



MEDIA RELEASE

Ombudsman releases report on the administration of water licences

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For immediate release

Queensland Ombudsman Phil Clarke has released a major investigative report into the administration of water licences in Queensland.

Mr Clarke said the investigation revealed significant maladministration of water licences within the Department of Natural Resources and Mines, the agency responsible for regulating water use in Queensland.

“Water is a limited and increasingly pressured resource. The *Water Act 2000* requires that the competing interests for available water are managed in a way that promotes its sustainable, fair and efficient use,” he said.

“This investigation revealed that the department has not administered water licences according to the legislation.

The Ombudsman launched the investigation following a 2012 Land Court decision that indicated water licence applications in the Atherton Subartesian Area (the Barron) between 2002 and 2006 were dealt with contrary to the requirements of the Water Act.

The investigation set out to determine whether the mismanagement of water licences apparent in the court’s decision was a systemic issue across Queensland. It also considered whether the department’s administration of water licences promoted the efficient use and fair allocation of water.

The investigation analysed the department’s administrative arrangements and reviewed a sample of 207 decisions on water licence applications across the state between 2005 and 2010. It also reviewed the department’s work practices and its action in the Barron following the 2012 Land Court decision.

The investigation found that:

- there was significant failure in the department’s administration of water licences in the Barron between 2002 and 2006
- decision-making on water applications in another area, the Burnett Basin, contained similar problems to the Barron
- there was significant failure by the department across the State in administering water licences according to the Water Act
- water licences were not allocated in a way that advanced the sustainable and fair allocation and efficient use of water



- despite the Water Act being in place for 13 years, the department still lacked the necessary procedures to properly guide decision-makers in water licence decisions
- local sustainable water management strategies were developed at a regional level without any central oversight and were not consistent with the requirements of the Water Act.

Mr Clarke made nine recommendations to the department to rectify these administrative failures.

In light of the Government's stated intention to convert water licences to tradeable water allocations in the future, the Ombudsman's recommendations are designed to help the department make this transition in a way that promotes the efficient, fair and sustainable allocation of water in Queensland.

"Past unreasonable decisions about water licences not only affect historic use of water, but their effects may continue to be felt in the conversion of water licences to tradeable water allocations in the future, including consideration of environmental water needs," Mr Clarke said.

"This impacts on the sustainability of water use and fairness between competing users."

The *Land and Other Legislation Amendment Bill 2014*, currently before the Parliament, proposes to validate water licences issued under the Water Act. The Ombudsman's report was substantially completed when the bill was introduced.

"While validating existing licences will remove doubt about their legality, it does not address the past poor administration revealed in this investigation," Mr Clarke said.

"My opinions and recommendations therefore remain relevant for the future administration of water in Queensland."

The Queensland Ombudsman is an independent officer of the Parliament.

The Ombudsman ensures public agencies make fair and balanced decisions for Queenslanders by investigating complaints and conducting own-initiative investigations about broader, systemic concerns.

The Ombudsman has jurisdiction over state government agencies, local councils and public universities.

The Water Licences Report: An investigation into the administration of water licence decision-making under Chapter 2, Part 6 of the Water Act 2000 has been tabled by the Speaker and is available from the Queensland Parliamentary website.

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