

Murray–Darling Basin water ministers meet in Sydney

14 August 2015

The Murray–Darling Basin Ministerial Council met in Sydney today to consider basin water reform matters and progress on Basin Plan implementation.

The council is chaired by the Hon. Bob Baldwin (Commonwealth) with members from each basin state—the Hon. Niall Blair MP (NSW), the Hon. Lisa Neville MP (Victoria), the Hon. Anthony Lynham (Queensland), the Hon. Ian Hunter (South Australia) and Mr Simon Corbell MLA (ACT).

Ministers were updated on the key outcomes of the independent stocktake of progress on the sustainable diversion limit (SDL) adjustment process. The stocktake assessed progress on the supply, efficiency and constraint projects, and identified opportunities to get the best possible outcomes when the adjustment process takes place in mid-2016.

All ministers recognised that successful operation of the mechanism would bring about better social, economic and environmental outcomes from the Basin Plan.

Ministers emphasised they would continue to strive for a supply contribution of up to 650 gigalitres by putting forward high quality projects, acknowledging that the greater the supply contribution from the SDL adjustment mechanism, the smaller the remaining water recovery task. The council remains committed to landing a robust adjustment package that minimises as much as possible the need for the Commonwealth to recover water, including purchases, in the relevant southern basin catchments.

The stocktake found that a supply contribution of about 500 gigalitres was plausible, and that additional contributions could be obtained by further project refinements. Therefore it is reasonable for ministers to work towards a supply contribution of up to 650 gigalitres. This is based on the independent consultants' assessment of 36 projects under consideration by the states. The stocktake also noted that the SDL adjustment method had been endorsed as fit for purpose by an independent scientific review panel.

Ministers agreed to the recommendations arising from the stocktake, as well as a commitment to revise the work plans and timelines for the remaining supply and constraint measure business cases. This would ensure a comprehensive set of high quality state government project proposals are ready for ministerial decision by 30 June 2016.

Ministers noted the Australian Government's intention to legislate a 1500-gigalitre cap on surface water buybacks, which will provide increased certainty for communities and businesses by giving priority to water recovery through investment in efficient infrastructure and delivering triple bottom line outcomes for the basin.

Ministers agreed to the stocktake report being publicly available by the end of August.

Ministers also requested that officials work together across jurisdictions and consult with stakeholders on the further development of project proposals, and that progress updates be provided to ministers at future council meetings.

Ministers requested that the Department of the Environment undertake further consultation with basin states and industry bodies on the design of efficiency measure programs and how they will be implemented. The consultation will address the relationship between the 'gap-bridging' and efficiency measures programs, noting that an initial package of efficiency measures needs to be agreed as part of the SDL adjustment mechanism by 30 June 2016 and fully implemented by 30 June 2024, and the 'gap-bridging' needs to be fully implemented by 30 June 2019.

The Commonwealth signalled today that it will consult with the states to ensure its Efficiency Measures Program will complement current state-led activities to close their remaining 2750-gigalitre water recovery obligations under the Basin Plan.

Progress on the Northern Basin Review was acknowledged by ministers. They noted the science projects, hydrological modelling and social-economic assessments were on track to being completed within the next six months. The Murray-Darling Basin Authority (MDBA) is planning further rounds of stakeholder consultation during this time, and will be considering the outcomes of the review in early 2016, prior to ministerial decisions in mid-2016.

The council noted progress towards settling key planning assumptions that the states will use to develop their water resource plans under the Basin Plan. Basin states will be working with the MDBA to settle planning assumptions for each valley by mid-2016, ahead of the new SDLs taking effect from July 2019.

The Ministerial Council was briefed on the environmental watering process. Ministers welcomed the strong collaboration among Commonwealth and state agencies to coordinate environmental water delivery, which has built on the work of previous years.

This is well illustrated by the plans in place for a watering event in the Barmah-Millewa forest in the upcoming spring. The release of water from the Commonwealth and The Living Murray portfolios will be timed to coincide with water being delivered to other users to get the most efficient outcomes.

The council applauded MDBA chief executive Dr Rhondda Dickson's outstanding contribution to water reform and Basin Plan implementation over the past four years, following the recent announcement that she has accepted a deputy secretary role with the Department of the Environment when her term ends in September.

The next Ministerial Council will be held in Sydney in November 2015.

Ends

For further information, contact MDBA media: (02) 6279 0141