

Opening Statement

Thanks Chair for the opportunity to update the Committee.

The Department is giving a very high priority to fulfil the Government's commitment to implementing the Murray Darling Basin Plan in full and on time.

This commitment was reinforced by the Prime Minister late last year when he announced a Six Point Agenda for delivering the Basin Plan.

The agenda sets out a program of work to boost compliance, finalise remaining water recovery, deliver on the Northern Basin review and SDL adjustment mechanism, deliver water resource plans, and enhance monitoring and communications.

Broadly speaking, with one important exception, we are making good progress on this agenda.

In terms of water recovery, around 2100 GL of the original 2750 water recovery target required by June 2019 has been secured.

To date, ^{over} around \$4 billion in Commonwealth funds has been invested in irrigation infrastructure, both on and off farm, to realise significant water efficiency savings and recover water under the Plan.

As a means of restoring the right balance between production and the environment, these investments have generated significant productivity, economic and employment benefits for regional communities along the way.

States are making solid progress in preparing their Water Resource Plans which are required by mid-2019. There is a way to go, and it will take continued effort by the States and the MDBA to meet that deadline.

I'll let Ms Swirepik speak for herself on the effective use of environmental water to support environmental outcomes.

Basin governments have responded positively to the Basin-wide review of compliance which the Commonwealth commissioned by the Murray-Darling Basin Authority and an Independent Panel – this followed the very serious allegations aired last year by the ABC Four Corners program on water theft in the Barwon-Darling.

- The Commonwealth has committed an additional \$9.1 million over three years to increase the MDBA's compliance capacity.
- Basin ministers supported the Review findings in December 2017 and tasked officials to develop a Basin Compliance Compact to comprehensively address the review findings. This work is now well underway, led by the MDBA, and with Wendy Craik appointed to provide independent assurance.

I also acknowledge the significant efforts of the NSW Government to reform its own compliance arrangements in response to the Matthews Review.

The Government has expressed its disappointment at the decision of the Senate to disallow the Basin Plan amendment arising from the Northern Basin Review.

Four years of work has gone into the science, hydrology and socio-economics that underpins the review, as well as the extensive consultation with communities and Basin states, and the work of the Northern Basin Water Recovery Taskforce.

The Government has also expressed its concern at the uncertainty that this creates for northern Basin communities after such a long and exhaustive review process.

Likewise, years of hard work by the MDBA has gone into the SDL adjustment amendment. This has been supported by the work of Basin governments and their agreement to the adjustment mechanism. The motion that foreshadows a debate on disallowance of this amendment is creating similar uncertainty for Basin communities.

Up to this point, it's worth noting that the Basin Plan and its implementation has been the subject of consensus between all Basin governments and bipartisan support in the Federal Parliament – this includes the making of the Basin Plan in 2012, two separate intergovernmental agreements, a report on *Implementing the Basin Plan* endorsed last year by COAG, as well as the final outcomes of both the Northern Basin Review and the SDL adjustment mechanism.

My colleagues and I will continue to work closely with our Basin state counterparts to implement the Plan.

Thank~~x~~you Chair.