

Hard copy correspondence to Julie McClure, Secretary AFA, Kallara Station, Tilpa, NSW 2840. 0268373964

Email: Terry Korn PSM, President AFA, ausfloodplain@bigpond.com, phone 0447847399

The Hon. Malcolm Turnbull MP

Prime Minister

Parliament House

Canberra ACT 2600

Dear Prime Minister

Re: Water management in the Murray Darling Basin - Judicial Inquiry necessary

The Australian Floodplain Association (AFA) consists of floodplain grazier, individual community and community group members within the Murray Darling Basin. It lobbies for healthy rivers and healthy communities, is considered a peak reference body by the federal government and supports the Basin Plan to which it contributed. It wants the Basin Plan to succeed.

We are very concerned about a number of aspects of the implementation of the Basin Plan, some of which were highlighted in the recent ABC Four Corners programme aired on Monday 24 July, "Pumped – who is benefitting from the millions spent on the Murray Darling?" Other aspects are the proposed amendments to the Plan arising from the Northern Basin Review, management of Menindee Lakes, management problems with the delivery of community (environmental) water throughout the Basin and the heavy bias towards irrigation representatives on the board of the Murray Darling Basin Authority (MDBA).

The structure of the MDBA board is of great concern because it gives the perception that the Basin Plan is exclusively about the irrigation industry. The Plan is about much more than that. The MDBA board must have an irrigation industry expert/representative but not three out of six board members (Madden, Warne, Turner,) as presently proposed. Such weighting turns the MDBA into the Murray Darling Basin *Irrigation* Authority. The board should include an expert skilled in large scale rural adjustment programs, a person skilled in the natural or environmental sciences to replace Dr Barry Hart plus an agricultural industry representative who is not an irrigator.

Judicial Inquiry letter to Prime Minister

You announced on Sunday 30 July that the MDBA will oversee an independent compliance review following the allegations made in the Four Corners programme. This is a positive step. But the compliance allegations made in the Four Corners program are part of a much wider implementation issue outlined above and as such your review is too narrow to capture the wider issues. Additionally, while ever the MDBA is tasked with overseeing the compliance review, the perception within the broader community is that it is compromised because the MDBA is the body that has to accredit state water resource plans against Basin Plan requirements and is negotiating to introduce a series of "toolkit measures" as part of the Northern Basin Review. It therefore cannot undertake an impartial, arms-length oversight of the review which will have credibility with the general public.

However, one compliance matter that could be quickly addressed outside the review is the allocation of funds from the remaining \$5 billion to install as a matter of priority, real-time remote monitoring on all pumps in the Northern Basin similar to the system used in the Southern Basin.

The AFA believes that the only way credibility can be restored to the Basin Plan process is via an appropriately targeted judicial inquiry with the powers to call witnesses and protect whistle blowers. We appreciate that such a review could be lengthy and costly but there is too much at risk if the Plan fails. We must get it right and ask that you support such an inquiry.

Yours sincerely

Terry Korn PSM

President,

Australian Floodplain Association



The Hon. Barnaby Joyce MP

Deputy Prime Minister Minister for Agriculture and Water Resources Minister for Resources and Northern Australia Leader of The Nationals Federal Member for New England

Ref: MC17-006433 12 OCT 2017

Mr Terry Korn and Ms Julie McClure Australian Floodplain Association Kallara Station TILPA NSW 2840

Via email: ausfloodplain@bigpond.com

Dear Mr Korn and Ms McClure

Thank you for your letters to the Prime Minister, the Hon. Malcolm Turnbull MP and myself regarding The Barwon–Darling and the allegations recently aired on the ABC *Four Corners* program – *Pumped: Who is benefitting from the billions spent on the Murray-Darling* the Barwon-Darling Water Sharing Plan. Your letter to the Prime Minister was forwarded to me as I am the minister responsible for the matters you raised.

Firstly, I would like to reiterate that the Australian Government takes allegations of water theft very seriously. All Australians should have confidence that the rules that underpin water use throughout the Basin are applied fairly, consistently, and lawfully.

State and territory governments are responsible for administering water compliance and enforcement laws within their jurisdiction. In 2009 COAG agreed to the National Framework for Compliance and Enforcement Systems for Water Resource Management, which represents the nationally-agreed standard for ensuring compliance with state-based water laws and regulations.

The government has requested the Murray-Darling Basin Authority (MDBA) to undertake an audit of state-based compliance regimes across the Basin to ensure people can have confidence that the Basin Plan is being delivered. In undertaking its review, the MDBA will consider the extent to which Basin states' compliance arrangements are consistent with this National Framework. I expect that Basin states will make every effort to cooperate fully with the MDBA's review. When complete, my Basin state ministerial colleagues and I will consider the review outcomes at the Murray-Darling Basin Ministerial Council meeting in November 2017, prior to the report findings being presented to the Council of Australian Governments (COAG). This review will compliment other processes currently in progress within New South Wales to respond to the *Four Corners* program.

I welcome the prompt response by the NSW Minister for Regional Water, the Hon. Niall Blair MLC, in appointing Mr Ken Matthews AO to conduct an independent inquiry into the allegations raised in the *Four Corners* program. Given that the allegations concern matters under the direct responsibility and jurisdiction of the NSW government, I consider this response appropriate. I also note that some of the matters raised have been referred to the NSW Independent Commission Against Corruption for investigation.

As you will be aware, Mr Matthews' interim report, which was publicly released on 11 September, includes findings that address many of the specific concerns raised in your letters. Minister Blair has issued a press release in response to Mr Matthews' interim findings. In relation to your concerns about metering, I note Minister Blair's announcement that the New South Wales Government will prioritise the installation of water meters for all large water users, where they do not currently exist, over the next 12 months.

More generally I appreciate your thoughts on using the Basin Plan funds to install meters across the Basin. Notwithstanding that water metering remains a responsibility of state governments, the Australian Government has to date funded the installation of almost 6000 compliant water meters in inland NSW and northern Victoria under the Sustainable Rural Water Use and Infrastructure Program.

In the matter of the appointments to the Murray-Darling Basin Authority, the process is currently ongoing. As you are aware the Authority is made up of a Chair, Chief Executive and four part-time Authority member (two Commonwealth nominated and two nominated by the Basin states). As you note, to be eligible for appointment each member must have a high levels of skill in one or more of the fields relevant to the functions of the Authority as defined in the *Water Act 2007*. I hope to finalise appointments to the MDBA board in the near future.

With reference to Ms McClure's comments about the *Water Sharing Plan for the Barwon-Darling Unregulated and Alluvial Water Sources 2012* (Barwon-Darling WSP), the Barwon-Darling WSP was originally made under NSW law prior to the finalisation of the Basin Plan. It also has other characteristics that satisfied the criteria for it to be deemed an interim plan under section 242 of the Water Act. This means that the initial Barwon-Darling WSP automatically qualified for 'interim' status under the Water Act without assessment of whether it meets the requirements of the Basin Plan. This also means the current assessment by the MDBA is conducted with reference to the initial Barwon-Darling WSP, and not a more general assessment of whether the Barwon-Darling WSP meets Basin Plan requirements.

With respect to your concerns regarding the Barwon Darling Stakeholder Advisory Panel (SAP), I am advised that this panel is a NSW Government initiative. Noting your concerns about the membership, I suggest you contact the NSW Department of Primary Industries which is responsible for determining SAP.

Thank you for bringing your concerns to the government's attention.

Yours sincerely

Barnaby Joyce MP