

19 April 2018

Murray Darling Basin Royal Commission  
GPO Box 1445  
Adelaide, SA 5001

**Submission regarding the NSW unregulated Barwon-Darling River volumetric conversion of area-based irrigation licenses to volumetric entitlements**

Dear Commissioner

Some of the problems around inequitable sharing of water between upstream and downstream water users along the Barwon-Darling River system may stem back to the processes and outcomes of the conversion of area-based irrigation entitlements to volumetric water entitlements. This volumetric conversion process took place from the late 1990s through to the early 2000s across all NSW unregulated river systems. My recollection is that the NSW Department of Land and Water Conservation oversaw and administered the irrigated area to volumetric entitlement conversion process.

It may be of interest to the Royal Commission that, according to the Weekly Times (January 4, 2018), Barwon-Darling River water entitlement holders as of May 2017 have accumulated a carry-over volume of unused entitlement greater than 1,000 GL, and that entitlement holders are allowed to accumulate an unlimited carryover volume. The article further states that in 2012, the NSW Government granted Barwon-Darling irrigators unlimited carryover to offset the impact of having their licensed volumes cut by two-thirds, from 523 GL to 189 GL.

It would appear to be a matter of simple mathematics that if the sum total of unused water entitlement continues to increase over a long period of time, then it is possible that the original estimates of water entitlement volumes dating back to the volumetric conversion process may have been over-stated and hence may be inconsistent with the intent of the 1993-94 Murray Darling Basin Cap and hence the current Sustainable Diversion Limits. As such, it would be beneficial for the Royal Commission to consider asking the following questions of NSW Water Management Agencies:

1. What was the process for conversion of area-based to volumetric entitlements for the Barwon-Darling River entitlement holders?
2. What conversion factors were used and how did these conversion factors compare to other cotton cropping areas in the Murray Darling Basin?
3. What checks were undertaken to verify reported irrigated crop areas that were used in the area to volume conversion process, particularly if irrigated crop areas were self-reported by water entitlement holders?
4. What is the per year accumulation of the 1000 GL of unused water entitlement in the Barwon-Darling River system?

5. How does the per year accumulation of unused entitlement compare with year-on-year changes in water availability and flow volumes along the Barwon-Darling River?
6. Has there been an increase in the total private water storage capacity and/or installed pump capacity along the NSW unregulated Barwon-Darling River system since the area to volume conversion process and the commencement of unused carryover rights for water entitlement holders? If so, by how much has the cumulative private water storage capacity increased and by how much has the cumulative pumping capacity increased?

Yours truly

Murray Jacobs

#### **Reference**

The Weekly Times (January 4 2018). Murray Darling Basin: Water bonus for the few.  
<https://www.weeklytimesnow.com.au/news/pumped-to-the-max-nsw-government-rules-give-websters-a-massive-legal-take-of-water/news-story/3167a9fbe0cc94884c745ee77d950aae>