



# SADA UPDATE



23 April 2020

## Water Allocations 2020-2021

On the 15 April, the Department of Environment and Water issued its South Australian River Murray Water Allocation Statement. The Department issued the projected minimum opening allocations for the 2020-2021 year in the following terms:

All Purpose - Class 1 (the old stock and domestic)	100%
All Purpose - Class 3 (the old high security)	2%
All Purpose - Class 5 (the old industrial and dairy)	100%
All Purpose - Class 8 (the old environmental land management)	2%

The 100% allocations are effectively automatic as they correspond to what are classified as Critical Human Water Needs (CHWN).

Each farmer with a water licence will also have a Site Use Approval which will outline what class(es) apply to their water rights. Class 5 generally (dairy) corresponds with cleaning sheds/hardstands and watering dairy cows as a CHWN.

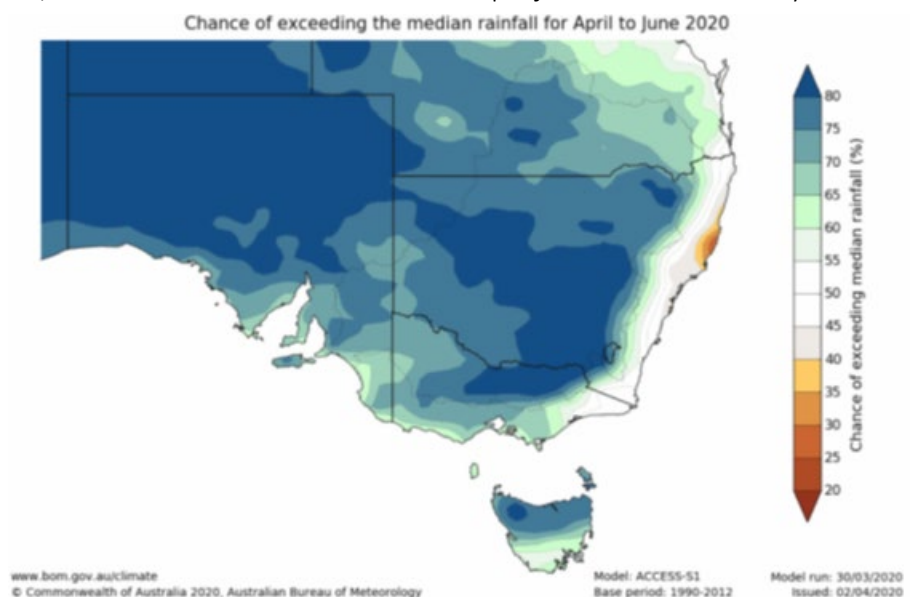
However, each farmer must check their individual Site Use Approval to determine permitted uses.

For those farmers reliant on Class 3 allocations the 2% figure may be alarming. It is a matter of risk going forward regarding the decisions farmers may choose to make regarding their businesses.

The allocations for the current water year were originally 14% and subsequently were elevated to 100% by November 2019. The reason for the low initial allocation for 2020-2021 is that the amount of water in the system's storage capacity is less than it was last year and it is policy to allocate based on what is known to be in the system, rather than to allocate on what is projected to be in the system.

Notably the Bureau of Meteorology (BOM) has indicated that higher than average rainfall is expected to fall across the continent west of the Great Dividing Range for the period of April to June 2020.

Thus far rainfalls for that period have been in line with predictions.





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Because predicting rain is not an exact science the conservative approach of applying known storage is used rather than predictive storage.

It remains a business risk decision for the farmer who plans on increased allocations as to how to manage their business.

From a drought point of view, and a water allocation point of view, there are grounds for optimism however, it is still a case of counting chickens after they've hatched.

Farmers are also reminded that they are permitted carryovers from the current year if they have not used their allocation in the current year. This may be permitted up to 20% of the current year allocation. It must be remembered however, that the carryover is only extended to unused water from the current year. The carry over is permitted if the water is stored in another state.

It was pleasing to note that the final report on **"Impact of lower inflows on state shares under the MDB Agreement"** by the Interim Inspector General Mick Keelty APM vindicated the position taken by many in S.A. and supported the continuation of the Murray Darling Basin Plan. He has made 4 recommendations largely aimed at improving communications between the Authority and other parties impacted by the plan which, SADA supports. The Plan, while not perfect continues to represent the best possible future for the Murray Darling Basin and all the demands upon it.

The report was also very critical of the RMCG Report which "identified " significant underuse. This was the basis of many irrigators in Southern NSW and beyond believing that they should receive considerably more allocation. The Report identified this to be simply incorrect. It is regrettable that many irrigators in that region were given false hope. We hope the angst will now settle down and we can all work together to help manage the MDB appropriately and with an understanding of what is achievable."

The Department and SADA both remain optimistic about rainfall for this winter. We certainly hope the optimism is realised.

For more information go to:

<https://www.environment.sa.gov.au/topics/river-murray/water-allocations-and-announcements>

or call John at SADA on 08 8293 2399