

MEDIA RELEASE

NSW water embargo – deadline extended to apply for an exemption

10 July 2009

The NSW Minister for Water, Phil Costa has extended the period for people to lodge their request for exemptions from the embargo on environmental water trades to the Federal Government, so that parties who signed contracts before 29 May 2009 are not penalised.

Mr Costa has granted the extension until 17 July 2009 to ensure those sales that were finalised before the embargo was announced can proceed.

He said the embargo aims to bring about a more equitable balance to water buyback across Murray Darling Basin States.

“I have maintained the position that the embargo will remain in place until we see actual environmental water purchases by the Commonwealth from other Basin States,” Mr Costa said.

“The embargo will remain until a fair solution between the Basin states is found. However, I want to make sure those parties who signed contracts before 29 May 2009 are not penalised.

“NSW is unfairly represented in water purchases for the environment by the Commonwealth because we have the most flexible and sophisticated water trading market.

“Strategic water buyback for the environment is an important part of the equation to revive the Murray-Darling Basin but NSW is doing all the heavy lifting in this area.

“I have acted to ensure NSW will not suffer further because we have reformed our system while other states lag behind.

“This embargo is important. We have made some amendments to the initial order to ensure it will be effective until the other States have removed their trade barriers and subsidies.

“The NSW Government will hold firm on this embargo, in the best interests of NSW, until a fairer solution can be reached and we will be working with the other jurisdictions to find a workable solution.”

Water trades where both parties had signed the contracts before 29 May 2009 are still able to be processed. People who have notified of contracts previously do not need to do so again.

Where the Minister is satisfied that water savings have resulted from investment in infrastructure – these are exempt from the embargo.

ENDS

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