New controls on allocation trade to the Victorian Murray and between states are being implemented to avoid sudden trade suspensions.

The Carryover Review Committee has recommended new controls on trade between valleys to avoid sudden future trade suspensions.

Along with the new Murray spill rule, it is part of the changes put in place to give irrigators control over managing their water and business risk, while protecting allocations to everyone's entitlements.

In recent seasons, rules to manage trade between valleys have not aligned well with the spill rules on carryover and how storages are managed.

Some people could trade water in for personal benefit at the expense of future allocations to others people's entitlements.

This led to trade being suspended in 2011 and 2012.

The standing limits give people more clarity and certainty about when water can be traded between valleys.

What does this mean for me?

If you're thinking about buying or selling allocation between trading zones you will need to check the current status of trade limits on the Victorian Water Register website.


Effective date

These trade limits are being implemented in the current 2012-13 season.

Simple controls on allocation trades between valleys will protect allocations to Victorian water entitlement holders.

This will mean that:

- Trade will not be allowed from the Goulburn, Campaspe and Loddon to the Victorian Murray, or to New South Wales and South Australia, if the water owed to the Murray is more than 200 gigalitres (GL). The amount owed is measured by an inter-valley trade account.
From 10 January 2013, trade will not be allowed into Victoria from New South Wales if the risk of spill from Victoria’s share of dams in the rest of the season is more than 50 per cent, or if net trade from NSW in the season is more than 200 GL.

These standing limits avoid the need for future sudden trade suspensions that affect how people can manage their water.

Tagged allocation trade for the future?

The Carryover Review Committee also supported doing more work on tagged allocation trade as a longer-term solution to prevent any adverse effects of water trade between valleys.

Tagged allocation trade would mean that if allocation traded in from other valleys is not used in the current season, it has to be carried over in its valley of origin.

More information

- Seasonal allocations, carryover levels in storages and the risk of spill at [www.nvmnet.au](http://www.nvmnet.au)

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