

Senate Select Committee on the Multi-jurisdictional Management and Execution of the Murray-Darling Basin Plan

Submission by the Department of Agriculture, Water and Environment

Introduction

The Department of Agriculture, Water and Environment (the department) welcomes the opportunity to make a further submission to the Select Committee on the Multi-Jurisdictional Management and Execution of the Murray-Darling Basin Plan (the Committee). This submission responds to the issues paper released by the Committee in December 2019.

The issues paper raises the potential for greater alignment of jurisdictional water resource management arrangements, including a uniform compliance framework. Further uniformity would require significant additional reform and the commitment of all Basin governments and key stakeholders.

Adequacy of information

The department is working with Basin states and other Commonwealth agencies to improve the transparency and availability of information to enhance management and compliance arrangements in the Basin. For example, to improve transparency on water information in the Basin, the Australian Government has committed \$5 million for the Bureau of Meteorology to develop a near real-time reporting tool. This will standardise and combine data from several sources and help Basin communities understand exactly how much water is available and how it is allocated.

The government has also funded the development of Waterflow™, a mobile (Apple and Android) and web-based application released in August 2019. It provides easy access, as close to real-time as possible, information on water markets to irrigators and other water users.

Water accounting systems

In recent years Basin governments have improved the tracking and accounting of water in the Basin. For example, in 2019 the MDBA undertook remote sensing analysis to track an environmental flow event in the northern Basin. This technique proved effective and will be utilised in future environmental flow events.

The department is working with northern Basin states to improve water accounting through the Hydrometric Networks and Remote Sensing Funding Program. This program will deliver a range of projects that improve the measurement of water resources by further developing hydrometric networks and increasing the use of emerging remote sensing monitoring technologies. These projects will be complete by June 2022.

Basin governments are also working to make information more accessible and improve how it is published. For example, the remote sensing program will assist northern Basin states to develop water information portals to make up to date information available to entitlement holders and compliance officers.

Sustainable Diversion Limit Adjustment Mechanism projects and Water Recovery

The issues paper discusses the transparency of Sustainable Diversion Limit Adjustment Mechanism projects and water recovery. The Murray–Darling Basin Authority (MDBA) publishes information regarding the assessment process for these projects. This includes regularly updated information on each project and status of its implementation. Basin states are responsible for undertaking more detailed consultation with local communities.

In regards to water recovery, the department publishes up-to-date information on the progress of water recovery efforts on the department's website at agriculture.gov.au/water/mdb/progress-recovery/progress-of-water-recovery. The MDBA also publishes a summary of water recovery, which can be found at mdba.gov.au/progress-water-recovery.

In responding to the Productivity Commissions' *Inquiry into the Murray–Darling Basin Plan: Five year assessment*, the department committed to improving the information publically available regarding water purchase tenders. On completion of future water purchase tenders, the department will also publish advice received and a summary of the tender outcome. When publishing this information, the department needs in each case to consider its statutory obligations (such as privacy) and take care to avoid compromising future water recovery.

Water trading

The issues paper reflects community views about the accuracy, efficiency and transparency of water trading. The department anticipates that the Australian Competition and Consumer Commission's (ACCC) current inquiry into the water market will improve the transparency and accessibility of market information. The ACCC interim report is due by the end of May 2020 with the final report due by the end of November 2020.

Complexity of current Basin Plan governance arrangements

Basin governments recognise the need to continually improve how they work together and address inefficiencies when making decisions. In December 2019, the Murray–Darling Basin Ministerial Council agreed to a joint response to the '*Review of the Murray–Darling Basin Joint Governance Arrangements – Final Report*' by the independent reviewer Mr Greg Claydon. This review focused on improving governance processes including streamlining decision making, increasing transparency and accountability and better defining the roles of various bodies and committees. The department is working with the MDBA and Basin states to develop an implementation plan for the actions agreed to in the joint response. The response is available at mdba.gov.au/publications/mdba-reports/ministerial-council.

Water Resource Plans

As the issues paper notes, both the MDBA and Basin states publish information on progress towards developing and implementing Water Resource Plans (WRPs). This includes information on the process for developing WRPs, as well as information on the MDBA's assessment framework, compliance reporting and enforcement policy.

The process is designed to provide uniformity in the outcomes of WRPs while accommodating jurisdictional and catchment differences. While Basin states follow different processes for developing their WRPs, they must all meet the requirements of the Basin Plan. The MDBA is responsible for assessing whether each WRP meets these requirements and advises the Minister for Water on their accreditation.

Compliance arrangements

Improvements to compliance in the Basin

The Compliance Compact is improving compliance in the Basin. In December 2019 the MDBA published an assurance report on the Compliance Compact, this can be viewed at mdba.gov.au/publications/independent-reports/basin-compliance-compact. This report provides an update and progress report on the commitments. In total 89 per cent of all commitments under the compact have been completed or have made considerable progress.

The Australian Government has committed, through the Compact, to strengthen the MDBA's compliance and enforcement powers. The government has undertaken to introduce legislation to the Parliament later this year to establish new civil penalties and criminal offences in the *Water Act 2007*. These changes, if passed, will make it easier for the MDBA to take action when suspected illegal activities occur.

The department is also assisting the government with legislation to establish the position of Inspector-General of Murray-Darling Basin Water Resources to be introduced in 2020. The establishment of the Inspector-General position demonstrates continuing commitment to increased transparency, accountability and compliance in managing the Basin.

Uniform Basin-wide compliance framework

The establishment of enforceable WRPs across the Basin will provide some uniformity in the regulation of Basin water resources. This, coupled with the proposed amendments to the Water Act and the establishment of the Inspector-General, will strengthen compliance capabilities across the Basin.