



30/12/19

The Hon. David Littleproud MP

Minister for Water Resources, Drought, Rural Finance,
Natural Disaster and Emergency Management
Federal Member for Maranoa

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- 5 DEC 2019

Ms Terri Butler MP
Member for Griffith
Parliament House
CANBERRA ACT 2600

Dear Ms Butler

Thank you for your letter of 2 December 2019 about the legislation to establish the statutory position of the Inspector-General of Murray-Darling Basin Water Resources (the Inspector-General).

On 1 August 2019 I announced that there would be an Inspector-General established to oversee integrity in the Murray-Darling Basin and on 1 October 2019 I appointed Mr Mick Keelty AO as the Interim Inspector-General. I have consistently stated that the statutory position will be established by 2020 through an amendment to the Water Act 2007 (Cth). I now expect the proposed legislation to provide the Inspector-General with statutory powers will be introduced into Parliament in the Autumn 2020 sitting.

The statutory powers would enable the Inspector-General to compel the provision of information or documents from a person, in respect of exercising the Inspector-General's powers or functions. In addition, the Inspector-General would be able to compel persons to appear before him or her to provide information and answer questions. There may be criminal or civil penalties if a person does not provide information or appear before the Inspector-General to answer questions, where that person has been compelled to do so.

My department has commenced initial consultations with the Basin state and territory governments, Commonwealth water agencies and the Interim Inspector-General on the proposed framework of the statutory role of the Inspector-General. The process of enacting legislation for the statutory role of the Inspector-General involves the following steps:

- initial consultations with Basin states on the framework of the Inspector-General role and its functions and powers
- drafting of the legislation by the Office of Parliamentary Counsel
- release of an exposure draft of the Bill for consultation with the federal Opposition
- release of an exposure draft of the Bill for consultation with Basin states
- agreement from the Basin states in respect of any text in Parts of the Water Act made under a referral of powers.

It is anticipated that each of these above steps will take a minimum of two to four weeks. This is to ensure sufficient time for meaningful consultation, and to incorporate feedback into the draft legislation.

In August 2019, officials from my department provided you with a briefing regarding the proposal for legislation to establish a statutory Inspector-General. Departmental officials also met later that month with the Hon. Tony Burke MP to discuss the proposal in further detail. In our work on developing the legislation to date, my department has considered your comments and concerns raised in these initial briefings.

In the meantime, the Interim Inspector-General has already been out talking with the community and undertaking investigations. In October 2019 I requested that the Interim Inspector-General conduct an investigation into the premature release of a Northern Basin water monitoring report by the Murray–Darling Basin Authority. The Interim Inspector-General has reported on this matter and I am currently considering his findings.

In addition, I wrote to my Basin state counterparts on 2 December 2019 to request their agreement to fully co-operate with an investigation that I have requested the Interim Inspector-General to undertake into the management of Murray–Darling Basin water resources, including the water sharing arrangements under Murray–Darling Basin Agreement. I have requested that the Interim Inspector-General report back to me on this investigation by 31 March 2020.

While the Interim Inspector-General does not have statutory powers at present, I trust that his investigation will contribute to alleviating growing community concerns regarding implementation of the Basin Plan and the broader management of water resources within the Murray–Darling Basin.

A key feature of water reform within the Murray–Darling Basin is the bipartisan support that the reforms have continued to enjoy. Prior to consulting with the Basin state and territory governments on an exposure draft Bill I will provide you and the Opposition with a copy of the draft legislation for consideration. At this time I would be happy to facilitate a briefing for you and members of the Opposition if it would assist you in your consideration of the draft legislation.

I have attached of the *Northern Basin Commissioners First Year Report 2019*. This will be tabled in the Parliament today.

I look forward to engaging with you further on the draft legislation in the coming weeks.

Yours sincerely

DAVID LITTLEPROUD MP