



National Irrigators' Council  
Food · Fibre · Future

# STATUTORY REVIEW OF THE ROLE OF THE INSPECTOR GENERAL OF WATER COMPLIANCE

Submission

February 2026

# Foreword

The National Irrigators' Council (NIC) welcomes the opportunity to provide feedback into the [\*Statutory Review of the role of the Inspector General of Water Compliance\*](#) (herein, this Review).

NIC has strong principles regarding transparency, integrity and accountability in all aspects of water management, and the necessary scrutiny to ensure this is occurring.

The Inspector General of Water Compliance (IGWC) role is relatively new, created in 2021, to ensure these principles are being met. Reviewing how the role is functioning towards these key principles is paramount as the new role matures over time, to ensure that these principles are being met, but also that this is occurring in an effective, efficient, fit-for-purpose and proportional manner. Nothing in this submission is to question or belittle the importance of these principles – rather – to examine how they can be most effectively and efficiently served.

## About us

The National Irrigators' Council (NIC) is the peak industry body for irrigated agriculture in Australia. NIC is the voice of irrigation entitlement holders, water delivery operators and industries involved in food and fibre production across the nation for domestic consumption and significant international trade. Put simply, our industry is helping to feed and clothe Australia and our trading partners.

Irrigated agriculture in Australia employs world leading practices in water management. Industry has extensively adopted and embraced new technologies and knowledge to ensure we are consistently growing more with less water. Australian farmers also operate under strict regulations and compliance mechanisms. These factors mean we lead the world in both farming practices and produce quality.

NIC's policy and advocacy are dedicated to growing and sustaining a viable and productive irrigated agriculture sector in Australia. We are committed to triple bottom line outcomes - for local communities, the environment, and our economy.

## Background

The IGWC role was created in 2021, with the objective of monitoring and providing independent oversight of agencies managing the water resources of the Basin. This review is to meet the statutory requirements to review of the role of the Inspector-General of Water Compliance (IGWC) this financial year, in accordance with section 215Z of the *Water Act 2007 (Cth)* (the Act). This follows a non-statutory review of the IGWC delivered by Mr Peter Harris AO in January 2024 (herein, the Harris Review).<sup>1</sup>

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<sup>1</sup> [Final Report Independent Review of the Inspector General of Water Compliance.pdf](#)

## Submission

1. NIC in-principle supports the intent of having separate functions for policy development, implementation and enforcement/compliance, as envisioned by the IGWC role. However, there are a number of issues important for consideration in this review.
2. NIC notes several related reviews and inquiries occurring concurrently and supports this review considering and coordinating with these other reviews.
  - 2.1. NIC emphasises that stakeholders are currently involved in significant public consultation processes at this time (including but not limited to the 2026 Basin Plan Review Discussion Paper) and have limited resourcing ability to provide more detailed feedback at this point in time.
  - 2.2. NIC emphasises that a reduced level of stakeholder involvement in this process is not a reflection of lack of interest, and recommends the reviewers arrange direct conversations with stakeholders if there are gaps in stakeholder input. An omission is not agreement, or an indication of there being no issues.
3. With the numerous agencies in the water sector, across both State and Federal levels, we are concerned that the role creates duplications and inefficiency. It also adds to the complexity of a large number of water agencies.
  - 3.1. For example, in reports of compliance with Sustainable Diversion Limits (SDLs), this data is provided by the Basin States to the MDBA to compile into Registers of Take and assess whether water take accounting was consistent with the method in the Basin Plan – which is then provided to the IGWC to report on. This is a minimum three-part process.
  - 3.2. This was noted in the Harris Review, stating this is *“the area where the boundary between the responsibilities of the MDBA and those of the Inspector General is most problematic”*<sup>2</sup>.
  - 3.3. The intent of this was to prevent the MDBA ‘marking their own homework’. However, in practical terms, the MDBA is marking the homework of the Basin States already in how they comply with the SDL and undertake their water accounting to determine that. The notion it is the MDBA's homework is perhaps an oversimplification (it is marking, the marking of, the homework) and has resulted in an clumsy process with unclear roles and inefficient processes. While scrutiny is indeed fundamental, questions must be asked regarding if this has gone too far, and what additional benefit is being provided.
  - 3.4. Partly due to this process, there have been significant time delays in the publication of these reports after the water year to which they relate. This issue of long-time frames is also a concern for other IGWC reviews such as the ongoing Northern Basin Toolkit Review, which is yet to be released. To optimise the possible value of outputs from the IGWC whether that is compliance

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<sup>2</sup> [Final Report Independent Review of the Inspector General of Water Compliance.pdf](#)

reviews, assessments or inquiries, reports must be available in a timely manner to allow consideration and adaption, extended timeframe impact the ability to properly utilise this information effectively.

#### Case study: Approach to NSW SDL Compliance in IGWC Compliance Statement

- Due to delays in the accreditation of NSW Water Resource Plans (WRPs), the IGWC *SDL Compliance Statements* have been problematic.
- For example, language used included “*Disappointingly, 54 SDL resource units in New South Wales (10 surface water and 44 groundwater) are not currently subject to SDL compliance or enforcement by the Inspector-General, as there are no accredited Water Resource Plans in place*”<sup>3</sup>. While statements like this (correctly) referred to the technicality of the IGWC role in SDL reporting being linked to WRP accreditation, it was widely interpreted that ‘NSW is not subject to SDL compliance.’ The same report continued to say “*Consequently, there is no ability to enforce SDLs in NSW*”<sup>4</sup> which is not correct, or at least only as correct as the same limited ability of all other Basin States. The Registers of Take for NSW were not included in the SDL Compliance Statement alongside other States.
- The outcome of these statements was significant media and public backlash against water management in NSW, and indirectly, water users in NSW – as it created a public perception that NSW was not complying with SDLs, and did not have to (which is not correct). This unfairly undermined confidence in water management. It was left to industry, NSW Government and the MDBA to correct the record that the NSW was the subject to NSW compliance, it was just managed via a different process (a bilateral agreement), and full compliance was occurring.
- A more appropriate course of action, in our view, would have been for the IGWC to include the data from the Registers of Take provided from the MDBA for the full Basin, with a description on the alternative arrangements in place for NSW for the interim. It would be reasonable, in our view, to still outline the delays with WRP accreditation and ramifications of that. Doing so this way would have identified the issues with NSW WRP accreditation, while still fairly and accurately reporting on the current status of NSW SDL compliance.
- This issue has continued, as even in later years, NSW is greyed out of maps showing SDL compliance in the Basin. While again we appreciate there are technical challenges – it would be much more constructive for the IGWC to still indicate that SDL compliance is occurring (albeit under different arrangements), to prevent the risk of misinterpretation.

3.5. To further optimise the IGWC value, reporting must not only demonstrate their legislative tasks (e.g. SDL compliance), but they should also engage in constructive and transparent dialogue regarding clear gaps and inconsistencies they encounter when undertaking their role. This is an opportunity for the IGWC to be seen as the independent voice on behalf of stakeholders, back to the Australian Government. For example, the SDL Compliance Reports do not provide details on underusage against the SDL, only over-usage. This presents a one-sided representation of water usage and

<sup>3</sup> [Sustainable Diversion Limit compliance statement for 2020–2021](#)

<sup>4</sup> [Sustainable Diversion Limit compliance statement for 2020–2021](#)

is arguably part of their compliance role – which is to highlight and assess compliance with SDL, their current focus is on over-usage and its mitigation, why is there not the same scrutiny for underusage?

- 3.6. Furthermore, we also note that – as we understand – a large focus of the IGWC has been on ensuring states (particularly NSW) develops (and gets accredited) Water Resource Plans (WRPs). As part of the Basin Plan Review process, it is being highlighted by authorities that the WRP process itself is overly prescriptive and rigid, and requires simplification, to be fit for purpose. In our view, the significant resources spent on policing NSW to get accredited WRPs, could have instead been used constructively to examine the WRP process, identify the challenges, and work constructively with the States and MDBA to overcome these challenges earlier. Instead, there was significant resources used inefficiently by both the IGWC, NSW, and MDBA to force NSW WRPs through a problematic system – which is now a system set to be redesigned, and likely new simplified WRPs too. We question if this was a particularly helpful or constructive approach, and efficient use of resources.
  - 3.7. The Basin Plan Review is currently considering regulatory-design, and we encourage this review to consider the issues raised and responses to that process.
4. There are questions regarding the extent to which the role of the IGWC can operate within the current legislative and constitutional framework, with water remaining a power of the States. The IGWC role has been created with an expectation to be a 'tough cop' on the States and public agencies, however, while States have agreed to frameworks, the power remains with the States. This questions the core purpose of the IGWC.
    - 4.1. The approach to be a 'cop' is questionable in this context, where enforcement is of voluntary agreements with limited powers. A more suitable approach would be working constructively with agencies to overcome implementation barriers, technical gaps, resourcing gaps, or other hindrances on agencies performance and delivery – such as by providing independent advice or guidance.
    - 4.2. We understand the resourcing of the IGWC has been of staff with significant policing backgrounds – in our view, the roles of the IGWC are more technical water policy skillsets, as well as public administration.
    - 4.3. One of the challenges we have observed in the bureaucracy is limited technical subject-matter expertise (or long-term experience). As noted in the Harris Review, this has resulted in some functions remaining with the MDBA which are (at this point in time) better resourced to those skillsets. Consideration is required in terms of what role the IGWC is to serve, and what resources are most suitable to perform that role should be properly understood, and the organisation resourced appropriately, to their role and responsibilities.

5. It is noted that the IGWC was created at a time following the 4 Corners 'Pumped' episode, and strong public perception of water 'mismanagement'. While having the institutions in place to ensure mismanagement is not occurring is fundamental – it must also be asked:
  - 5.1. Is 'mismanagement' occurring to the extent it was perceived to be at the time the role was established? Is the role justified to the extent and nature to which it has been established?
  - 5.2. To what extent could this be managed by other functions and agencies of the Commonwealth already established, with a broader remit than just water (such as the Auditor-General, amongst others)? Would this assist to reduce duplication and complexity in water management structures, and improve efficiency, compared to a dedicated water office?
  - 5.3. Note: This was similarly observed in the non-statutory review, stating: *"the use of 'tough cop on the beat' language – is a popular political device. This was understandable in the development phase of the IGWC, due to the circumstances in which the need for upgraded compliance efforts came to public attention via the 4 Corners program "Pumped", but today can create some misconceptions... The IGWC is in fact less a police officer and more an investigator"*.<sup>5</sup>
  - 5.4. The role and purpose of the IGWC requires clarification – there is a view that the IGWC is a 'talk fest' with little action achieved as a result. This is partly the product of our points in Part 4 of this submission. It is also a result of a lack of regulatory powers despite the perpetuation the organisation is the 'tough cop.' This is further discussed in point 7 of this submission.
6. There have been occasions where the role of the IGWC has been viewed by stakeholders as being highly politicised, with 'stunts' used to gain political traction. This has included misleading reports and announcements, that make a news headline, but offer little constructive momentum to resolving the issues, or nuance in accurately capturing the circumstances. Contrary to the role of building confidence, these actions serve to diminish confidence, often unfairly so.
  - 6.1. One example relates to the NSW non-urban water metering reform – which was an ambitious, world-leading reform which did have numerous barriers to implementation, as flagged by industry at the time.<sup>6</sup> Despite being aware of these implementation-barriers, and the very high-standard being attempted to be rolled-out, the IGWC reported on NSW metering against this new very-high standard, and other States against their own different standard, which created a skewed perception of poor or non-existent metering in NSW. This led to many news reports that suggested irrigators in NSW are not metering water take, undermining confidence in both water management and water users – and wrongly so.

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<sup>5</sup> [Final Report Independent Review of the Inspector General of Water Compliance.pdf](#)

<sup>6</sup> [NSWIC-Report-on-Barriers-to-Metering-Compliance-Aug-2021.pdf](#) ; [2023-11-23-Addressing-Metering-Compliance-Barriers-NSWIC-Report.pdf](#)

7. NIC is concerned that there is confusion regarding the role of the IGWC, as 'compliance' is typically used to refer to water users complying with water laws, which is separate to the compliance of Basin states and oversight of public agencies managing water. Clarity about the role of the IGWC – distinct from state agencies (such as the Natural Resources Access Regulatory in NSW) is important.
8. It is noted in the Harris Review that "*the IGWC has submitted that it is affected in exercising its independence by the administrative structure in which is set up.*"<sup>7</sup> We also note the concerns raised in that report regarding fully administering an independent entity would be expensive and beyond the control of the water portfolio. This is an important decision-point regarding the future role of the IGWC, and will require assessing the necessity, in the context of what current arrangements are able to deliver.
  - 8.1. It is noted an original intention of the establishment of the MDBA was to be an independent authority, separate from the Department and Government of the day. There is a feeling of 'going in circles,' which will be a critical issue for this Review to consider.
  - 8.2. It is also noted the IGWC still reports to the Minister, questioning if the degree of independence intended is reflected in the current structure.
  - 8.3. Finally, there remains dialogue regarding an intention of the Federal Government to res-establish a National Water Commission, following earlier election commitments. Any changes to the role, establishment, or function of the IGWC should consider alignment with a future National Water Commission if one is to be established.

## Conclusion

Thank you for your consideration of the matters raised in this brief submission. We emphasise that NIC appreciates and supports the intent of the IGWC role – the matters in this submission are intended to reflect challenges with implementation and realisation of those objectives. For the avoidance of doubt, nothing in this submission is intended to suggest abolishing the role, rather, seeking improvements to ensure it is fit for purpose, effective and efficient – within the bounds of the current regulatory and constitutional framework. In our view, this requires a redesign and change of expectations regarding the role of the IGWC, but particularly the approach.

NIC and our team are available to meet if you wish to discuss the matters raised in further detail.

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<sup>7</sup> [Final Report Independent Review of the Inspector General of Water Compliance.pdf](#) [36]