

Murray–Darling Basin ministers meet in Sydney

27 November 2015

The Murray–Darling Basin Ministerial Council met in Sydney today to progress key issues relating to water reform and implementation of the Basin Plan.

The council welcomed the Hon. Barnaby Joyce MP (Commonwealth) to his role as Ministerial Council chair. Other members in attendance were the Hon. Niall Blair MP (NSW), the Hon. Lisa Neville MP (Victoria) and the Hon. Ian Hunter (South Australia). State officials attended on behalf of Mr Simon Corbell MLA (ACT) and the Hon. Dr Anthony Lynham MP (Queensland). The council also welcomed Senator the Hon. Anne Ruston, Assistant Minister for Agriculture and Water Resources, as an observer to the meeting.

Ministers received an account of water availability and the El Nino weather pattern that has resulted in low inflows to basin storages. Ministers noted that due to basin governments' water reform measures of the past 10 years, including the Basin Plan, the river system is now more resilient to drought conditions than was the case at the start of the millennium drought. Ministers also noted that irrigators, other water users and communities still come under pressure in low allocations years. The MDBA confirmed that storages continue to be managed carefully in anticipation of low volumes at the start of the next irrigation season. Should the current dry conditions in the south continue into the next water year, then water availability would be much lower than this year across most water entitlement classes.

Murray–Darling Basin Authority (MDBA) chair Neil Andrew provided an update to ministers on Basin Plan implementation, noting the cooperation and progress to date by all Commonwealth and state agencies. Ministers reaffirmed their governments' commitment to work together towards the next set of Basin Plan milestones in 2016, consistent with their shared objective of implementing the Basin Plan.

The chair of the Basin Communities Committee, floodplain grazier Rory Treweeke, also addressed the meeting. Mr Treweeke spoke about the importance of on-ground consultation with landholders on constraints management and the positive support he has seen for this work.

Ministers were updated on progress with the sustainable diversion limit (SDL) adjustment associated with state projects that are in development. Ministers emphasised they would strive for a supply contribution of up to 650 gegalitres (GL) under the SDL adjustment mechanism, while still achieving equivalent environmental outcomes. Ministers emphasised their ongoing commitment to developing high quality project proposals in time for inclusion in the final package of measures in mid-2016. They acknowledged the importance of the opportunity to adjust the SDLs and the benefits for basin communities, noting that the bigger the supply contribution under the SDL adjustment mechanism, the smaller the Commonwealth's remaining water recovery task. Accordingly, ministers decided to revise the agreed assessment timelines to give states more time to finalise their projects and ensure ministers would receive the best and most

comprehensive information before finalising the agreed package of measures by 30 June 2016.

Basin state governments, with MDBA assistance, are exploring ways to remove or ease constraints in the Basin's river systems to improve the use of environmental water. The potential for constraints projects to qualify as supply projects was discussed by ministers. Ministers emphasised the need for community and landholder involvement throughout the examination of options, to ensure careful consideration of all the issues, particularly the options available to address and mitigate third party impacts. Ministers raised the need for the constraints projects to be considered as an interdependent package across the whole system.

Ministers also noted the passage, in September this year, of legislation that places a 1500GL limit on surface water purchases by the Commonwealth, noting that the legislation also allows greater flexibility in the way additional water could be recovered for the environment, through a combination of on-farm and off-farm efficiency measures. Ministers were updated on progress in consulting Basin communities and industries about the design of the efficiency measures program.

Ministers requested that officials continue to monitor and advise the council about the socio-economic impacts of all SDL adjustment mechanism measures.

Ministers noted progress by officials on the Northern Basin Review, which is due to deliver findings to governments in the first half of 2016. The work involves additional scientific and socio-economic assessment of different diversion limits and consideration of a possible amendment to the Basin Plan in the north. Ministers focused on the need for socio-economic assessment and the importance of properly considering these impacts.

Ministers appreciated the work of the Northern Basin Advisory Committee in this exercise. Ministers asked the Authority to ensure that the timeframes for the finalisation of the review are sufficient to ensure that there can be proper consideration of the review's results before any decisions are made.

Ministers were pleased to approve and noted the significance of the new 15-year plan to manage salt in the river system. The Basin Salinity Management 2030 Strategy builds on the previous 30 years of successful collaboration by governments to improve water quality and protect the basin's economic, environmental and social values. Ministers noted the success of this longstanding initiative, which pre-dates the Water Act 2007 and the Basin Plan in enhancing environmental outcomes.

The council also received an update on how state water planning processes will accommodate consideration of Aboriginal peoples' interests in water management, consistent with the requirements of the Basin Plan.

Ministers noted that in certain circumstances water trade restrictions can be required to manage physical constraints in the southern basin, but it is important that these measures are reported transparently to provide appropriate and timely information for water users across the basin. Ministers noted the intention of the MDBA to work further with jurisdictions to ensure the market is as open and transparent as possible.

Ministers also welcomed the appointment of Phillip Glyde as the new chief executive of the MDBA. Mr Glyde will start his four-year term in early January 2016.

The next Ministerial Council will be held in early 2016.

Ends

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