

Chapter 4

Cross-portfolio Murray-Darling Basin Plan matters

4.1 This chapter highlights some of the key issues discussed during the hearing on cross-portfolio Murray-Darling Basin Plan matters on 22 February 2019.

4.2 The committee heard from the Water Division of the Department of Agriculture and Water Resources, the Murray-Darling Basin Authority, the Regional Development and Local Government Division (Dams Policy) of the Department of Infrastructure, Regional Development and Cities, as well as the Commonwealth Environmental Water Holder and the Commonwealth Environmental Water Office.

Water reform funding

4.3 The Murray-Darling Basin Authority (MDBA) provided the committee with details about the total amount of water reform funding. Over the 12-year period from 2012 to 2024, approximately \$15.6 billion has been allocated for water reform activities. Over \$13 billion of that total amount has been allocated for activities in the Murray-Darling Basin.¹

4.4 Programs included in the overall figure include:

- National urban water and desalination plan;
- Sustainable rural water use and infrastructure program;
- Water purchase and water recovery; and the
- Restoring the balance in the Murray-Darling Basin program.²

Royal Commissioner's report

4.5 The final report of the South Australian Murray-Darling Basin Royal Commission was released at the end of January 2019.

4.6 The Department of Agriculture and Water Resources (DAWR) noted the claims in the report and stated that it was satisfied that the Basin Plan is 'lawful and that the Basin Plan was developed consistently with the requirements of the Water Act'. Similarly, Mr Phillip Glyde, Chief Executive of the MDBA, assured the committee that the MDBA had carefully considered the allegations contained in the commissioner's report and provided a comprehensive response. Mr Glyde explained that the view of the MDBA was that the commissioner's report failed to provide clear evidence to support the allegations.³

1 *Proof Hansard*, 22 February 2019, p. 6.

2 *Proof Hansard*, 22 February 2019, p. 6.

3 *Proof Hansard*, 22 February 2019, p.18.

Progress towards targets

4.7 The MDBA informed the committee that the water recovery task is near completion. While noting that the process has gone well, the MDBA acknowledged that implementation of the Sustainable Diversion Limit (SDL) adjustment measures programs, as well as changes to the infrastructure and rules, was behind schedule by up to three years. Noting that the timeline to completion by 2024 was very ambitious, My Glyde indicated that it would take a redoubling of efforts from the MDBA and governments to achieve the targets.⁴

Water buybacks

4.8 The committee also canvassed the topic of potential water buybacks. It was informed that the Commonwealth Environmental Water Holder currently has \$18 million in funds to put towards the temporary purchase of water and other uses. However, it was noted that, due to factors including small water holdings in the north, it would not be possible to get sufficient water. This is because there are not sufficient holdings or enough sellers willing to put their holdings on the market.⁵

4.9 The MDBA also responded to the recommendation of the Royal Commission to abolish the cap on water buybacks. The MDBA acknowledged that the research suggests the cheapest way to recover environmental water is to buy it. However, there is a wider impact to consider which goes beyond the cost to the Australian taxpayer. Mr Glyde noted that the consequences of large, sudden, overnight buybacks can actually result in greater expenses.⁶

Metering

4.10 The committee sought information on metering arrangements across the Murray-Darling Basin. The MDBA updated the committee on the rollout of metering in New South Wales. The current rollout is focused on prioritised areas in the northern basin. When complete, the New South Wales government will have access to water usage information across areas of farming, irrigation and dam-making. The committee questioned why this information was only to be made available to the government and would not be made public.⁷

4.11 The MDBD also gave information on current metering numbers. The numbers of metres by state are as follows:

- New South Wales – 12,855 of which 5,005 are for ground water and 7,850 for surface water;
- Queensland – 400 surface water metres;
- Victoria – 32,515;

4 *Proof Hansard*, 22 February 2019, p. 25.

5 *Proof Hansard*, 22 February 2019, p. 30.

6 *Proof Hansard*, 22 February 2019, p. 38.

7 *Proof Hansard*, 22 February 2019, pp. 44–45.

- South Australia – 14,000 (statewide, not broken down to the basin); and
- Australian Capital Territory – 337.

4.12 Under the New South Wales metering program, the objective is to meter 95 per cent of the volume of water that is extracted from the river. This equates to around half of the meters or metering points, indicating that there are some very large users.⁸

Consultation with community

4.13 The committee expressed an interest in the consultation processes of the government, DAWR and MDBA. The MDBA and DAWR could not confirm if the responsible Minister was planning to visit the Menindee Lakes region. It was noted, however, that the Deputy Prime Minister had visited the area.⁹

4.14 The committee expressed concern about a lack of consultation sessions being held in Bourke and Brewarrina. In particular, the point was made that, as many members of these communities were not able to travel to other consultation sessions, there was a risk they would not be heard. The MDBA indicated that it has begun a pilot program whereby it has employed seven Regional Engagement Officers from local communities to act as consultants for the agency. The areas currently serviced include:

- The Barwon-Darling;
- The Goulburn-Murray;
- The Lower Balonne;
- The Lower Murray;
- The Macintyre;
- The Mid-Murray; and
- The Namoi.¹⁰

4.15 Funding has been re-committed to maintain these arrangements. The MDBA is also currently in negotiations to add an officer in the Central Darling Shire to represent the interests of the Menindee area.¹¹

8 *Proof Hansard*, 22 February 2019, p. 47

9 *Proof Hansard*, 22 February 2019, pp. 54–56.

10 *Proof Hansard*, 22 February 2019, pp. 63–64.

11 *Proof Hansard*, 22 February 2019, p. 64.

