



Premier of Queensland

For reply please quote: *ERP/CM – TF/12/13354 – DOC/12/110927*

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19 JUN 2012

Mr Tony Windsor MP
Chair
House of Representatives Standing Committee
on Regional Australia
Parliament House
CANBERRA ACT 2600

Executive Building
100 George Street Brisbane
PO Box 15185 City East
Queensland 4002 Australia
Telephone +61 7 3224 4500
Facsimile +61 7 3221 3631
Website www.thepremier.qld.gov.au

Dear Mr Windsor

Thank you for your letter of 1 June 2012 about the House of Representatives Standing Committee on Regional Australia inquiry into matters relating to the Murray-Darling Basin Plan.

To date, the following water has been recovered in Queensland catchments:

- Condamine and Balonne: 23 gigalitres made up of 22 gigalitres through direct purchase and 1 gigalitre through infrastructure investment.
- Queensland Border Rivers: 4.5 gigalitres made up of 2 gigalitres through direct purchase, 2 gigalitres through infrastructure investment and 0.5 gigalitres through the gifting of unallocated water by the Queensland Government to the Commonwealth Environmental Water Holder.
- Warrego: the gifting of 8 gigalitres of unallocated water by the Queensland Government to the Commonwealth Environmental Water Holder.
- Moonie: the gifting of 1 gigalitre of unallocated water by the Queensland Government to the Commonwealth Environmental Water Holder.
- Nebine: the gifting of 1 gigalitre of unallocated water by the Queensland Government to the Commonwealth Environmental Water Holder.

This means that a total of 37.5 gigalitres has been recovered to date towards a total in-catchment target of 117 gigalitres set in the draft Murray-Darling Basin Plan. Further recovery will be needed to achieve Queensland's as yet unspecified share of the proposed Northern Basin Shared Reduction Volume set out in the draft plan. The socio-economic impact of these reductions, should they be mandated, will be significant.

The Queensland Government provided a detailed submission on the proposed Murray-Darling Basin Plan and our views have not changed since the draft was released. Briefly, our approach is as follows:

- Queensland questions the science on which the Sustainable Diversion Limits are supposedly based and calls for further research and evidence.

- Water should be recovered through investments in irrigation efficiency as the first preference. When direct purchase is adopted, it should be targeted at the key areas identified across the Queensland Murray–Darling Basin, and involve willing participants only.
- While the Australian Government's Water for the Future initiative provides for direct investment in water recovery activities, broader socio-economic impacts are likely to arise in vulnerable communities. As a result, my Government's support for water recovery is also dependent on the mix of water recovery mechanisms on offer by the Australian Government in each affected area. This will ensure our stakeholders can make informed business decisions and for local communities to understand the broader social and economic impacts.
- The Authority and the Australian Government must honour their commitments to include key local stakeholder groups for a range of activities associated with implementing the Basin Plan.

In regard to groundwater, the recovery target in Queensland detailed in the revised draft Murray-Darling Basin Plan is 40 gigalitres in the Upper Condamine Alluvium. My Government is willing to provide ongoing advice and assistance to the Australian Government to determine the areas where water recovery efforts should be focused. This will ensure recovered water will have the greatest benefit to the groundwater resource. However, as with surface water, my Government will be seeking Australian Government investment and support to ensure this occurs with minimal social and economic dislocation to irrigators and regional communities.

I will continue to call on the Australian Government to work collaboratively on the details of a water recovery program and to invest in science and knowledge programs, particularly in regions that are major water recovery targets. I understand that all water recovery activities undertaken by the Australian Government will be completed by 2019 when the sustainable diversion limits detailed in the Murray-Darling Basin Plan are due to be implemented. However, should the Australian Government fail to meet the water recovery targets in the Basin Plan by this date, my Government would not support the compulsory acquisition of water entitlements.

I trust that this information will assist in the conduct of your inquiry.

Yours sincerely

CAMPBELL NEWMAN