



Minister for Water

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File:



Ms Sophie Dunstone
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Standing Committee on Environment and
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Dear Ms Dunstone

SUBMISSION TO INQUIRY INTO WATER AMENDMENT (LONG-TERM AVERAGE SUSTAINABLE DIVERSION LIMIT ADJUSTMENT) BILL 2012

I write in relation to the inquiry into the *Water Amendment (Long-Term Average Sustainable Diversion Limit Adjustment) Bill 2012*, currently being undertaken by the Senate Standing Committee on Environment and Communications.

The Victorian Government has long held the position that a final Basin Plan should include arrangements that allow for equivalent environmental outcomes to be achieved with less water through the use of environmental works and measures, changes to system operations to encourage water efficiency and the more efficient use of environmental water. More detail on this position is available in the Victorian Government's April 2012 submission (Attachment A) to the Murray-Darling Basin Authority (MDBA) on its *proposed Basin Plan*, and comments made by Victoria in the 9 July 2012 and 27 August 2012 Basin Plan notices (Attachments B and C respectively) provided to the MDBA by the Murray-Darling Basin Ministerial Council (MDBMC).

Settlement of an appropriate sustainable diversion limit (SDL) adjustment mechanism within a final Basin Plan remains a high priority for the Victorian Government. In line with comments made in the MDBMC notices, an appropriate mechanism as requested by Ministers would deliver in the order of 650 GL of off-sets against a 2750 GL water recovery scenario. This will help ensure that water recovery does not pose too great an impact on regional communities and industries, and an adjustment in the order of 650 GL would also ensure that there is no need for future Commonwealth general purchase tenders within northern Victoria.

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The Bill currently under inquiry by the Senate Standing Committee on Environment and Communications provides certainty that a final Basin Plan can contain a mechanism capable of delivering the outcomes described above.

Supporting this, the suggestions recently made by the Federal Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP, to the MDBA on the Basin Plan go some way to addressing the Victorian Government's outstanding concerns for settling the adjustment mechanism.

To ensure the desired outcomes are achieved, it is now critical that the MDBA translate Minister Burke's suggestions into changes to the Basin Plan that both accurately reflect the Minister's intent, and are also clear and unambiguous, so that Basin communities have a good idea of what to expect under a final Plan.

Supporting the above, Victorian officials will continue to work closely with the MDBA and Minister Burke's Department over the coming weeks to ensure the Victorian Government's preferred outcomes for the SDL adjustment mechanism can be reflected in the final Basin Plan.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Walsh', written in a cursive style.

PETER WALSH MLA
Minister for Water