ACKNOWLEDGEMENTS

• Traditional owners
• Associate Professor Alex Gardner, University of Western Australia
• Dr Des Lord, Director, DA Lord and Associates, and National Water Commission Member, Carnarvon Ministerial Advisory Council
• Dave Kelly MLA Shadow Minister for Water
• Chris Tallentire MLA Shadow Spokesman for Environment
• Esteemed guests, ladies and gentlemen

INTRODUCTION

Thank you for the invitation to join you this morning.

The Conference agenda looks to be very interesting and I'm sure there'll be much discussion arising from the presentations during panel sessions.

In opening the Conference I’ve been asked to address – “where we are headed with water resources law reform.”

I am happy to answer that question in one word – FORWARD.
I’m well aware that from an industry point of view many would believe - NOT FAST ENOUGH.

There have been some bumps along the journey, but the changes that are being proposed are significant.

I’m sure you’ve noticed, but the effort has spanned two Government’s and at least five different Ministers.

I make no apology for taking the first twelve months of my tenure to review the feedback from an extensive consultation process, and test, assess and define policy positions accordingly.

That is my job – and I don’t take it lightly.

The good news is that we have approval to progress with drafting a new Water Resources Management Bill as a priority. So we’re on the move!

**WHY IS THIS IMPORTANT?**

I will touch on some of the outcomes we’re seeking to achieve as a result of the reform agenda in a moment, but I wanted to start by taking the opportunity to share why I believe we’re at an important crossroad in relation to our water resources.

There are some exciting projects underway across the State, and great potential for us to harness new and
innovative technologies in our regions, towns and cities to manage this precious resource.

The Department of Water estimates the total value of the State’s water resources to the economy at around $35 billion and about 80 per cent of licensed water is used to support state development.

I come to the portfolio unashamedly supportive of growing our regions and unlocking the potential of our vast State to deliver both economic and social dividends for the community.

Regional Western Australia is already the engine room of not just this State, but also Australia.

With only about 11 percent of the population, WA is now responsible for more than half of Australia’s total exports – and a majority of this comes from our regions, particularly the Pilbara.

Mining has underpinned the State’s economy – and despite the significant drop in iron ore prices in recent months, it will continue to be an important driver of employment, wealth creation and development.

What has also arrived on our doorstep is the opportunity to provide quality food to our nearest neighbours through the expansion of irrigated agriculture across the State.
The State Government’s $40 million investment through the Royalties for Regions’ Water for Food initiative is defining water resources in the North, identifying options for new infrastructure in the south, exploring opportunities to better manage the impact of climate change and conducting trials in partnership with pastoral lessees, all with a view to increasing food production under irrigation.

In addition to Water for Food, the Pilbara Hinterland Agricultural Development Initiative is well underway.

Using surplus water from mine dewatering is teaming agriculture with mining to grow fodder for the pastoral industry and biofuel for the resource sector.

The knowledge gained through these projects will be vital to Western Australia being able to develop systems for world-leading irrigated agriculture.

In the Kimberley we know scale is the key to success and have embarked on massive expansion works to attract significant private sector investment to develop State Two of the Ord Irrigation District.

**PAUSE**

One of the keys to success in these projects will be the ability for water to be licensed efficiently, in a timely manner.
It will be to ensure proponents have security in relation to their licenses, to feel confident to take a longer term view of investment.

We also see trading as a tool for these businesses to manage seasonal vagaries and other external factors – and for this to occur in a framework that is fair, transparent and easy to navigate.

And whilst I am passionate about our regions, I know there is great opportunity to harness wastewater, increase recycled water and look at innovative solutions in partnership with local government and industry in our urban centres.

All of this requires a modern, flexible and adaptive policy and legislative framework – one that will enhance the State’s ability to manage the resource rather than cobbling together solutions under existing legislation.

**THE PROPOSED BILL**

This *is* the most significant proposed change to the State’s water management framework in more than 100 years.

However the over-arching intent remains the same as when we first drafted water resources management legislation in this state.
We need to ensure that each user’s share of the available resource is well defined and protected from unauthorised use, while a sufficient share remains in the environment to protect essential environmental functions and services.

Over the past 100 years our existing legislation has been amended many times to keep pace with changing times.

Population growth, industry and agriculture growth, and climate change leading to lower rainfall in the south west of the State have pushed our legislation to its limits.

We are proposing to replace six Acts with just one, to create water resources legislation that is simpler to understand and easier to administer.

It’s important to note, that under the proposed legislation, any changes will be evolutionary.

When the new legislation is proclaimed, water users will continue to hold the water licences issued under current laws … there will not be immediate or drastic change.
There *is* still a Cabinet decision to be made further to drafting being completed so I can’t provide significant detail today.

But I can confidently advise that we won’t be including laws for regulating water for steam engines and public decency on water banks - important in 1914 but less relevant now!

What we will be doing is streamlining the provisions in the legislation, setting them out in a logical fashion and using modern language which will make them easier to understand and use.

The new legislation will acknowledge we have shifted from dams to groundwater and climate-resilient sources of public drinking water such as desalination and groundwater replenishment.

Our groundwater supplies now need to be more carefully managed – particularly as cities and industries that use this water are also built on top of them.

And it goes without saying that the new legislation will not try to apply the same approaches across the whole State.
Where there is high risk and high demand we will have the flexibility to adopt tailored approaches to meet the circumstances and needs of water users and the environment.

We are going to gain new capacity to manage resources – for example:

- The laws will enable us to better support activities such as managed aquifer recharge, a form of recycling that will become more important in Western Australia in coming years;

- It will allow us to vary allocations in accordance with water availability and the use of market mechanisms to allocate water when competition arises, to ensure water is used at its highest value;

- It will include risk-based assessments for licence renewals and transfers, trades and provision for longer term licences – we aim to cut red tape where possible;

- We are proposing to modernise and strengthen compliance and enforcement including clear offence provisions and penalties that will serve to deter unauthorised water use – the community will not tolerate abuse or misuse of this scarce resource and we should have strong deterrents in place as
clear signposts of our expectations.

- The measurement of water abstraction will be improved to enhance resource management and decision-making;

- There will be more transparent rules, requirements and objectives for managing water for the environment; and

- The laws will strengthen rights to water and investor confidence by creating provision for the introduction of water access entitlements.

The legislation will provide a stronger legislative base to support other important initiatives such as trading, statutory water allocation plans, water access entitlements, variable allocations and establish legal limits on the abstraction of water.

As promised by this Government we will not be introducing charges for farm dams or water resource management fees.

CONCLUSION
Drafting these new laws is a big task but we are committed to pushing ahead and bringing forward a Bill to help us manage this essential resource.

And just as we did with the Water Services Act, we will continue to liaise with key stakeholders as drafting of the legislation proceeds.

There has been significant consultation to get us this far – we are moving forward with urgency.

Whilst we cannot predict how the conditions over the next 50–100 years will affect the State’s water resources, we are certain that the population will continue to grow and the climate will continue to change.

Under the reform agenda, we are not leaving future water resource management to chance.

Our vision is for the people of Western Australia to benefit from secure access to water resources in the decades ahead; for our water management framework to maximise the productive value of water; to minimise long-term costs to water users, industry and Government; and to protect water-dependent environments.
Thank you for the opportunity to address you this morning, I look forward to working with you all as the Bill continues to be progressed.