



Save the Murray

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The Cap



The Cap is a limit on the amount of water allowed to be taken out of the Murray-Darling Basin. From 1 July 1997, the upper limit on the amount of water that could be taken from the river system was known as the Cap. The Cap is defined as “the volume of water that would have been diverted under 1993/94 levels of development.” Each state is allocated a volume of water that would have been used with the infrastructure (pumps, dams, channels, areas developed for irrigation, management rules) that existed in 1993/94. .

The Cap was introduced to restrain diversions, not development. With the Cap in place, new developments are still allowed, provided that the water for them is obtained by improving water use efficiency or by purchasing water from existing developments.

Why do we need a Cap?

Threats to the supply of water from the Murray-Darling Basin in the early 1990s led to the Murray-Darling Basin Ministerial Council introducing a moratorium in 1995 on future growth in diversions of water. Since the 1950's, the amount of water diverted from the rivers in the Murray-Darling Basin has increased substantially.

Development of the Basin's resources has provided Australia many benefits both socially and economically. Increasing demand for water resources and the subsequent adverse environmental impacts lead to the introduction of a Cap on water extraction from the system.

- River systems were showing signs of stress
- There is no certainty that the current riverine environment is sustainable with the current regime
- Increased growth in diversions would reduce security to existing irrigators
- No margin of safety for any further changes that will have an adverse impact on water quality (e.g., the emerging problems of dryland salinity)

Who implements the cap?

Each state has an individual governing agency responsible for implementing the Cap. The Murray-Darling Basin Commission is responsible for auditing the compliance with the Cap. An independent audit group conducts an annual report of the diversion in every section of the Basin, comparing actual amounts taken against models to determine if the Cap has been breached.

Review of the Cap

The Murray-Darling Basin Ministerial Council commissioned a comprehensive review of the operation of the Cap on water diversions from the Basin's rivers. This review, completed in August 2000, focused on how the Cap can be refined to better meet the needs of the Basin.