

Murray–Darling Basin water ministers meet in Canberra.

15 November 2013

The Murray–Darling Basin Ministerial Council has met in Canberra today to consider a range of basin management and water reform matters, as well as to receive updates on the progress of basin activities and programs.

The Ministerial Council consists of the chair, the Hon. Simon Birmingham (Commonwealth), the Hon. Peter Walsh MP (Victoria), the Hon. Katrina Hodgkinson (NSW), the Hon. Andrew Cripps (Queensland), the Hon. Ian Hunter (South Australia) and Mr Simon Corbell MLA (Australian Capital Territory).

Basin ministers welcomed Sen. Birmingham to his role as chair of the Ministerial Council.

Sen. Birmingham said the Australian Government had made a commitment to communities of the Murray-Darling Basin that it would implement the Basin Plan on time and in full.

"This will be achieved while giving full effect to our commitments to deliver the Basin Plan in a manner that balances the environmental, economic and social needs of basin rivers and the communities that rely upon them," Sen. Birmingham said.

Ministers discussed the progress of basin water reforms and agreed to make this a standing item for all future Ministerial Council meetings.

The Murray–Darling Basin Authority (MDBA) advised ministers that early implementation milestones for the Basin Plan had been achieved, including developing the first ever set of annual basin-wide environmental watering priorities, initiating an agreed review of three NSW and Victorian groundwater Sustainable Diversion Limits (SDLs) and establishing collaborative arrangements between the basin governments and the MDBA on Basin Plan implementation activities through an Implementation Agreement.

Ministers agreed to a number of actions designed to improve governance and efficiency of joint activities in the basin. This included the development of a work plan to strengthen the ministerial governance and oversight of joint activities for further consideration by ministers in December 2013.

Ministers also agreed to initiate reviews of joint activity cost-sharing arrangements and of the cost efficiency of River Murray operations.

In reinforcing the importance of restoring confidence in the future funding arrangements for the River Murray system assets and other joint activities in the basin, ministers agreed that a 2014-15 budget would be considered early in the New Year.

Ministers noted progress on the draft Constraints Management Strategy, a key deliverable under the Basin Plan due for completion later this month, as well as heard feedback on the key issues raised by basin communities and key stakeholders during the public comment period.

The council emphasised the importance of continuing to involve basin communities in the constraints work over the coming years, as well as the need to closely consult with landholders living near key constraints when the more detailed work is done to determine third party impacts.

Ministers reaffirmed their governments' commitment to ensure that the constraints work and the broader water reforms would not create any new risks to the reliability of water entitlements and would respect landholders' rights.

Ministers were keen to ensure that all aspects of exploring potential changes to constraints be thoroughly investigated so the council was well informed when making future decisions about where the changes will be made.

Ministers noted the progress of the SDL adjustment work program. Last year, ministers requested an adjustment mechanism be included in the Basin Plan to allow SDLs to be changed, including if projects could achieve better environmental outcomes using less water.

The SDL Adjustment Assessment Committee, set up under the Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin (IGA), has been developing guidelines and assessment procedures, and has started to assess proposals to potentially include in an adjustment package. All jurisdictions are actively participating in this work.

So far, the Victorian government has submitted nine proposals for assessment, and the South Australian government has submitted three. The Basin states are consulting their local communities during the development of proposals.

Ministers were advised that the current feasibility assessment of proposals was likely to continue into 2014, and be conducted in parallel with the development of business cases.

The ministers acknowledged that achieving the objectives of the adjustment mechanism, including completing the appropriate consultation and technical assessment, was a major undertaking that would require collaborative effort by all governments to develop and assess the proposals as quickly as possible.

It was noted there would need to be considerable work done to produce an integrated package of constraint, supply and efficiency measures to be considered by ministers in 2016, and then to be assessed for adjustment by the MDBA. Ministers expect that the package would result in substantially improved social, economic and environmental outcomes than those that would be achieved without adjustment.

Basin Community Committee chairman, Rory Treweeke, provided the council with an update on committee activities. Ministers expressed their appreciation for the hard work and significant input of Mr Treweeke and the committee members.

Ministers were advised that overall, water availability in the basin remains high although slightly lower than this time last year. It was reported that most irrigators in the Murray Valley, and in Victoria, will have adequate water supplies this year, as will high security entitlement holders across the basin. General security entitlement holders elsewhere in New South Wales are relying on further rain to improve their allocations. Ministers also expressed

their concern about worsening drought conditions in the northern basin, in New South Wales and Queensland.

The ministers heard that despite delays from floods in winter 2010 to spring 2012, the Environmental Works and Measures Program has made solid progress through 2013. Major construction is essentially or almost completed at Hattah Lakes, Koondrook-Perricoota Forest, Gunbower Forest, 'Sea to Hume' fish ways and Mulcra Island. It was also reported that construction at Chowilla is on track to be completed by autumn 2014.

Other outcomes from the meeting were the endorsement of the drought emergency management framework for the Lower Lakes, the Barmah-Millewa environmental water allocation, and the Lower Lakes, Coorong, Murray Mouth Icon Site Environmental Water Management Plan.

Ends

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