Power and Water Corporation's **Drinking Water Monitoring Program** uses sophisticated monitoring and treatment processes to keep drinking water safe and reduce exposure to disease-causing microorganisms. Drinking water quality reports are published annually and available to read online.
- ✓ **Drinking water guidelines** are available for those on private water supplies to assist with keeping their water safe.
- ✓ The **NT Climate Change Response: Towards 2050** provides a policy framework for the Territory to adapt to climate risk and reduce greenhouse gas emissions across all sectors to maximise short term and long-term benefits for the Territory.
- ✓ The NT Government is delivering a **\$28 million Remote Water Security and Quality program** targeted at communities with high-priority water security or water quality issues. Works include new bores, network upgrades, improved water disinfection systems, and the installation of meters to monitor and reduce water usage.
- ✓ The NT Government is working with the Commonwealth Government and Land Councils to deliver more housing in remote communities to reduce overcrowding by investing **\$139 million in essential service infrastructure to support the Remote Housing Investment Program** over the next four years, with a large component going to water infrastructure.
- ✓ The **Territory Economic Reconstruction Commission Report** and the **NT Infrastructure Strategy 2022–2030** have set a clear goals to grow the economy (Gross State Product) to \$40 billion, our population to 300,000, and create more than 35,000 new jobs by 2030. These goals will be supported by the Territory Water Plan through investment in infrastructure, industry, people, and protecting and managing our natural resources.
- ✓ The **Northern Territory Agribusiness and Aquaculture Strategy 2030** is also being finalised to continue to build a foundation to grow the economy, which is dependent on water.
- ✓ The role of water in growing the economy is a key part of **Regional Economic Growth Plans** which are being developed across the Territory by advisory committees made up of regional and Aboriginal leaders from key industries, businesses and local government.

- ✓ The **Northern Territory Circular Economy Strategy 2022–2027** is the NT Government’s plan to modernise the regulatory framework to protect the environment and start the transition to reducing waste, recycling and reusing materials, including water.
- ✓ The Territory has embraced an aspirational target of net-zero emissions by 2050 and has developed the Northern Territory Renewable Hydrogen Strategy that can play a critical role in achieving this target. A sustainable water source is critical to the success of a hydrogen industry.
- ✓ The Department of Industry, Tourism and Trade has partnered with Charles Darwin University to build resilience in farming communities likely to experience drought through the **Developing sustainable and diversified farming systems for the NT** project. The 12-month project received funding from the Australian Government’s Future Drought Fund.





Adelaide River – Janelle Lugge

✓ Power and Water Corporation's successful **Living Water Smart** program has been helping residents and businesses in the Darwin region reduce their water use and become more efficient for many years. The program offers the community access to rebates, community and school programs, business water-use health checks, smart technology, leak detection, irrigation and garden tune-ups, and expert advice. Power and Water Corporation have also implemented an integrated water literacy, demand management and water efficiency program in Aboriginal communities, prioritised to water stressed communities.

✓ The Department of Environment, Parks and Water Security has a **long-standing program of water monitoring and investigative drilling**. For over 60 years, the Water Resources Division has supported the sustainable development of the Territory by providing expert water resource information to government and businesses. Results of this monitoring are available to the public through the Water Data Portal.

✓ The **Northern Territory Water Availability Stocktake Report** will provide historical and current water supply and demand data to give a snapshot of water availability across the Territory by region, location, source and water resource.

✓ The **NT Water Licencing Portal** provides transparency of water licencing decisions for the public. The portal includes notices of licence applications, licence locations and conditions, maps of Water Control Districts and Water Allocation Plans and supporting scientific documents.

- ✓ A **new Controller of Water Resources** will be appointed by the Minister for Environment, Climate Change and Water Security. This role will now be independent from NT Government. The appointment will be made through a public Expression of Interest process. In the longer-term, the NT Government will further consider the role of the Controller as part of replacing the *Water Act 1992*.
- ✓ **That's my water** is an education program in partnership with Power and Water Corporation and ARIA award winning artist Baker Boy. Videos and activities help students learn about where their water comes from in the Territory with a focus on water supply, treatment and Aboriginal peoples' cultural connections. It encourages students to think about their role in their communities and achievable actions to look after water.
- ✓ The **My Meter App** is an online portal for licence holders to submit their water meter reading data and track their water use. Water extraction licence holders may be required to submit a water meter reading based on their licence conditions and the app provides an easy way to do this. Water use data collected through the app is used by the NT Government along with rainfall, river, spring flow, and groundwater level data to track the impact of water use on groundwater resources.



Adelaide River



© David Freund



Priority actions



The actions listed in this section represent the highest priority actions that the NT Government is committing to initially to implement through this Plan.

The priority actions are based on evidence, good regulatory practice, and community values and aspirations for water. These actions are informed by extensive consultation and engagement with the community, including detailed submissions and proposals from stakeholder groups. The priority actions are also informed by the principles of the National Water Initiative and proposed national reform commitments to water security.

Delivering these actions will set the foundation for water security into the future, and lay the groundwork for further actions to be committed longer-term.



1

SAFE DRINKING WATER LEGISLATION



By 2024, the NT Government will introduce safe drinking water legislation.

Safe drinking water was the single most important issue in the community consultation process that informed the Territory Water Plan, with a strong sense that clearly defined regulation that mandates regular monitoring and public reporting on water quality is needed.

The NT Government will develop new legislation for safe drinking water that commits to transparency in drinking water quality which will be monitored against agreed guideline values through plans outlining how water quality will be improved.

Safe drinking water legislation will provide for Safe Drinking Water Management Plans for all water supplies above a certain (household) threshold. Safe Drinking Water Management Plans will be developed with communities to ensure engagement and understanding about local water quality and water security and to agree on how improvements can be met.

Individual Management Plans will be tiered and vary in detail and requirements depending on the size and complexity of the supply they relate to. They will set the requirements for management, monitoring and public reporting, including annual auditing of water quality against Australian Drinking Water Guidelines.

The new legislation will be administered by Department of Health, who will deliver an annual report on progress across the Territory.

Darwin River Dam

2

SECURING DARWIN'S FUTURE WATER SUPPLY



The NT Government will secure Darwin's future water supply through:

Working closely with the Power and Water Corporation to deliver the Manton Dam Return to Service project in 2025.

Accelerating pre-construction activities of the Adelaide River Off-stream Water Storage (AROWS) project.

The current water storage provided by Darwin River Dam requires diversification and increased capacity to support the long-term growth and development of both Darwin's urban centre and its rural surrounds.

Based on the findings of the AROWS Detailed Business Case, the NT Government and Power and Water Corporation, with support from the Australian Government, are now delivering Stage 1 of the Darwin Region Water Supply Infrastructure Program (the Program), which includes:

- Delivering Manton Dam Return to Service in 2025.
- Progressing pre-construction activities for the AROWS project, including:
 - environmental assessment
 - concept design
 - stakeholder engagement and community consultation.

Delivery of the Program will be critical to secure Darwin's long-term water supply, support future population growth in the region and act as an economic enabler to drive a \$40 billion economy by 2030.





Starting in 2023, the NT Government will deliver water information forums in priority communities.

By 2024, the NT Government will develop and publish a regional and remote community water infrastructure priority list and continue the capital investment in remote community water infrastructure.

The NT Government will partner with the National Water Grid Authority for remote and regional water assessment and infrastructure to:

- accelerate the delivery of the infrastructure priority list in remote communities; and
- support water efficiency and innovation in remote communities and Homelands.

Security in drinking water in terms of its supply and its quality is a priority to ensure health, social and economic outcomes for regional and remote communities.

The proposed approach to improve drinking water security and safety involves NT Government agencies with responsibility for water management, supply and services jointly engaging in forums in communities with water quality and security risks every 1-2 years.

These forums will be a key engagement mechanism to provide transparent information and work with the community over time on the safety of drinking water at the community level under the safe drinking water legislation.

They will also provide the opportunity to engage on water security more broadly, including water quality, water supply, catchment management, water infrastructure planning and prioritisation, and community-wide demand management and efficiency opportunities. The NT Government will use the forums to report back on progress and check in with communities.

Forums will be coordinated by the Office of Water Security and will also include the Department of Territory Families Housing and Communities, Power and Water Corporation, Department of Health, Department of Infrastructure Planning and Logistics and Department of Environment Parks and Water Security (Water Resources).

The Department of Infrastructure, Planning and Logistics and Power and Water Corporation are currently delivering a significant program to complete water investigations and infrastructure assessments (including water and wastewater infrastructure assessments) for 55 communities supported by Indigenous Essential Services by the end of 2023.

These assessments and the outcomes from the forums will inform prioritisation and investment in water infrastructure. This includes the NT Government investment in the Rolling Capital Program for Remote Water Security and Quality.

Further investment and information on remote infrastructure needs will support the Northern Territory's business case for funding from the National Water Grid Authority (NWGA).



4

IMPROVED WATER OUTCOMES FOR HOMELANDS



The NT Government will implement mechanisms to build the capability of water service providers in Aboriginal homelands.

Homelands across remote parts of the Territory are important to Aboriginal people for caring for Country, passing on cultural knowledge to new generations and providing a safe and strong environment to raise families. Homelands are private property and the NT Government does not provide them with services or infrastructure. However, it does provide grant funding towards the delivery of housing, municipal and essential services, including water infrastructure, for eligible homelands under the NT Homelands Program.

Water supply and water quality services are provided under contracted arrangements with a range of providers across the Northern Territory.

The NT Government will work with service providers to build their capacity and capability in line with agreed standards and expectations. This will support development of:

- templates to support improved water management practices
- tools to assess water quality outcomes against national guidelines
- technologies and standard infrastructure arrangements to achieve and support water quality outcomes
- educational materials to build contracted service provider skills, including local jobs capability and capacity.



By 2023, the NT Government will deliver a Territory-wide water efficiency strategy.

Territorians are by far the highest water users in Australia, using more than double the national average per household.

Power and Water Corporation's successful Living Water Smart program has been helping residents and businesses in the Darwin region reduce their water use and become more efficient for many years already. Power and Water Corporation has also implemented an integrated water literacy, demand management and water efficiency program in Aboriginal communities, prioritised to water stressed communities.

To support good water stewardship by all Territorians and increase the water security of cities, towns and communities across the Territory into the future, the NT Government will lead by example in demand management and water efficiency.

The first stage of the strategy will focus on NT Government leading the way, through mandated water efficiency targets for all NT Government agencies. These targets will be supported by agency-specific water efficiency plans, co-developed and tailored to each agency's business. Identified savings measures will include reduced water use, fixing leaks and building water efficiency into design and procurement processes. NT Government agencies will report annually on progress to drive continuous improvement in water efficiency.

The strategy will also guide longer-term measures including:

Incorporating water efficiency as a key design principle in greenfield land development projects.

- integrated whole-of-water cycle water management in cities, towns and communities using water sensitive designs, stormwater management, recycled water and groundwater replenishment
- engaging with the local government sector and Territory-based Commonwealth agencies to identify and implement water efficiency measures at all levels of government
- extending the scope of the Living Water Smart program to support residents and businesses
- stimulating industry innovation in water efficiency through grant funding and partnerships
- continuing Indigenous Essential Services' delivery of the water efficiency program in Aboriginal communities, funded under the NT Government's Indigenous Essential Services Program.

6

PUTTING A VALUE ON WATER



By 2023, the NT Government will implement a water charging framework for licenced users through:

Annual charges on granted water licence entitlements.

Administrative fees for licences and permits.

Along with Western Australia, the Northern Territory is the only other jurisdiction in Australia that does not charge for water extraction to recover costs for water resource management, which was a key national reform agreed under the National Water Initiative.

The NT Government will develop a water charging framework in consultation with key industry sectors and stakeholders based on key policy principles including 'beneficiary pays', contribution to cost recovery for government services and promoting water efficiency and industry competitiveness. The charging regime will also need to consider an approach that it is straightforward to administer across the Northern Territory and with appropriate transitional arrangements.

The preferred approach for the Territory is to apply a uniform volumetric charge (in dollars per megalitre) to all licenced users, with a minimum charge for lower levels of take. Stock and domestic take will not be subject to charges.

This approach will balance the NT Government's ability to financially sustain robust water resource management that enables development, with ensuring industry costs to access water remain competitive.



There will also be fees associated with licence and permit administration, such as processing water licence applications, amending and transferring licences, renewals and for permits to interfere with a waterway and drillers licencing. These fees will contribute to the cost of licence and permit administration and management.



7

TERRITORY VOICES IN WATER SECURITY



By 2023, the Minister for Environment, Climate Change and Water Security will establish a Strategic Water Advisory Council on water security to ensure Territorians have a voice on strategic water issues.

In order to develop strong and shared water stewardship across the Northern Territory, all Territorians must play their part and have a voice in managing water.

The NT Government recognises the diversity of interests and expertise in water management and water security and will establish a Strategic Water Advisory Council to advise the Minister for Water Security.

The Council will advise on the Territory Water Plan's implementation, including advice on water related policy under development or review, new water legislation, enhancing water stewardship or the ongoing implementation of government water security related programs.

Selection criteria and scope for the Council will be developed in consultation with key stakeholder groups to ensure the whole Territory is represented and that there is a broad range of relevant skills and experience in the membership.



By 2024, the NT Government will partner with Aboriginal organisations to progress cultural values mapping for water across the Territory.

Knowing about water in the context of Country is important for its effective care, and for proponents, government and Traditional Owners to inform water management decisions and to ensure that any potential impacts can be managed or averted. Whilst thousands of sacred water sites are documented as part of the *Northern Territory Aboriginal Sacred Sites Act 1989* (NT), there is still an ongoing need to build our collective knowledge about cultural water values.

The Office of Water Security will partner with Land Councils, the Aboriginal Areas Protection Authority (AAPA) and Aboriginal community-controlled organisations and ranger groups to undertake in-depth mapping of cultural water values and sacred water sites.

This project will:

- build on previous cultural water values mapping projects undertaken with Traditional Owners
- co-design methods with Aboriginal organisations and Traditional Owners to document cultural water values across the Territory
- develop guidelines for the appropriate use and documentation of cultural knowledge and any associated sacred sites
- engage Aboriginal people by understanding how they want to manage their cultural heritage and foster economic development



The project will support community and decision makers understanding of water-related cultural values to underpin strategic land use planning and development activities. It will also help to build the water expertise of the Aboriginal community-controlled sector and support growing potential Aboriginal leaders in water governance.



By 2026, the NT Government will develop new legislation to replace the *Water Act 1992* (NT) and provide a regulatory regime that supports sustainable development through contemporary water resource management.

The *Water Act 1992* (NT) has provided a sound legislative basis for the investigation, allocation, use, control, protection, management and administration of water resources. However, it does not provide all the necessary mechanisms for best practice water resource management in the current context of climate change, growing competition for water and community expectations around governance and accountability.



Water Resources visiting Alice Springs Date Farm

At a minimum, a new Act will need to consider:

- objects that support and enhance sustainable development and promote the value of water and its management now, and into the future
- a framework for allocation decisions that sets in legislation the protections for environmental and cultural values, taking into account the risks and impacts of climate change
- strong transparency measures and mechanisms to engage with the community and Aboriginal Territorians in a genuine and meaningful way
- processes which ensure allocations are based on strategic value for the Territory in terms of economic and social impacts; and
- effective governance and accountability measures.

The objectives, policy principles and settings for the legislation will be developed with community and industry input to recognise the strong social, cultural and economic value of water. It will also be developed with reference to national water reform priorities.

To improve water resource management in the shorter term the NT Government will implement targeted reforms of the *Water Act 1992* (NT), regulations and water management policies in partnership with key stakeholders.



10

CLIMATE RESILIENCE AND ADAPTION FOR THE WATER SECTOR



By 2024, the NT Government will deliver a Territory-wide climate risk assessment and adaptation plan for water security, and commence climate adaptation pilot projects.

There is a level of uncertainty about the localised effects of climate change on water security in the Territory. This uncertainty requires precautionary measures including risk management and adaptation planning.

The Office of Water Security and Office of Climate Change (both within the Department of Environment, Parks and Water Security) will work with NT Government agencies and key community and industry stakeholders to undertake a Territory-wide climate risk assessment and prepare a climate adaption plan for the water sector in line with the Northern Territory Climate Change Response: Towards 2050.

This process will identify key risks to water security, and prioritise adaption actions. From here, the NT Government will work in partnership with communities to undertake place-based pilot projects for adaptation, recognising the different risks and impacts felt by different places.



From 2023-24 onwards, the NT Government will accelerate its existing water science program to support best practice water resource management and sustainable development.

Protection of environmental and cultural values and maintaining healthy ecosystems is a core principle of water resource management. Healthy freshwater ecosystems also underpin important economic values, such as commercial and recreational fisheries, the Northern Territory's tourism sector and related businesses.



At the same time, demand for water for agriculture, mining, industry and energy (including water-intensive hydrogen) projects is growing in new parts of the Territory, and enhanced knowledge of regional water resources is needed to enable sustainable development and support the NT Government's vision for a \$40 billion economy by 2030. Ongoing investment in water science will allow expanded geographic coverage through new targeted water resources, water quality monitoring and eco-hydrology studies to provide greater certainty in the science that underpins water allocation decisions.

The program will enhance the NT Government's existing knowledge of the Territory's water resources by increasing geographical coverage and granularity of datasets to inform robust water resource management decisions and the protection of ecological and cultural values. Strategic partnerships with external researchers and research agencies, particularly where co-investment is possible, will be used to leverage investment into applied science in the Territory.

An accelerated program of water science, research and data will facilitate sustainable economic development in the Territory by providing greater certainty about water availability and quality across the Territory, and reducing upfront project development costs for project proponents in conducting their own water resource investigations.



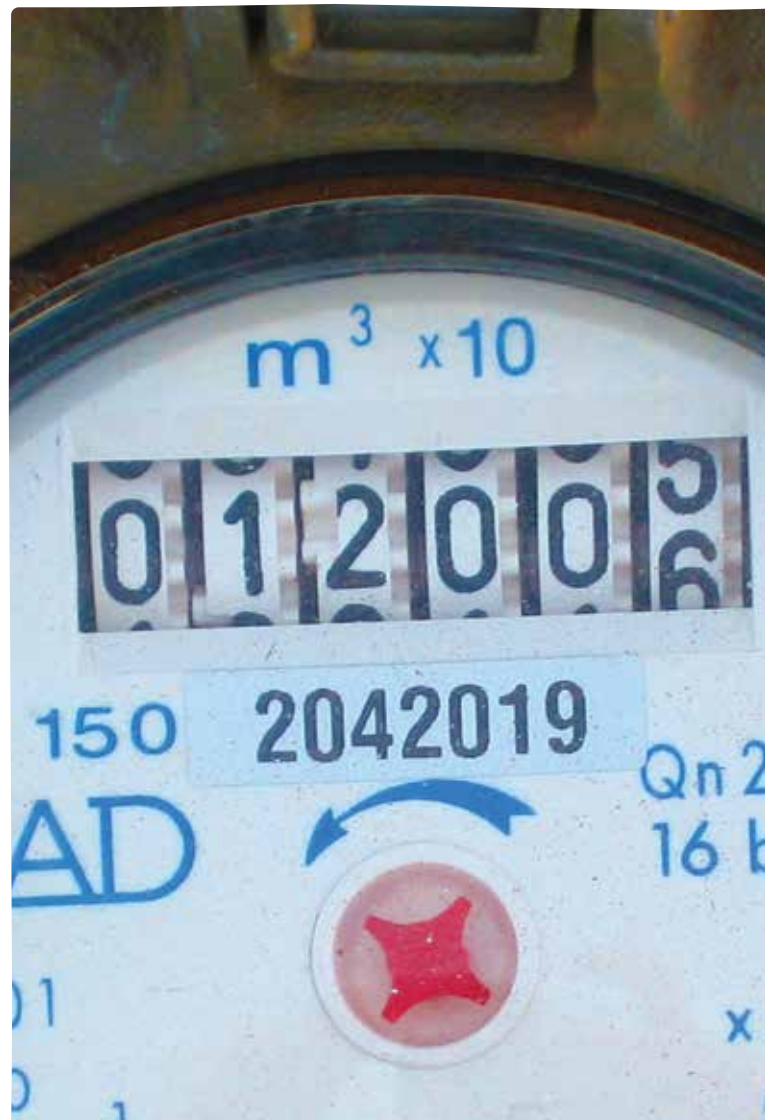
By 2023, the NT Government will deliver an economic regulatory reform roadmap for water supply and sewerage services with a focus on transparent and accountable decision-making.

The supply of water and sewerage services is essential to Territorians who expect affordable, reliable and safe services. Water supply and sewerage services also enables business activity and economic development and supports amenity and liveability of communities.

As customers do not have a choice about who provides their water supply and sewerage services, economic regulation places rules on service providers to ensure that they provide services in the long-term interests of customers and the community.

The *Water Supply and Sewerage Services Act 2000* (NT) provides the Territory's economic regulatory framework for water supply and sewerage services. It has not been reformed since its commencement in 2000, and requires review to ensure it remains fit for purpose. The NT Government intends to establish, through stakeholder consultation, a reform roadmap to improve economic regulation of water supply and sewerage services. The roadmap will ensure that water supply and sewerage services are provided to meet the current and future needs of customers and the liveability and prosperity of the community.

There are opportunities to enhance transparency and accountability of service providers, including by ensuring appropriate standards of service and protections for customers. There is also an opportunity to consider extending economic regulation to service providers in towns and communities across the Territory (including where no economic regulation currently applies) using a flexible and tiered approach to improve service delivery, while keeping essential services affordable.





By 2024, the NT Government will deliver a sustainable water availability and options assessment to support the emerging hydrogen industry.

Hydrogen is emerging as a key component of the global clean energy transition needed to achieve net-zero carbon emissions and mitigate climate change impacts. The NT Government is positioning the Territory to be at the forefront of the significant economic development opportunities that the hydrogen industry offers in terms of research, production and downstream manufacturing. Hydrogen can also contribute to the energy mix needed to transition remote communities across the Territory to renewable energy sources.

The Department of Industry, Tourism and Trade through the Office of Sustainable Energy (OSE) will work with other government agencies and key community stakeholders to identify key opportunities and risks associated with sustainable water use for renewable hydrogen production across the Territory.

OSE will:

- Leverage the Accelerated Water Science Program action and existing water resource information to enable an assessment of water availability for renewable hydrogen production across the Territory
- develop a business case for additional region specific water resource assessments if required to facilitate renewable hydrogen industry development
- identify likely water input costs to produce hydrogen in different regions across the Territory
- develop a strategy to build public trust that water used for renewable hydrogen production (particularly ground water allocations) will be sustainable
- develop investor engagement materials relating to sustainable water use for renewable hydrogen production.



Power and Water



The NT Government will expand resourcing for the Office of Water Security to lead the implementation of the Territory Water Plan, including legislation and policy reform, community engagement on water stewardship initiatives, and cross government coordination and reporting.

The Office of Water Security is a dedicated team located in the Department of Environment, Parks and Water Security tasked with developing the Plan.


Recognising the importance of water security for all Territorians, the Office of Water Security will be elevated to its own division within the department and expanded to kick-start the delivery of programs under the Plan. The expanded team will:

- coordinate legislation and policy reform
- support cross government collaboration and new governance models
- build science, research and economic development partnerships to support decision-making
- engage with all Territorians to develop water literacy and facilitate a shared responsibility for water; and
- report on progress against the Territory Water Plan.





Future opportunities and challenges



The Territory Water Plan, as the first strategic water plan of its kind, provides a framework and an initial set of priority actions that aim to lay the foundation for water security into the future.

The Plan cannot address every challenge or opportunity, deliver perfect solutions or provide instant maturity in new governance processes. But it can set the Northern Territory on a path of continued improvement in water security outcomes.

The challenges and opportunities of water security in the Northern Territory, and the broader global environment around us, are complex and evolving, and our reform pathway for water security will need to be maintained and developed over time. Successive Territory Water Plans will provide a mechanism to address these challenges and opportunities in the years and decades to come.

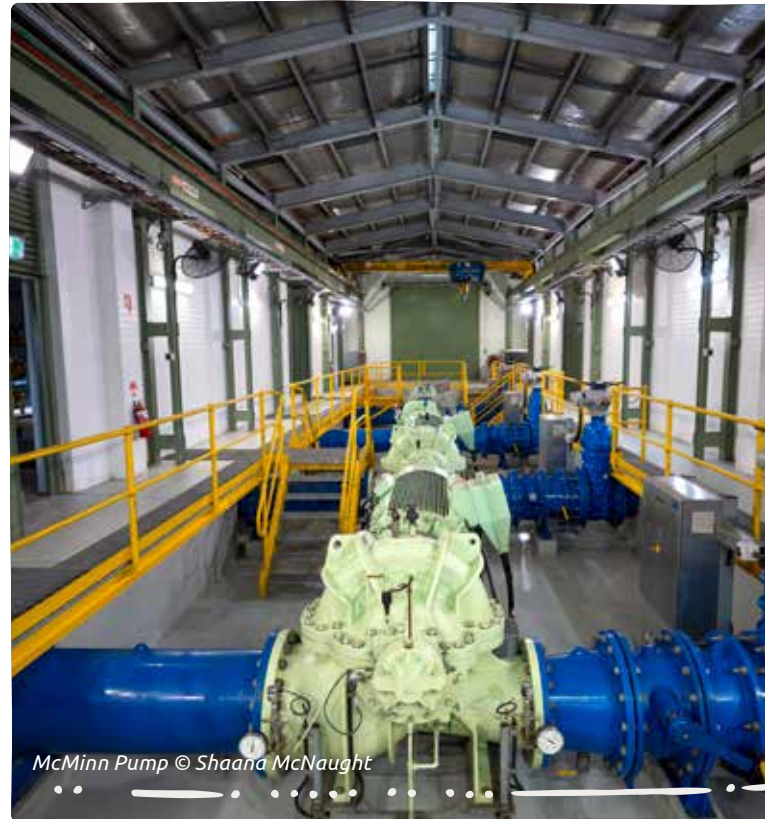


Cullen Bay Marina

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Looking ahead, strategic ideas for future consideration and action may include:

- achieving net-zero carbon emissions in the water services sector
- opportunities to participate in carbon and biodiversity offset markets through blue carbon projects and ecosystem services
- continuing to improve water efficiency through circular economy principles in planning and design
- integrated catchment management approaches to water and other natural resource management activities
- long-term investment in remote water infrastructure to support economic development and community resilience to climate change
- water source diversification, infrastructure solutions and policy changes to address groundwater scarcity issues and meet the growing needs of urban and regional centres, including considering technology options such as desalination and atmospheric harvesting
- continuing to build Aboriginal participation and partnerships in water management, including local decision-making opportunities and potential future Treaty processes



- coordinating water management across jurisdictional boundaries, including in the Great Artesian Basin and the Ord Irrigation Scheme
- engaging with the Commonwealth and other states and territories on new agreed national reforms under a refresh of the National Water Initiative.

Delivering on the Plan



Delivering water security for all Territorians now and into the future will require sustained effort from all sectors of the community, including all levels of government, water service providers, businesses and the general public. The Territory Water Plan sets out what the Northern Territory Government and its partners will do over the next few years as an initial set of actions to lay the foundation for water security into the future.

PROGRESS REPORTING

The NT Government will be accountable for the delivery of the Territory Water Plan. The Minister for Environment, Climate Change and Water Security will provide an annual Ministerial Statement to the Legislative Assembly of the Northern Territory, detailing progress on the delivering the priority actions.

The Office of Water Security will complement the Ministerial Statement by publishing an annual progress report on the Plan.

The priority actions proposed in the Plan touch on many different priority areas and outcomes. The annual report will provide an update on the progress of priority actions and identify any new actions or complementary activities that support the goal of delivering water security for all Territorians.

REVIEW AND EVALUATION

After four years of operation, the Office of Water Security will lead a full review and evaluation of the Territory Water Plan's effectiveness. Following this review, a new set of priority actions and the next iteration of the Plan will be developed with input from across government, partner organisations and the community.

MORE INFORMATION

For more information on the Territory Water Plan go to watersecurity.nt.gov.au or contact the Office of Water Security at watersecurity.ntg@nt.gov.au.







Manton Dam

Attachment 2

NT Farmers Submission to the Draft Territory Water Plan



NT FARMERS SUBMISSION DRAFT TERRITORY WATER PLAN

Action 1. New safe drinking water legislation

NT Farmers has reservations about the introduction of new legislation that would divide water management across multiple pieces of legislation. NT Farmers supports all water management laws, guidelines and policies being managed under a single, fit-for-purpose Act.

NT Farmers is of the view that the introduction of new, additional water legislation that has the potential to create conflicts, confusion, duplication, and inefficiency of management within water management policy.

NT Farmers supports a comprehensive review of the current *Water Act 1992 (NT)* (see response to action 9) and holds the view that a reformed version of the *Water Act 1992 (NT)* and associated guidelines can provide the necessary functions for all water management policy, including for the provision of secure and safe drinking water.

Action 2. Securing Darwin's future water supply

NT Farmers strongly supports projects and initiatives that provide new opportunities for sustainable agricultural development in the Northern Territory.

NT Farmers supports the development of the Adelaide River Off-stream Water Storage (AROWS) project but reserves the right to provide additional comments as more information about the project becomes available.

Action 3. Improved water supply for remote communities

While acknowledging this issue is of critical importance to residents of remote communities, NT Farmers will not be providing comment on this proposed action.

Action 4. Improved water outcomes for homelands

While acknowledging this issue is of critical importance to residents of homelands, NT Farmers will not be providing comment on this proposed action.

Action 5. Government leadership on water efficiency

NT Farmers supports the development of a Territory wide strategic plan for water resources.

NT Farmers already has a lead role in water efficiency and would welcome a service level agreement (SLA) with the NT government that includes guaranteed funding for water sustainability initiatives and extension support services.



All decisions by the Northern Territory Government relating to water resource management must be made based on the best available data, which is up-to-date, complete and stands up to rigorous scientific scrutiny.

All directives, permits, plans and management documents must reflect an adaptive management strategy which takes a precautionary approach and supports development that reflects scientific modelling for the applicable water source.

Action 6. Placing a value on water

NT Farmers acknowledges that water is a shared, community resource. However, the introduction of a price for water has the potential to impact the agriculture sector more than any other industry or community. NT Farmers requires comprehensive engagement in the development of any plan to introduce a price for water, and any related policy must be developed in close collaboration with NT Farmers.

If the purpose of the water charging model is to achieve cost recovery for the government, then NT Farmers supports transparent reporting of how the government uses the income generated from the water charging model. Agriculture will likely be one of the largest contributors to the income received by the government and therefore maintains a legitimate expectation of seeing a reciprocal benefit from the charges imposed, such as greater security of water allocations, improved scientific data and greater administrative efficiency from government.

It is critical that the reporting of the income and expenditure from the water charging mechanism includes a breakdown of which industries/sectors/community groups are paying, and who is benefiting from the use of those funds. This is to ensure that the industries that pay for the water will be the beneficiary of that expenditure.

The Northern Territory Government needs to be very clear when further details of the water charging model are available if the charges to be imposed are simply cost recovery or designed for a different purpose.

NT Farmers will be engaging with its members to establish industry's views on water charging methodology and will provide further comment once these views have been established and more details around the water charging model have been made available.

Action 7. Territory voices in water security

NT Farmers strongly supports the current Water Allocation Committees (WAC's) and will strongly oppose any policy that would see the WAC's replaced, or their functions diminished. The WAC's are critical to the management and function of



the Water Allocation Plans, and water management must continue to be performed at an aquifer or catchment level.

NT Farmers supports Aboriginal Reference Groups operating in parallel with WAC's.

The membership of the proposed Strategic Water Advisory Council must be balanced and include representatives from all key stakeholder groups, including agriculture.

NT Farmers will seek to enter into a service level agreement with the government to coordinate engagement activities, such as facilitation of irrigator forums to support the delivery of Water Allocation Plans, as part of water planning processes in the future.

Action 8. Documenting the cultural values of water

NT Farmers is broadly supportive of this action pending further details about which entity will undertake the mapping work and potential changes to the water use planning process may occur to accommodate this action.

NT Farmers maintains that all water use planning must be done on an aquifer/catchment scale. This process must continue to be overseen by the relevant Water Allocation Committees, which represent all stakeholders in the allocation area, and work in parallel with any Aboriginal Reference Groups.

Those two groups – the Aboriginal Reference Groups and the Water Allocation Committees must operate in parallel to one another and must always maintain an equal voice in the water planning process.

Action 9. Contemporary water resource management legislation

NT Farmers supports a comprehensive review of the *Water Act 1992 (NT)* and all related guidelines, policies, and frameworks.

The consultation informing this review must be broad and comprehensive, and delivered over a realistic time frame. The community and industry need to be extensively engaged; it must not be a process where the policy is developed by government and simply sent out to the community for public comment.

The process must be developed collaboratively with community and industry to deliver rigour and integrity in the new legislation.

NT Farmers recommends that the current Framework be revisited and the resulting broadly agreed guidelines need to be incorporated into the Act to provide clarity and security around water entitlements to industry.



Action 10. Climate resilience and adaptation for the water sector

NT Farmers is supportive of this action and understands that industry is best placed to develop a climate resilience plan for industry.

NT Farmers will seek to enter into a service level agreement with the government to coordinate data collection for use in developing a climate resilience plan for industry, commodity groups etc on a priority basis. As an industry representative body NT Farmers is best placed to engage with stakeholders and source data that will be required to produce such a plan. The result will be better engagement outcomes, expedited data collection and a more targeted climate resilience plan.

Action 11. Accelerated water science program

NT Farmers are broadly supportive of this action and will propose a service level agreement with government to collect required data from industry that will be used in the program.

NT Farmers will reserve the right to provide further comment once more details about where the focus of the program will be.

Action 12. Ensure water supply and sewerage services meet customer needs

NT Farmers will not be providing comment on this proposed action.

Action 13. Sustainable water supply for energy transition

NT Farmers will not be providing comment on this proposed action.

Action 14. The role of the Office of Water Security

NT Farmers will be advocating for the relocation of the Office of Water Security from the Department of Environment, Parks and Water Security to an independent government agency, such as the Department of Chief Minister.

Furthermore, NT Farmers will be advocating for the transition of direct support for the position of Water Controller to the Office of Water Security.

These changes will ensure there is independence in the management of water resources within government across the various agencies with responsibilities related to water.

END

Attachment 3
Licence Sizes in the NT

Attachment 3

Tables One and Two (below) display the range of licence holders and licence sizes among agricultural ground and surface water users in the NT.

Table 1. NT Agricultural Ground Water Extraction Licences (ML)

Licence Size (ML)	No. of Licences
0-500	307
500-1000	27
1000-1500	29
1500-2000	14
2000-2500	5
2500-3000	9
3000-3500	7
4000-4500	1
4500-5000	1
5000-5500	1
5500-6000	2
6000-6500	1
8000-8500	1
15000-15500	1
39500-40000	1
TOTAL	407

Table 2 NT Agricultural Surface Water Extraction Licences (ML)

Licence Size (ML)	No. of Licences
0-50	11
50-100	2
100-150	2
150-200	1
300-350	3
350-400	1
450-500	2
500-550	2
700-750	2
750-800	2
1200-1250	1
1950-2000	1
>2000*	1
Grand Total	31
*1 x 50,000 ML Licence	

Tables Three and Four display an example scale of the licence sizes with an additional column (blank) for proposed payment for each licence size range. These payments are to be determined.

Table 3. Ground Water Licence Sizes and Proposed Payments

Licence Range (ML)	Number of Licences	Proposed Charge (\$)
0 - 100	202	
101 - 500	105	
501 - 1000	27	
1,001 - 5,000	66	
5,001 - 10,000	5	
10,001 - 15,000	0	
15,001 - 20,000	1	
>20,000	1	
TOTAL	407	

Table 4 Surface Water Licence Sizes and Proposed Payments

Licence Range (ML)	Number of Licences	Proposed Charge (\$)
0 - 100	13	
101 - 500	9	
501 - 1000	6	
1,001 - 5,000	2	
5,001 - 10,000	0	
10,001 - 15,000	0	
15,001 - 20,000	0	
>20,000	1	
TOTAL	31	