

Key legislative milestones in water reform

The National Water Initiative (2004)

The **National Water Initiative** is the blueprint for water reform across Australia. It was signed by the Council of Australian Governments in 2004 and is an agreement between the Australian Government and all states and territories.

It is considered a key milestone as it was a turning point for water managers in Australia in providing direction on how to use our most precious resource.

The Initiative was established to achieve sustainable water use in each catchment across the country. Importantly, in establishing the initiative, governments recognised the need to manage surface water and groundwater together, as a connected system.

Under the Initiative, governments have committed to:



preparing comprehensive **water plans**



achieving **sustainable water use** in over-allocated or stressed water systems



introducing **registers of water rights and standards** for water accounting



expanding trade in water rights



improving **pricing for water storage and delivery**



better managing **urban water demands**.

Assessments of progress implementing the Initiative are required to occur on a triennial basis, with the latest assessment by the Productivity Commission in 2017. The next triennial assessment of the Initiative will occur in 2020.

The Water Act (2007)

The *Water Act 2007* provides the legislative framework for ensuring that Australia's largest water resource—the Murray-Darling Basin—is managed in the national interest. In doing so the Water Act recognises that Australian states in the Basin continue to manage Basin water resources within their jurisdictions.

The Water Act:

- established the **Murray-Darling Basin Authority** (MDBA)
- required the MDBA to prepare the **Basin Plan**
- established the **Commonwealth Environmental Water Holder** to manage the Commonwealth's environmental water to protect and restore the environmental assets of the Basin
- provided the Australian Competition and Consumer Commission (ACCC) with a key role in developing and enforcing **water charge and water market rules** along the lines agreed in the National Water Initiative.
- gave the Bureau of Meteorology **additional water information** functions
- gave the **Productivity Commission** a role in reporting on the effectiveness of water reform legislation.

The Basin Plan (2012)

In 2012, there was widespread agreement across government that a plan was needed to manage our water carefully and protect the Basin for future generations. The Basin Plan was developed to manage the Basin as a whole connected system.

The aim of the Basin Plan is to bring the Basin back to a healthier and sustainable level, while continuing to support farming and other industries for the benefit of the Australian community.

At its heart, **the Basin Plan sets the amount of water that can be taken from the Basin each year**, while leaving enough for our rivers, lakes and wetlands and the plants and animals that depend on them.



The Murray-Darling Basin

Connect with us.

The MDBA has offices in Adelaide, Albury-Wodonga, Canberra, Goondiwindi, Griffith, Mildura, Murray-Bridge, Toowoomba, and regional engagement officers around the Basin.

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Australian Government



History of water management in the Basin

The Murray-Darling Basin is rich in history—it has been home to more than 40 First Nations for thousands of years, it was one of the first areas of Australia explored by early settlers and its most precious resource, water, has been managed for decades.

For thousands of years, the practices of First Nations contributed to a balance between resource use and sustainability—they used only what they needed to make sure the Basin remained healthy.

The first early settlers began exploring the Basin in the 1820's finding the Murray, the Darling and Lake Alexandrina. This exploration was the beginning of trade along the Murray, with South Australia using paddle steamers and barges to move merchandise up and downstream—a practice that was enhanced by the gold rush in the 1850's. By the end of the 19th Century the breadth of the river system had been realised.

As the use of the river system increased, there was a greater need to come to an arrangement to share water. In 1914, the Commonwealth, New South Wales, Victoria and South Australian governments signed the River Murray Waters Agreement. This agreement set out the need to develop infrastructure (locks and weirs) in the southern Basin, to store and share water between the three states.

Over the coming decades infrastructure was built to regulate the rivers in the southern Basin, while the rivers in the north were managed separately by New South Wales and Queensland. With development came an increased use in water and by 1981 the mouth of the River Murray closed, an indication the river was dying.

Governments knew more work was needed to ensure the Basin became healthier and more productive.

Key dates

- **1914** The **River Murray Waters Agreement** establishes water shares for New South Wales, South Australia and Victoria (further information over page)
- **1922** **Weir and Lock 1** at Blanchetown, SA completed
- **1940** The **construction of five barrages** across the Murray Mouth is completed
- **1980-81** Salinity levels are the **highest ever recorded**
- **1981** The **Murray Mouth closes** for the first time in recorded history
- **1987** The **Murray-Darling Basin Agreement** replaces the River Murray Waters Agreement
- **1995** A **cap on water diversions** begins, limiting water use across the Basin
- **1997** The beginning of the **Millennium Drought**
- **2000** Australian Government introduces the **National Action Plan** for Salinity and Water Quality
- **2003** The **Living Murray program** begins
- **2004** The **National Water Initiative commences**
- **2006** **Lowest inflows on record** in the Basin
- **2007** The **Water Act 2007** is introduced to Australian Parliament, recognising that a national approach to water is needed
- **2007** The Murray-Darling Basin Commission, is replaced with the **Murray-Darling Basin Authority**, tasked with developing the Basin Plan
- **2012** The **Basin Plan** passes through Australian Parliament with bi-partisan support

The Murray-Darling Basin Agreements

The first agreement: The River Murray Waters Agreement

By the end of the 19th Century different states had an understanding that irrigation was affecting the Basin. In 1902 the *Interstate Royal Commission on Murray Waters* was convened to inquire into the 'conservation and distribution of the waters of the Murray and its tributaries for the purpose of irrigation, navigation and water supply'. It was the first official body to propose a program of capital works, essentially to build 75 locks and weirs, for the Murray-Darling system. From 1920-1970 management of water under the Agreement changed—the following amendments were made:

- 1923**
 - irrigation took precedence of navigation
- 1934**
 - capacity of Hume Dam determined to be 1500 gegalitres (GL)
 - agreement to build Yarrowonga weir
 - agreement to build barrages at Murray Mouth
 - any unbuilt locks were to be abandoned, as trade between states moves to roads and railway
- 1948**
 - capacity of Hume Dam expanded to 2500 GL
 - agreement to protect catchments from erosion
 - introduction of a reserve for dry conditions
- 1954**
 - capacity of Hume Dam expanded again to 3000 GL
- 1958**
 - Agreement to deal with the effects of the Snowy Mountains Hydro Electric Scheme
 - Restriction sharing, to ensure SA received flows in dry times
- 1963**
 - The proposal of developing Chowilla Dam is agreed
- 1970**
 - Dartmouth Dam replaces the Chowilla Dam proposal
 - Entitlements for South Australia increase to 1850 GL/year

The second agreement: The Murray-Darling Basin Agreement

The *Murray-Darling Basin Agreement* replaced the *River Murray Waters Agreement* in 1987, expanding the resource-sharing arrangements between the states to cover the whole Basin. At the same time:

- the establishment of **Murray-Darling Basin Commission** replaced the River Murray Commission
- the **Ministerial Council was established**, with water Ministers from each state and the Australian Government tasked with overseeing water reform
- a **Community Advisory Committee was established**
- the **scope for the agreement expanded**—water managers were now looking to include the Basin landscape, not just the rivers themselves.

Further amendments were made to the agreement over time, including:

- 1992**
 - the **Salinity and Drainage Strategy** was incorporated
- 2002**
 - increased water for the environment in the River Murray, to keep the Murray Mouth open and preserve significant environmental sites
 - addressed the corporatisation of the **Snowy Mountains Hydro-Electric Authority**
- 2006**
 - provision of **funding for River Murray infrastructure** to provide certainty for governments
- 2008**
 - established a **South Australian storage right**
 - the agreement was incorporated into the **Water Act 2007**

Records of inflows into the Murray-Darling Basin

