**Reform to take water management in the NT backwards**

Professor Matthew Currell & Professor Sue Jackson (Griffith University)
Associate Professor Erin O'Donnell & Professor Lee Godden (University of Melbourne)
Emeritus Professor Quentin Grafton (Australian National University)
Dr Ryan Vogwill, HydroGeoEnvironmental

18th November 2026

Proposed amendments to the Northern Territory *Water Act* 1992 under the *Environment and Water Legislation Amendment* Bill 2026 represent a regressive reform that would substantially weaken the protection of water in the Northern Territory. If enacted, the changes would move the Northern Territory even further away from the principles and commitments of Australia's national water policy framework, the National Water Initiative[1] (NWI), and diminish safeguards for environmental, cultural and community values dependent on water.

Our concerns are as follows:

First, the Bill removes the requirement for a Water Allocation Plan (WAP) to include an allocation for the environment. For more than two decades, all Australian jurisdictions have recognised the need to reserve water for environmental purposes when determining how water is to be shared. Providing legal security for environmental water is a core principle of the NWI and has been incorporated into water legislation across Australia. Removing this requirement would weaken one of the most important safeguards against over-allocation, noting that in many cases the aquifers are not well understood in terms of the environmental risk of abstraction.

Second, the proposed definition of Estimated Sustainable Yield (ESY) is vague and provides insufficient protection for the ecological and cultural values dependent on NT waters. The Bill defines the ESY as:

*'the amount of water from the water resource that, having regard to the environment, may be allocated to beneficial uses and taken by persons'*.

It is unclear what it means to require decision-makers to 'have regard' to the environment, but it certainly does not require them to prevent unacceptable ecological or social impacts.

Terminology that would accord with international best practice would instead define the ESY as the quantity of water that can be extracted over time (from an aquifer or other water source) that does not result in harm to ecological and cultural values supported

[1] The Productivity Commission has assessed aspects of water planning in the NT as non-compliant with the NWI in its 2024 Water Reform Report.

by the water. The definition of environmentally sustainable level of take found in the Commonwealth *Water Act* 2007 provides an example of the minimum standard:

> ***"environmentally sustainable level of take"*** for a water resource means the level at which water can be taken from that water resource which, if exceeded, would compromise:
>
> (a) key environmental assets of the water resource; or
>
> (b) key ecosystem functions of the water resource; or
>
> (c) the productive base of the water resource; or
>
> (d) key environmental outcomes for the water resource (Section 4).

The Bill would also enable multiple ESYs to be established for different time periods, such as wet and dry seasons, and different ESYs to be applied to different water resources within a single plan area. These changes risk reducing transparency and accountability in allocation decisions and could create opportunities to increase extraction by redefining sustainability over shorter periods. We are particularly concerned about the implications for sustainable groundwater management which is typically based on a long-term sustainable yield for each resource, reflecting the slow response times of aquifers and the need to protect dependent ecosystems. We are unaware of any Australian jurisdiction that manages groundwater through time-varying ESYs, and such an approach appears inconsistent with established principles of sustainable aquifer management. Further, existing water law and policy in the NT already provides for the capacity to reduce extraction during dry periods without affecting the legal limit of the ESY.

Third, the Bill removes the requirement for a WAP to allocate water for the beneficial use known as 'environment' and replaces it with a narrower category of 'aquatic ecosystem'. This is out of step with Australian environmental law standards, which use broader definitions of environment, and this change risks narrowing the values considered in water allocation decisions in two important ways:

(i) it may exclude or diminish consideration of groundwater-dependent ecosystems that are not strictly aquatic – e.g., terrestrial groundwater dependent ecosystems, such as vegetation that requires access to groundwater to survive or remain healthy. A broader beneficial use category based on Groundwater Dependent Ecosystems (GDE) would better reflect contemporary ecological science; and

(ii) it encourages a focus on the biophysical effects of extraction while neglecting the social, cultural and economic dimensions of environmental values. The current definition of "environment" appropriately recognises these broader dimensions and provides a more comprehensive framework for water management.

Fourth, the reforms reduce opportunities for public participation in water management. They diminish the standing and limit the functions of Water Advisory Committees (WACs) in the formulation and implementation of Water Allocation Plans (WAPs). The government plans to remove the requirement for a WAC appointed in relation to a WAP to advise the Minister on the effectiveness of the WAP in maximising economic and social benefits within ecological restraints. Further, a WAP that has been shaped by local communities could be revoked without consultation.

Fifth, the Bill also removes the existing requirement for water resource management in a water control district to be conducted in accordance with any WAP declared in that district. **This reduces the WAP to mere guidelines, rendering it effectively toothless as a framework for sustainable water management.** This is also significantly out of step with the requirements of the NWI to use statutory water plans as a key mechanism for avoiding overallocation of water.

Sixth, the amendments represent a missed opportunity to address longstanding deficiencies in the NT's water allocation framework. They retain 'contingent' allocation rules developed more than 25 years ago despite repeated warnings from scientists and water experts that these rules are inconsistent with contemporary principles of sustainable aquifer management. For example, the attached letter provided to the NT and Federal Water Ministers in July 2026 outlines fundamental flaws in the current allocation framework and highlights the urgent need for reform if water management is to address the challenges posed by changing climatic conditions and increasing demands for water.

Finally, there has been no public consultation on these significant legislative changes. Collectively, the proposed amendments weaken environmental safeguards, narrow the scope of values recognised in water planning, reduce public oversight, and entrench deficiencies in the existing allocation framework. Rather than strengthening water governance in the face of growing pressures on Northern Territory water resources, the Bill would move policy backwards and increase the risk of over-allocation and long-term depletion of groundwater and surface water systems.