Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 171

No:

**Topic:** Basin Plan – environmental works and

measures

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

- 1. How much will the environmental works and measures at Chowilla cost? How much extra costs have been incurred because of the delays due to high rainfall?
- 2. How much will the environmental works and measures at Koondrook-Perricotta forest cost? How much extra costs have been incurred because of the delays due to high rainfall?
- 3. Please provide the costs for environmental works and measures at Chowilla, Koondrook-Perricotta, Gunbower forest, Lindsay Island and Hattah Lakes? Please provide budgeted costs for each year of the forward estimates? Please indicate the expected timing of these projects and how much water they are expected to recover? How much of this funding for these projects is under contract?
- 4. How has the MDBA taken into account the efficiencies that will be provided by these works and measures in its calculation of the SDLs in the proposed plan?

### Answer:

 The total approved project budget (excluding costs resulting from high flows) for the Chowilla Floodplain works is \$53.9m. This total budget covers all stages of the project including environmental investigations, concept designs, detailed designs and construction. The budget for the Chowilla works also includes funding for upgrades of the regulators on the Slaney and Pipeclay Creeks, which control flows onto the floodplain through these creeks.

Approved costs associated with flooding at the Chowilla Floodplain to June 2011 are \$4.78 million. Further claims due to the continued impacts of the flooding that are being negotiated during 2011-12 currently total \$1.7 million. Further costs may be incurred due to the impact of the current floods in the Darling River

 The total approved project budget (excluding costs resulting from high flows) for the Koondrook-Perricoota Forest works is \$63.5 million. This total budget covers all stages of the project including environmental investigations, concept designs, detailed designs and construction.

Approved costs associated with flooding at Koondrook-Perricoota Forest to June 2011 are \$0.680 million. Further claims due to the continued impacts of flooding that are negotiated during 2011-12 currently total \$0.895 million.

3. Please see <u>Attachment A</u> for details of project funding, expenditure, status and timing, as per project reporting to the end of January 2012.

Apart from works on the Gunbower-Hipwells Road and Lindsay Island Stage 1 projects, all projects have contracts in place for the construction of the works. Gunbower-Hipwells Road and Lindsay Stage 1 are both at the stage of detailed design and approvals (with contracts in place for this work).

The works constructed under The Living Murray (TLM) Environmental Works and Measures will not recover any additional water. The proposed works are part of the TLM First Step Decision made in 2004, and are aimed at maximising the efficient use of the water recovered under TLM (500 GL long term cap equivalent), for ecological benefits across the 6 TLM icon sites.

4. The TLM works and measures were included in the modelled Basin Plan baseline, and therefore in the hydrological modelling used to inform the decision on the Sustainable Diversion Limits. Further work is required to determine how they might be used in conjunction with the additional water available to the environment under the Basin Plan, and what contribution they might make towards achieving the environmental outcomes of the Basin Plan.

ATTACHMENT A

EWMP Project Budget and Status (as per project reporting to the end of January 2012)

Project	Approved	Expected	Forecast	Forecast	Forecast	Status of Project
	Budget	completion	2011-12	2012-13	2013-14	(contracted
	(\$m)		Expenditure	Expenditure	Expenditure	commitments)
			(\$m)	(\$m)	(\$m)	
Koondrook-	63.5	September	38.6	11.2	0	Construction
Perricoota		2012	30.0	11.2	0	
Gunbower	24.4	September				Construction
		2013				(Lower Landscape
			3.2	10.2	6.2	works), Detailed
						design and
						approvals
						(Hipwell's Road)
Hattah Lakes	32.1	December	13.7	14.8	0	Construction
		2012				
Lindsay Island	7	August	0.57	3.8	2.1	Detailed design
(Stage 1)		2013	0.57	3.0	2.1	and approvals.
Chowilla	53.9	June 2013	7.4	19.8	1.6	Construction
Floodplain			7.4	19.0	1.0	

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 172

No:

**Topic:** Basin Plan – compliance under the

cap

**Proof Hansard Page and Date** Written

or Written Question:

## Senator Joyce asked:

- 1. I refer to compliance under the cap. Can you confirm that cap models have not been finalised for the ACT and Adelaide? Why have they been delayed.
- 2. Since diversions have been below the cap every years for the last 14 years, how can you assess its environmental impact when this period has been dominated by drought?

#### Answer:

- 1. Cap models for the ACT and Metropolitan Adelaide have not been finalised.
  - a. The Murray-Darling Basin Authority (the Authority) and the ACT differ on the interpretation of the Ministerial Council decision of 23 May 2008 on the ACT cap and its subsequent incorporation in Schedule E to the Murray-Darling Basin Agreement. This is delaying the finalisation of the ACT Cap model. The Authority and the ACT are working together to resolve the difference.
  - b. There was no requirement for South Australia to develop a cap model for Metropolitan Adelaide prior to May 2009 when the Ministerial Council amended Schedule E of the Murray-Darling Basin Agreement. Since then South Australia developed and presented a cap model to the Cap Advisory Panel of the Authority in May 2011. The Panel raised significant issues with the model, which South Australia is currently addressing.
- 2. The Cap for any valley represents the volume of water available for consumptive use under the 1993/94 level of development. As cap is climatically adjusted every year, it takes into account the prevailing climate during the year. Due to drought, the annual cap targets have been lower than they would otherwise have been. Cap monitoring shows that diversions have been below the cap targets over the last 14 years. This means that there has been more water left in the rivers than would have been under the 1993/94 conditions.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 173

No:

**Topic:** Potential fraud investigation

Proof Hansard Page and Date Written

or Written Question:

### **Senator Joyce asked:**

1. In your 2010-11 annual report you refer to one "potential fraud" being under investigation. Can you provide details on what this investigation covers and has the investigation concluded? What has been the outcome of the investigations?

#### Answer:

1. The matter is still under investigation and it is therefore not appropriate to provide further details at this stage.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 174

No:

**Topic:** MDBA – improved compliance

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

1. On p. 170 of the 2010-11 annual report you say that:

'The compliance audits found a strong and positive attitude to internal control, but identified actions needed to ensure improved compliance.'

What were the actions identified and how you are going in implementing them?

#### Answer:

1. The actions identified in the recommendations of the compliance audits related to practice and process improvements such as new or revised procedures and training or reminders to delegates. The majority of the actions have been completed and those remaining are expected to be completed by the end of 2011-12.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 175

No:

**Topic:** MDBA - Briefing provided to the

Minister and Prime Minister

Proof Hansard Page and Date Written

or Written Question:

## Senator Joyce asked:

 Could you please provide the Committee with a list of the briefings the MDBA has given to the Minister for Water or his staff, and the Prime Minister, or her staff, since 18 October 2011?

#### Answer:

- The Murray-Darling Basin Authority (the Authority) has provided a total of five written briefs to the office of the Minister for Sustainability, Environment, Water, Population and Communities (the Minister) since 18 October 2011. Details are as follows:
- Draft Murray-Darling Basin Authority Annual Report 2010-11.
- MDBA Release of Report Benefits and Costs of the Proposed Basin Plan.
- MDBA Release of CSIRO Led Science Review and Supporting Documentation.
- Outcomes From Murray-Darling Basin Authority Meetings 36 26 October, 37 3
   November, 38 14 and 16 November, 39 17 November and 40 2 December 2011.
- Murray-Darling Basin Authority Members' Current Conflict of Interest Declarations.

The Authority has regularly provided informal briefings to the Minister and his office.

The Minister briefs the Prime Minister on Murray-Darling Basin issues.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 176

No:

**Topic:** MDBA – records of decisions made

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

1. Could the Authority please provide this Committee with all the decisions it has made since 18 October 2011 in accordance with Section 198 of the Water Act which requires the Authority to keep records of all of its decisions?

#### Answer:

1. The Authority has confirmed three Out-of-Session decisions since 18 October 2011:

The Murray-Darling Basin Authority adopted the following resolutions effective 31 October 2011:

- a. **noted** the revised Conflict of Interest Protocol;
- noted the Conflict of Interest Protocol enables any Authority member to seek probity advice including advice in relation to materiality issues associated with family members interests; and
- c. endorsed the Conflict of Interest Protocol.

The Murray-Darling Basin Authority adopted the following resolution effective on 24 November 2011:

- a. agreed to propose to CSIRO that the science review is released on 28 November 2011;
- b. **agreed**, pursuant to section 203 of the *Water Act 2007* (Cwth), to establish a Science and Research Advisory Committee; and
- c. **noted** the draft scope of the Science and Research Advisory Committee, noting that a final terms of reference for the Committee will be developed over time.

Pursuant to clause 213B of the *Water Act 2007*, the Murray-Darling Basin Authority adopted the following resolution effective from 30 January 2012:

- a. approved the proposed amendment to the MDBA Corporate Plan; and
- b. **noted** that the Ministerial Council approved amendments to the Corporate Plan relating to Agreement programs and funding.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 177

No:

**Topic:** MDBA – meeting minutes

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

1. Could you please provide the minutes to any of the meetings the Authority has held since 18 October 2011?

#### Answer:

- 1. Confirmed meeting minutes, including decisions, which are appropriate to release are provided as follows:
  - Meeting 36 26 October 2011, Attachment A
  - Meeting 37 3 November 2011, Attachment B
  - Meeting 38 14 and 16 November 2011 by teleconference, Attachment C
  - Meeting 39 17 November 2011 by teleconference, Attachment D
  - Meeting 40 2 December 2011 by teleconference, **Attachment E**

The meeting minutes contain material disclosing matters in the nature of, or relating to, deliberation that has taken place, in the course of, or for the purposes of, the deliberative processes involved in the functions of the Authority and, accordingly, this material has been omitted.

#### ATTACHMENT A - AUTHORITY MEETING 36 - 26 OCTOBER 2011 - CANBERRA

### Item 1: Opening of Meeting and Apologies

- 1. The Chair **opened** the meeting at 9.35 am and chaired the meeting until 2.10 pm, after which the Chief Executive chaired the meeting. Authority members met in private session from 1.40 to 2.10 pm.
- There were no apologies.

#### Agenda Item 2: Adoption of Draft Agenda

3. The Murray–Darling Basin Authority **adopted** the agenda for meeting 36.

#### Conflict of Interest

4. No member declared any conflict of interest, actual or apparent, in relation to any items on the agenda.

### Agenda Item 3: Chair's Report

- 5. The Chair **provided** a brief oral report, stating that meetings with constituent groups continued.
- 6. The Chair **thanked** all Authority officers, particularly those involved in the intensive working meetings with the states, who had assisted in communication activities with stakeholders over the last nine months, emphasising the enormous effort that they had put into activities right across the Basin. Members **agreed** with the Chair's comments and added their thanks.

#### Agenda Item 4: Basin Plan

#### Agenda Item 4.2: Communication Products

7. General Manager, Stakeholder Engagement, Ms Katrina Maguire, introduced the agenda item and provided members with an additional agenda paper which provided details of the full suite of communication products which were currently being prepared for release prior to or with the proposed Basin Plan.

#### Agenda Item 4.3: Science Review, Strategy and Workshop

8. The Chief Executive gave an **update** on the status of the Science Review and **agreed** that the final report would be circulated to Authority members once it had been received.

### **Agenda Item 5: Other MDBA Activities**

## Agenda Item 5.1: River Murray Update

9. The Murray–Darling Basin Authority **noted** the River Murray update, in particular, current water resource availability, key River Murray System management issues, and progress with the assets management program.

## Agenda Item 5.2: Natural Resource Management Update

10. The Murray–Darling Basin Authority **noted** key developments and issues within the Natural Resource Management Division.

#### Agenda Item 6: Other Business

11. There were no items of other business.

## **Agenda Item 7: Next Meeting**

12. Members **agreed** that the next meeting would be on 3 November 2011 in Sydney.

## **Meeting Close**

13. The Chief Executive **closed** the meeting at 4.30 pm.

#### ATTACHMENT B - AUTHORITY MEETING 37 - 3 NOVEMBER 2011 - SYDNEY

### Agenda Item 1: Opening of Meeting and Apologies

- 1. The Chair **opened** the meeting at 9.10 am. There were no apologies.
- 2. Authority members met in private session from 3.40 to 4.00 pm.

## Agenda Item 2: Adoption of Draft Agenda

3. The Murray–Darling Basin Authority **adopted** the agenda for meeting 37.

#### Conflict of Interest

4. No member declared any conflict of interest, actual or apparent, in relation to any items on the agenda.

# Agenda Item 3: Confirmation of Notes of MDBA Planning Workshop 1 and Minutes of Meeting 35

5. The Murray–Darling Basin Authority **confirmed** the notes of MDBA Planning Workshop 1 (24 August 2011) and minutes of Meeting 35 (6 September 2011).

## Agenda Item 4: Matters Arising from the Minutes, Including Actions

6. The Murray–Darling Basin Authority **noted** actions completed and progress against current activities up to Meeting 35 (6 September 2011).

### Agenda Item 5: Chair's Report

- 7. The Chair **provided** a brief oral report, stating that since the Board had last met an enormous amount of work had been carried out by Authority officers and he thanked them for that effort.
- 8. Along with the Chief Executive and the General Manager Water Planning, Dr Tony McLeod, he had met with the new Premier of South Australia, the Hon Jay Weatherill MP, and provided a briefing on the structure and processes related to the proposed Basin Plan.
- 9. The Chair reported that the Minister, the Hon Tony Burke MP, was delivering a speech that morning to the National Water Summit that would set out the government's approval to environmental water recovery among other matters.

### Agenda Item 6: Chief Executive's Report

- 10. Murray-Darling Basin Authority members **noted** the Chief Executive's report, particularly recent media and public relations activities, new FOI requests, and the transcript of proceedings of the Authority's appearance before the Senate Environment and Communications Legislation Committee Estimates hearing on 18 October 2011. The Chief Executive **advised** that in addition to these activities, the pre release briefings to members of Parliament had now been completed.
- 11. The Chief Executive **reported** on the recent website publication by the Department of Sustainability, Environment, Water, Population and Communities (SEWPaC) of the interim Long Term Diversion Limit Equivalent Factors considered at Basin Official Committee meeting 13 6 October 2011.

12. At the Chief Executive's **request** members considered and **agreed** to the schedule of Authority meetings for 2012 provided at Attachment C to the agenda paper.

### Agenda Item 7: Basin Plan

### Agenda Item 7.1: Draft Basin Plan

14. Members noted updated versions of the Legislative Instrument (a tabled document which replaced Attachment A) and the Plain English Summary (a tabled document which replaced Attachment B).

## Agenda Item 7.2: Update on Pre and Post Draft Basin Plan Release Engagement and Communication Activities

15. General Manager, Stakeholder Engagement, Ms Katrina Maguire, introduced the agenda item and reported that stakeholders had provided feedback that they had appreciated the efforts made by the Authority to brief them on aspects of the draft Basin Plan.

## **Agenda Item 8: Other Business**

13. There were no items of other business.

### **Agenda Item 9: Next Meeting**

- 14. Members **agreed** to hold another meeting, by teleconference, in the week commencing 7 November 2011.
- 15. The schedule of Authority meetings for 2012 was considered under paragraph 14.

## **Meeting Close**

16. The Chair **closed** the meeting at 4.20 pm.

# ATTACHMENT C – AUTHORITY MEETING 38 – 14 AND 16 NOVEMBER 2011 – TELECONFERENCE

#### Agenda Item 1: Opening of Meeting and Apologies

1. The Chair **opened** the meeting at 2.12 pm on 14 November 2011. There were no apologies.

#### Agenda Item 2: Adoption of Draft Agenda

2. The Murray–Darling Basin Authority **adopted** the agenda for meeting 38.

### Conflict of Interest

3. No member declared any conflict of interest, actual or apparent, in relation to any items on the agenda.

## Agenda Item 3: Chair's Report

#### 14 November 2011

- 4. The Chair **thanked** members for recent input to the various documents currently being finalised by the Authority for the draft Basin Plan and **stated** that there was still an opportunity for further contributions, particularly from new Authority member, Diana Gibbs. The Foreword to the *Delivering a Healthy Working Basin* document would come from all Authority members and was almost completed.
- 5. On behalf of the Authority, the Chair again **thanked** the Chief Executive and staff for the enormous effort they had made over the last few weeks in carrying out the work on flow modelling, in bringing all of the documents together, and in carrying out communication activities, particularly those involving the jurisdictions.

### **Agenda Item 5: Other Business**

### Agenda Item 5.1: Pre and Post Release Engagement Strategies

#### 14 November 2011

- 6. General Manager, Stakeholder Engagement, Ms Katrina Maguire, informed members of plans for pre-release briefings for a variety of stakeholders and post-release meetings for key communities in the Basin. A pre-release briefing for the science community had been planned for the following week.
- 7. In conclusion, Authority members:
  - (a) **noted** the schedule of remaining pre-release briefings for key stakeholders on the proposed Basin Plan;
  - (b) agreed to the suggested activities and schedule for engagement activities post release of the proposed Basin Plan but prior to the end of 2011, including public meetings in Griffith, St George or Dirranbandi, Shepparton or Mildura and Berri;
  - (c) **agreed** to the Authority working closely with key regional groups, including relevant mayors, to co-host and co-design the public meetings;
  - (d) **agreed** to the locations for further public meetings after the holiday period; and
  - (e) **agreed** to publicise the public meeting locations and dates, where feasible.

## **Agenda Item 5.2: Communications Documents**

16 November 2011

8. The Chair **thanked** members for their input to the two main communications documents—*Delivering a Healthy Working Basin* and *The Draft Basin Plan Catchment by Catchment*.

## **Agenda Item 6: Next Meeting**

14 November 2011

Members agreed to hold another meeting, by teleconference, on Wednesday
 November 2011 to finalise sign-off for the proposed Basin Plan and associated documents.

## **Meeting Close**

10. The Chair **closed** the meeting at 4.55 pm on 14 November 2011. He reopened the meeting on 16 November 2011 at 1.10 pm and closed that meeting at 2.20 pm that day.

# ATTACHMENT D – AUTHORITY MEETING 39 – 17 NOVEMBER 2011 – TELECONFERENCE

### Agenda Item 1: Opening of Meeting and Apologies

1. The Chair **opened** the meeting at 5.25 pm. There were no apologies.

## Agenda Item 2: Adoption of Draft Agenda

2. The Murray–Darling Basin Authority **adopted** the agenda for meeting 39.

#### Conflict of Interest

3. No member declared any conflict of interest, actual or apparent, in relation to any items on the agenda.

#### Agenda Item 3: Basin Plan

#### Agenda Item 3.1: Approval of Draft Basin Plan

- 4. With **unanimous agreement**, the Murray-Darling Basin Authority members formally:
  - (a) **noted** the final legal advices from the Australian Government Solicitor (Attachment A) and the Office of International Law (Attachment B);
  - (b) pursuant to section 43(1) of the *Water Act 2007* (Cth) (Act), **endorsed** the final version of the *Proposed Basin Plan a draft for consultation* (Attachment C) as the 'proposed Basin Plan';
  - (c) pursuant to section 43(2) of the Act, **endorsed** the final version of the plain English summary (Attachment E) as the 'plain English summary of the proposed Basin Plan';
  - (d) pursuant to section 43(4) of the Act, **approved** the publication of the invitation to members of the public to make submissions on the proposed Basin Plan in the Gazette, a newspaper circulating generally in each Basin State and on the Authority's website and **authorised** the Chief Executive to affix the seal of the Authority to the invitation (Attachment F);
  - (e) pursuant to section 43(3), **agreed** that the Chair write to Basin State Ministers, on behalf of the Authority, to invite Basin States to make submissions to the Authority on the proposed Basin Plan in the form of the letter (Attachment G);
  - (f) pursuant to section 42(1), **agreed** that the Chair write to the Basin Officials Committee and the Basin Community Committee, on behalf of the Authority, notifying them of the formal submissions process on the proposed Basin Plan in the form of the letters (Attachments H and I); and
  - (g) pursuant to section 42(2), **agrees** that the Chair write to the Australian Competition and Consumer Commission (ACCC), on behalf of the Authority, notifying them of the formal submissions process on the proposed Basin Plan in the form of the letter (Attachment J).
- 5. On behalf of other members of the Authority, the chair **extended** the Authority's appreciation to MDBA officers for the exemplary effort that they had made in bringing the proposed Basin Plan and associated documents to the point of publication over the past eleven months.

### Agenda Item 4: Other Business

### **Agenda Item 4.1: Communications Documents**

6. The Chair **informed** members that the two main communications documents—

Delivering a Healthy Working Basin and The Draft Basin Plan Catchment by

Catchment—were almost complete and that a final draft would be sent out later that day.

He **thanked** members for their very useful contributions which had assisted in improving the document. Members **requested** hard copies of all major communications documents as soon as they were finalised.

### Agenda Item 4.2: Pre and Post Release Engagement Strategies

7. The Chair **outlined** activities for the day of release of the proposed Basin Plan and Plain English Summary on 28 November, which included early morning media interviews, followed by a press conference

### **Agenda Item 9: Next Meeting**

8. Members **discussed** whether the meeting scheduled for 6 December 2011 was necessary, and **agreed** to continue to hold the date in their diaries until closer to the time, when the need for the meeting could be better evaluated.

## **Meeting Close**

9. The Chair **closed** the meeting at 6.00 pm.

#### ATTACHMENT E - AUTHORITY MEETING 40 - 2 DECEMBER 2011 - TELECONFERENCE

### Agenda Item 1: Opening of Meeting and Apologies

1. The Chief Executive **opened** the meeting at 3.05 pm. Apologies were received from the Chair, The Hon Craig Knowles.

## Agenda Item 2: Adoption of Draft Agenda

2. The Murray–Darling Basin Authority **adopted** the agenda for meeting 40.

#### Conflict of Interest

3. No member declared any conflict of interest, actual or apparent, in relation to any items on the agenda.

#### Agenda Item 3: Chair's Report

This agenda item was not discussed.

## Agenda Item 5: Basin Plan

## Agenda Item 5.1: Engagement and communication update

- 5. General Manager, Stakeholder Engagement, Ms Katrina Maguire, drew members' attention to the calendar of stakeholder meetings scheduled to be held during the three weeks to 20 December 2011. Members **noted** that all federal and state parliamentary members were being invited to the public meetings.
- 6. General Manager, Basin Plan Development, Mr Brent Williams, reported that the Authority had already received 29 submissions (to 4.00 pm 1 December 2011). The Chief Executive **informed** members that a press release had been prepared with details of the proposed section 203 science review committee.

#### **Agenda Item 6: Other Business**

7. There were no items of other business.

#### Agenda Item 7: Next Meeting

8. Members **agreed** to meet on Tuesday 7 February 2012 in Canberra.

### **Meeting Close**

9. The Chief Executive **closed** the meeting at 3.55 pm.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question
No: 178

**Topic:** Communications between MDBA and

State and Federal governments

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

1. What communications has the MDBA had since the release of the Guide with state and federal governments regarding the timetable for implementation of the Plan? Please provide lists of and copies of all relevant correspondence and meetings.

#### Answer:

- 1. The MDBA has had extensive discussions and meetings with state and federal governments since the release of the Guide. In June 2011 MDBA established the Basin Plan Working Group as a forum for consulting with the states and the Commonwealth about the draft Basin Plan. The Basin Plan Working Group has held 13 meetings and numerous workshops up to February 2012. The timetable for implementing the Basin Plan has been on the agenda at six of these meetings (as follows), but may have been discussed in passing at others:
  - 27 June 2011
  - 15 July 2011
  - 11 August 2011
  - 1 September 2011
  - 21 September 2011
  - 2 February 2011

This matter was also discussed at the Basin Officials Committee meetings of 14 April 2011 and 8 December 2011.

The Chair of the MDBA has also discussed the timetable for implementation with Ministers at their Ministerial Forum meetings of April and August 2011. It was also discussed at the Ministerial Council meeting of 27 May 2011 and the Legislative and Governance Forum on the Murray-Darling Basin (formally Ministerial Council) of 4 November 2011.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 179

No:

environment, communities and rural economies under the Water Act 2007

MDBA – balancing the needs of the

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

Has the Authority received or requested any legal advice in relation to balancing the needs
of the environment, communities and rural economies under the Water Act 2007, since Mr
Knowles was appointed as Chair? If not, why not?

#### Answer:

Topic:

1. No. Advice of that nature was received prior to Mr Knowles' appointment.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 180

No:

**Topic:** Basin Plan – conveyance water target

Proof Hansard Page and Date Written

or Written Question:

### Senator Joyce asked:

1. I refer you to the following statement on p. 58 of the plain English summary:

"The proposed Basin Plan sets the annual shortfall in conveyance water at 620 GL (based on a minimum historical inflow) and an annual volume to be set aside to meet the shortfall at 225 GL (based on hydrological modelling)."

How much of the 2750 GL must be set aside to meet the conveyance water target?

#### Answer:

1. None. The recovery of 2,750 GL under the draft Basin Plan will come from water previously in the consumptive pool. Conveyance water is not included in the consumptive pool.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 181

No:

**Topic:** Basin Plan – delivery of environmental

flows

Proof Hansard Page and Date Written

or Written Question:

## Senator Joyce asked:

- 1. How much has the government budgeted to deliver proposed environmental flows under the Murray Darling Basin Plan for the following activities:
- a. Contingency reserves to compensate for additional flood events Murray, Murrumbidgee and Goulburn river systems
- b. Purchase of land easements between Hume Dam and Yarrawonga Weir
- c. Purchase of land easements below Yarrawonga between Yarrawonga and the Barmah choke
- d. Purchase of land easements between Deniliquin and Swan Hill
- e. Purchase of land easements on the Murrumbidgee River
- f. Purchase of land easements on the Goulburn River
- g. In the above mentioned river regions, what is the estimated cost of building or raising current heights of bridges, or access crossings, necessary to maintain private or public property access
- h. Payments to Shire Councils for road/bridges and other infrastructure repairs that will arise from increased flood risks due to delivery of environmental flows

#### Answer:

1. The Authority has not made any budget provisions for the purchase of easements for environmental purposes. Easements have been purchased between Hume Dam and Yarrawonga for River Murray System operations but details are commercial-in-confidence.

Section 6.06 and 6.07 of the *Proposed Basin Plan – a draft for consultation* (November 2011) introduces a review of Sustainable Diversion Limits (SDLs) in 2015. Section 6.06 in-particular listing matters the Authority will consider as part of this review including:

- works and measures;
- river management and river operational practices;
- methods of delivering water; and
- new knowledge.

As a component of the review of SDLs in 2015, the Authority is examining constraints in each valley including the flooding of private and public land, and infrastructure including roads and bridges.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 182

No:

**Topic:** Basin Plan – climate change

**Proof Hansard Page and Date** Written

or Written Question:

### Senator Joyce asked:

1. In Phase 1 of the South Eastern Australian Climate Initiative it stated on p. 28 of their report that:

'There is some evidence linking the rainfall change in the region to global warming, but more work is needed to clarify or attribute the causes of the regional change.'

Why didn't the MDBA include reference to the need for more work in the draft plan, specifically in the discussion on climate change in the plain English summary on pp. 115-116?

#### Answer:

1. The last paragraph in the discussion on climate change in the plain English summary (page 116) http://www.mdba.gov.au/draft-basin-plan/draft-basin-plan-chapter-summary notes that revisions of the Basin Plan, including the proposed review of Sustainable Diversion Limits in 2015, will further be able to take into account the impacts of climate change. The Murray-Darling Basin Authority (the Authority) continues to use the South East Australian Climate Initiative's research output, for example the Stream Flow Forecasting System which provides three month seasonal forecasts. Information on how the Authority has addressed the risk of climate change is summarised in a fact sheet titled "Climate Change and the Basin Plan" available on our website (http://www.mdba.gov.au/draft-basin-plan/fact-sheets).

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 183

No:

**Topic:** Basin Plan – scientific basis

**Proof Hansard Page and Date** Written

or Written Question:

### Senator Xenophon asked:

- 1. I have concerns regarding the scientific basis of the Draft Plan. What basis was the figure of 2750 GL to be returned to the environment decided, particularly given initial estimates placed the figure at at least 3000 GL?
- 2. On what scientific basis is the assumption that the Murray Mouth will be open 9 years out of 10 made?

#### Answer:

1. The October 2010 Guide proposed a reduction in diversions of between 3,000 and 4,000 GL/yr. This reduction was determined on the basis of a relatively simple method of 'end of system' flow analysis.

The proposed reduction in diversions of 2,750 GL/yr in the draft Basin Plan has been informed by hydrologic modelling based on a hydrologic indicator site method. This is a more scientifically robust method than that used in the October 2010 Guide.

The indicator site method takes into account the specific ecological targets and flow requirements for indicator sites, and opportunities and constraints for environmental water delivery. For further information on the methods used see *The proposed 'environmentally sustainable level of take' for surface water of the Murray–Darling Basin: Method and outcomes* report available on the Authority's website (http://download.mdba.gov.au/proposed/ESLT\_MDBA\_report.pdf).

The indicator site methodology has been the subject of a number of peer reviews in the period 2009-2011; including the CSIRO lead science review which commenced in June 2011. A report from CSIRO's peer review on the Environmentally Sustainable Level of Take (ESLT) methodology is available on the Authority's website at (http://download.mdba.gov.au/proposed/CSIRO\_ESLT\_Science\_Review.pdf).

The indicator site method provides a confident basis on which to propose an ESLT. The method gives the Authority confidence that where possible within the concept of a working river and existing constraints, the selected environmental objectives can be achieved and the proposed ESLT meets the requirements of the *Water Act 2007*.

2. The scientific basis on which the assumption that the Murray Mouth will be open 9 years out of 10 is outlined in the proposed 'environmentally sustainable level of take' for surface water of the Murray-Darling Basin: Method and outcomes report available on the Authority's website at http://download.mdba.gov.au/proposed/ESLT\_MDBA\_report.pdf.

Detailed information on modelled flow indicator results estimated for the Murray Mouth can be found in pages 237 to 240 of the Hydrologic modelling to inform the proposed Basin Plan: Methods and results report which is available on the Authority's website at <a href="http://download.mdba.gov.au/proposed/Hydro\_Modelling\_Report.pdf">http://download.mdba.gov.au/proposed/Hydro\_Modelling\_Report.pdf</a>.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 184

No:

**Topic:** Basin Plan – groundwater extractions

Proof Hansard Page and Date Written

or Written Question:

### Senator Xenophon asked:

1. The draft Murray Darling Basin plan provides for an increase in groundwater extractions of 2600 GL. Can you please give me an indication of how this figure was reached – particularly given the groundwater systems are linked to the river system?

#### Answer:

1. The difference in the Basin wide groundwater Sustainable Diversion Limits (SDLs) between the Guide to the Basin Plan and the draft Basin Plan is 2,245 GL/year. The figure of 2,600 GL/year represents the difference between the total groundwater baseline diversion limits (BDLs) in the Guide to the total groundwater SDLs in the draft Basin Plan and is hence not an accurate representation of the change.

The Authority assessed 79 individual groundwater areas across the Basin and determined the BDL (current limit on use) and SDL for each of these areas. Each groundwater area is different in terms of the level of interaction with surface water (connectivity), the level of knowledge of the resource and current levels of use.

The difference in total groundwater SDLs between the Guide to the Basin Plan and the total groundwater SDLs in the draft Basin Plan is due to the following four factors:

#### Revision to the BDL

Additional information and studies from states allowed the Murray-Darling Basin Authority (the Authority) to update the BDLs for most aquifers. The new information included updated entitlement data and the inclusion of all groundwater use such as stock and domestic. These updates improve the quantification of the existing management arrangements, rather than change the arrangements that are already in place. The additional information accounted for 300 GL of the change.

## New deep groundwater resources

The draft Basin Plan includes deep groundwater resources that were not included in the Guide which accounts for an additional 300 GL of the change. The deep groundwater resources are the Gunnedah-Oxley Basin, the Oaklands Basin and the South Australian Mallee.

#### Adoption of existing reduction program outcomes

The Authority decided to adopt the limits already set in seven NSW groundwater areas in which there is a groundwater reduction program being run by NSW and partly funded by the Commonwealth. The stated aim of the reduction program is to return the seven groundwater areas to sustainable levels of entitlement. The adoption of the reduction program will allow the full extent of the program to be completed and the outcomes determined. This approach does not place additional reduction upon areas currently undergoing reduction and allows for the assessment of further information that will become available arising from these programs before deciding on further reductions. In the future, if assessments indicate that further reductions in these areas are thought necessary they will be included in an amendment to the Basin Plan at that time. This decision had the greatest effect in four groundwater areas where the Guide had proposed further reductions to the NSW program and accounts for 150 GL of the change.

## Increased level of take for unassigned groundwater

Unassigned groundwater is additional groundwater that can be sustainably taken above the current level of use. The Authority revised the unassigned groundwater assessment method following consultation with the states and other stakeholders which suggested that the Guide's unassigned water assessment was not appropriate. The Guide unassigned water assessment limited unassigned water SDLs to less than 50 GL (except for Western Porous Rock which had a SDL of 71 GL), regardless of the location, size or geology of the relevant groundwater area. The assessment adopted for the draft Basin Plan allows for higher SDLs of unassigned water reflecting the location, size or geology of the relevant groundwater areas. The revision of the unassigned groundwater assessment has resulted in a 1,500 GL difference between the Guide's initial assessment and the draft Basin plan and represents the Authority's determination of the proposed sustainable level of take in these areas.

Much of the unassigned groundwater is expected to be brackish to saline. Approval for the use of groundwater above the current levels is managed through state laws and regulations requiring detailed assessments of new groundwater extraction points. These state approvals will be required to meet the conditions set out in the Basin Plan, including potential impacts on surface water (specifically sections 9.23 – 9.26 of the draft Basin Plan).

## Interaction between groundwater and surface water

The interaction between groundwater and surface water resources has been explicitly considered in the development of the groundwater SDLs. For areas where the interaction between surface and groundwater is high the groundwater SDLs have been set at the baseline (BDL). This ensures that there is no increase above the current baseline and hence no additional impact on surface water resources.

In other areas where the risk of groundwater extraction impacting on surface water is low, the SDLs reflect that additional groundwater (unassigned groundwater) can be taken with a low risk to surface water resources. For example there are groundwater areas in Western NSW that have no connection with the Darling River where it is proposed that additional groundwater be allowed to be taken and this will not impact on the river.

Additionally, the draft Basin Plan ensures that the state governments will have regard to, and manage, any potential impacts of groundwater extraction on surface water resources.

The methods used to determine the groundwater BDLs and SDLs are described in *The proposed Groundwater Baseline and Sustainable Diversion Limits: methods report* available at http://download.mdba.gov.au/proposed/Proposed-BP-GW-BDL-SDL.pdf.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 185

No:

**Topic:** Salt export from the Murray-Darling

Basin

Proof Hansard Page and Date Written

or Written Question:

## Senator Xenophon asked:

1. How many tonnes of salt will be removed from the mouth using the figure of 2750 GL minus the 2600 GL of groundwater?

#### Answer:

1. It is estimated that 1.96 million tonnes per year will be exported from the Basin under the draft Basin Plan 2,750 GL scenario. However, this salt load export estimate does not include the projected increase in salt mobilisation that is estimated to occur in the future by the Salinity Audit (Murray-Darling Basin Commission, 1999) and thus it is considered, that actually, more than 2 million tonnes per year of salt will be exported from the Basin thereby achieving the salt-load target for the River Murray System identified in Division 6 of Chapter 8 of the draft Basin Plan.

A recent report released by the Authority entitled 'Hydrologic modelling to inform the draft Basin Plan: Methods and results' sets out the detailed technical analysis of this modelling, including in relation to salt export

http://download.mdba.gov.au/proposed/Hydro\_Modelling\_Report.pdf.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 186

No:

**Topic:** Management of constraints in the

Murray-Darling Basin

**Proof Hansard Page and Date** Written

or Written Question:

## Senator Xenophon asked:

1. The draft plan mentions there are a number of constraints that have made it more difficult to manage water in the Basin for multiple objectives. Is there any feasible way for these constraints to be dealt with, in terms of spending some of the money allocated for water buybacks to address some of the constraints?

#### Answer:

1. There may be opportunities to address some of the system constraints identified in the draft Basin Plan. Sections 6.06 and 6.07 of the draft Plan provide for a review of Sustainable Diversion Limits in 2015.

Funding to implement any actions identified in the proposed 2015 review, including the removal of constraints, would be a matter for governments to consider on their merits.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 187

No:

**Topic:** Risks to river health from climate

change

Proof Hansard Page and Date Written

or Written Question:

## Senator Xenophon asked:

1. What provisions are made in the plan for any risks to river health from climate change? I understand that there will be a review of the plan in 2015, however it's worth noting that 3 years ago the river was in a vastly different state to what it is now. How does the plan manage periods of drought or flood, conditions we may experience more of?

#### Answer:

- 1. The draft Basin Plan is based on assessments using the historic climate sequence of 1895-2009. This sequence includes wide variability, including floods and three prolonged droughts. We believe that these assessments are an appropriate starting point for our adaptive management framework.
- The mid-range projected impact on surface water availability across the entire Basin for 2030 is a 10 per cent reduction, with the impact expected to be greater in the southern Basin. The uncertainty in the predictions is indicated by the range of predictions for 2030, a reduction of 27 per cent in the extreme dry scenario, to an increase of 9 per cent in the extreme wet scenario.
- The Authority is committed to increasing our knowledge of the effects of climate change on environmental water needs, other water requirements and water availability. We are doing this in a number of ways, including through a partnership with the South Eastern Australia Climate Initiative (SEACI). This new knowledge will be incorporated into future reviews of the Basin Plan, including the 2015 review.
- The adjustments proposed for the first Basin Plan will provide a buffering for the environment from potential reductions in water availability.
- The Basin Plan will be implemented through state water resource plans, which will be required to describe how water will be managed should climatic extremes occur, such as a prolonged dry period. In addition, current state water management arrangements generally accommodate large variations in water availability in the way annual allocations are determined. Such arrangements will continue under the Basin Plan.
- The Basin Plan contains arrangements for meeting critical human water needs along the River Murray system in extremely dry scenarios, and also requires relevant water resource plans to do so.

Information on how the Authority has addressed the risk of climate change is summarised in a fact sheet on "Climate Change and the Basin Plan" available on our website (http://www.mdba.gov.au/draft-basin-plan/fact-sheets).

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 188

No:

**Topic:** Scheduling of public consultation

meetings

**Proof Hansard Page and Date** Written

or Written Question:

#### Senator McKenzie asked:

1. Why are there no Draft MDBP public consultation meetings scheduled for Bendigo or Cobram?

#### Answer:

1. The Authority held meetings with the public in Cobram on 21 February 2012 and Bendigo on 27 February 2012 to discuss the draft Basin Plan.

Answers to questions on notice

## Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 189

No:

**Topic:** Basin Plan – socio-economic

modelling

**Proof Hansard Page and Date** Written

or Written Question:

#### Senator McKenzie asked:

1. Have the MDBA modeled the socio economic impact of the SDLs reducing water available for trade – particularly the impact on allocation trade on people selling only a portion of their entitlement?

#### Answer:

 The Authority undertook extensive economic modelling of the effects of Sustainable Diversion Limits under various water trade scenarios. All available economic models simulate water use in the Basin, not trade in entitlements or allocations. However, the studies showed that water trade reduces the economic impacts of water recovery for the environment. The socio-economic analysis that informed the draft Basin Plan is described in detail in the report at

http://download.mdba.gov.au/proposed/social\_economic\_analysis\_part\_a.pdf and http://download.mdba.gov.au/proposed/social\_economic\_analysis\_part\_b.pdf available on the Authority's website.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 190

No:

**Topic:** Basin Plan - Hattah Lakes

**Proof Hansard Page and Date** Written

or Written Question:

#### Senator McKenzie asked:

1. Have the Hattah Lakes water savings projects been included in the 2 750 figure?

#### Answer:

 The environmental works to be built at Hattah Lakes as part of the Living Murray program could assist with meeting environmental outcomes through the delivery of water through works instead of through the delivery of high flows. The implications of using the works both at this site and for the broader River Murray environmental assets are complex and need further assessment.

The indicator site methodology used to develop the Sustainable Diversion Limits (SDLs) in the draft Basin Plan, specifies the environmental water requirements for a number of hydrologic indicator sites such as Hattah Lakes. These are intended to represent, or be a surrogate for, the broader environmental flow needs of river valleys or reaches. Accordingly, the environmental water requirements for Hattah Lakes have not been modified to take into account the presence of works, to ensure that the flow indicators are representative of environmental water requirements for that part of the river, rather than Hattah Lakes alone.

For more detail, please refer to the hydrologic modelling report ("Hydrologic modelling to inform the draft Basin Plan: Methods and results", February 2012), specifically, p.201. This report is available on our website.

(http://download.mdba.gov.au/proposed/Hydro\_Modelling\_Report.pdf)

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 191

No:

**Topic:** Basin Plan – data collection

Proof Hansard Page and Date Written

or Written Question:

#### Senator McKenzie asked:

1. How was local data collected from Catchment Management Authorities and fed into the development of the 2 750 figure?

#### Answer:

 Many of the reports and studies used by the Authority to inform the assessment of environmental water requirements were prepared by Catchment Management Authorities (CMAs). These documents include environmental management plans for wetlands, and other ecological assessments of rivers, wetland and floodplains.

The Authority has also consulted extensively with CMAs. This commenced in 2009 with a round of meetings specifically with CMAs within each state. CMAs were also involved in consultation activities associated with the Guide to the proposed Basin Plan in 2010, and the development of the draft Basin Plan through 2011.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 192

No:

**Topic:** MDBA – socio-economic modelling

report

Proof Hansard Page and Date Written

or Written Question:

#### Senator McKenzie asked:

1. When will the MDBA's socio-economic modelling report be released?

#### Answer:

1. On 28 November 2011, the Authority released the document "Socioeconomic analysis and the draft Basin Plan". This document brings together all of the social and economic work that has been considered in the development of the draft Basin Plan.

Part A of the report presents a discussion of the social and economic analysis which has informed development of the draft Basin Plan. It is available on the internet at http://download.mdba.gov.au/proposed/social\_economic\_analysis\_part\_a.pdf.

Part B of the report presents summaries of studies commissioned by the Authority to inform its social and economic analysis. It also presents summaries of selected non-commissioned studies which informed the analysis. It is available on the internet at http://download.mdba.gov.au/proposed/social\_economic\_analysis\_part\_b.pdf.

The report includes a comprehensive bibliography. Citations and internet links to the studies described in the report are included in this bibliography.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 193

No:

**Topic:** MDBA – water regulated flows

Proof Hansard Page and Date Written

or Written Question:

#### Senator McKenzie asked:

1. In relation to Senator Birmingham's questions on water regulated flows. How will you measure it?

2. How will water users get an idea of what this will cost?

#### Answer:

- 1. Senator Birmingham's questions related to extractions (diversions) from unregulated streams in New South Wales. The measurement of diversions remains a state responsibility. The draft Basin Plan includes a requirement for state developed water resource plans that the determination of actual take (diversions) must be done using the best available method (Clause 9.20(1)(b)) http://www.mdba.gov.au/draft-basin-plan/draft-basin-plan-for-consultation). The draft Basin Plan also includes provisions relating to the specification in state developed water resource plans of measures for maintaining and, if practicable, improving the proportion of take that is measured (Clause 9.49).
- 2. Funding for costs associated with the existing measurement of diversions and future improvements will remain a state responsibility under the draft Basin Plan.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 194

No:

**Topic:** Water user trends over last 5 years in

Victoria

**Proof Hansard Page and Date** Written

or Written Question:

#### Senator McKenzie asked:

1. What has been the growth over the last 5 years in water users in Victoria? Per annum?

#### Answer:

1. The Murray-Darling Basin Authority does not hold information on water users in Victoria. This information would be available from the Victorian Department of Sustainability and Environment.

Answers to questions on notice

# Sustainability, Environment, Water, Population and Communities portfolio Additional Budget Estimates, February 2012

Program: Division or Agency: 4: MDBA Question 195

No:

**Topic:** SEWPaC and MDBA staffing growth

Proof Hansard Page and Date Written

or Written Question:

#### Senator McKenzie asked:

1. What has been the growth of people working in SEWPAC and MDBA over the last 5 years?

#### Answer:

1. The Authority commenced operation on 8 September 2008 with one staff member and as at 16 February 2012 the Authority had 333 staff.

Below is the growth data for SEWPaC for the period 31 January 2007 to 31 January 2012. It should be noted that staffing fluctuations are inclusive of several Machinery of Government changes and additional portfolio responsibilities.

Date	Total	Date	Total		
31 January 2007	2112	31 January 2012	3090	Growth	978