

# Water Trading Tool Kit - Fact Sheet 11

## Conducting a Trade

### The paper work

Different processes are involved for each type of trade transaction. Also, each State has different processes and application forms. If you are not sure what to do, the first step is to contact your water supplier to check the arrangements that apply to the type of trade you are considering.

Various forms, processes and approvals are involved depending on the type of trade, whether it be transfer of entitlement or an allocation trade. This information can be obtained from water corporations. State water management departments provide information on trade processes and requirements on their websites. Water brokers are also a valuable source of information and can assist you with what is required with the different water purchasing or selling options you want to conduct.

### Who can help?

Just as farmers develop important relationships with their feed suppliers, financiers and farm advisors, the same is needed with water brokers. The water market is complex and it can be difficult to continually keep up to speed with all that is required when making water purchase or selling decisions.

Water brokers will have access to a wider cliental and it is their business to keep up-to-date on changes that can influence water trade decisions.

There are two main forms of water broking services. Some brokers parcels of water that irrigators want to sell or buy and then match buyers or sellers (much like a real estate agent will match buyers and sellers of a property). Some brokers also offer their services online and can be a valuable source of trade information.

There are also water exchanges where buyer and seller bids are placed on the exchange and individuals can decide whether to take the option of sell or buy orders. Water Pool (<http://www.waterpoolcoop.com.au>) is another exchange where buyer and seller bids are placed in a weekly pool and a "pool price" is struck that establishes the market price that applies to all trades on that exchange day.

### Working with water brokers

No special laws or regulations apply to water brokers, but they are subject to the general fair trading laws covering businesses in all States. The Australian Competition and Consumer Commission (ACCC) has developed brochures to help irrigators and water brokers understand their rights and obligations:

- <http://www.accc.gov.au/publications/water-brokers-exchanges-your-fair-trading-obligations>
- <http://www.accc.gov.au/publications/water-trading-a-guide-to-your-rights>

GMW has a list of water brokers (link below) but this may not be a complete list and GMW does not endorse any of the brokers on this list. Irrigators need to make their own enquires prior to engagement of a water broker.

- <http://www.g-mwater.com.au/water-resources/water-trading#Waterbrokers>