

## Opening statement – Senate Estimates – 28 May 2021

Andrew Reynolds, Executive Director, River Management

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Good morning and thank you Andrew.

As the Secretary alluded to there's been a boost to community confidence across the Murray-Darling Basin thanks to recent rain, and as a result, flowing rivers!

In late March, the northern Basin received some excellent rainfall totals, and up to 1,000 gigalitres is making its way into the Menindee Lakes – connecting the northern and southern Basin.

We haven't seen volumes of this kind in five years.

Soil moisture has improved, and water storages are starting to recover – as of 12 May 2021, northern Basin storages are on 56%, and southern Basin storages are 50%.

I should mention, the autumn break many farmers had hoped for hasn't eventuated. April and May have been relatively dry. So follow up winter and spring rains will be critical to underpin water availability later this year, and into 2022.

The Bureau of Meteorology is expecting June to be wetter than average, so the outlook is looking positive.

I'm sure you've all seen how river communities and the environment have responded to the significant volume of water travelling down the Darling and into the Menindee Lakes.

We know this water is important to the Menindee community. It's critical for the wellbeing of the First Nations people. This water is important for fish and bird breeding and for tourism.

For Victorian and NSW entitlement holders on the Murray, this water matters to them too.

On 7 May, the water in the lakes became part of the River Murray shared resource with Victoria and South Australia when levels rose above 640 gigalitres – as defined in the Murray-Darling Basin Agreement.

This means, the MDBA can call on this water from the lakes on behalf of the states to meet demands in the Murray system. When they drop below 480 gigalitres, responsibility for sharing the water in the lakes, returns to the New South Wales Government and the water is used for local purposes.

The lakes are wide and shallow and because evaporation at Menindee is so much higher than at the Hume and Dartmouth storages, water for the River Murray system is generally released from Menindee Lakes first.

The last time there was this much water in the lakes was 2016.

Then between 2017 and 2020, the Basin experienced one of the worst droughts on record. This drought is still front of mind, and for many in the Menindee community they're rightly nervous and concerned about their water security.

As a result, there is increased interest in how the water in the Menindee lakes is shared between the states, and how it's managed day-to-day by river operators like us and WaterNSW.

Where possible, community feedback will shape how we call on water from the Lakes.

It's worth noting that the rule book we are following – the Murray Darling Basin Agreement – is pretty explicit. Any decisions about changing the agreement itself, needs to be driven and agreed by the Basin state governments.

On behalf of Basin state governments, late last week we called on a small volume of water to be released in response to recent dry conditions across the southern Basin.

Finally, the March rain has delivered a more positive forecast for the next irrigation year, compared to the same time last year. Indicative opening allocations for next year under a conservative extreme dry scenario are:

- General security licence holders on the Lower Darling are expected to start the irrigation year with 100% of their entitlement
- NSW Murray high security licence holders on 97%
- NSW Murray general security licence holders on 0%
- NSW Murrumbidgee general security licence holders on 27 %
- Victorian Murray high reliability licence holders on 11%
- Victorian Goulburn high reliability licence holders on 19%
- SA class 3 (high security) start on 82%

These are just forecasts, and as I mentioned earlier, winter and spring rainfall will be critical to sure up water allocations in the next irrigation year.

Thank you – happy to take questions.