



The Hon Greg Hunt MP
Minister for the Environment

PDR: MC13-006114

The Hon Warren Entsch MP
Committee Chair
Joint Select Committee on Northern Australia
PO Box 6021
Parliament House
CANBERRA ACT 2600

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Dear Mr Entsch

A handwritten signature in blue ink, appearing to read 'Warren', written over the printed name 'Dear Mr Entsch'.

I refer to your letter of 19 December 2013 regarding an invitation to make a submission to the Joint Select Committee on Inquiry on Northern Australia. I regret the delay in responding.

As you are aware, the Government is committed to fostering the right economic climate for economic development, investment and jobs in northern Australia and will produce a White Paper on these issues later this year. Given the relevance to many of my own portfolio interests, the Department of the Environment is working closely with the Northern Australia Taskforce within the Department of the Prime Minister and Cabinet to contribute to this process. I have outlined below a number of key issues related to my own portfolio responsibilities.

The Government's *Plan for a Cleaner Environment* represents an overarching framework for our environmental agenda. It is based on the understanding that a healthy environment is important to a healthy economy, and sets out a range of practical actions under four key pillars - Clean Air (Direct Action), Clean Land, Clean Water and Heritage Protection. Many of the initiatives outlined in the *Plan for a Cleaner Environment* will have direct application in northern Australia and will support the aspirations of individuals, businesses and communities in these areas.

One key example is the Government's work to simplify environmental approval processes through the delivery of a one stop shop for environmental approvals to create a single assessment and approval process for nationally protected matters. The one stop shop policy aims to simplify the approvals process for businesses, lead to swifter decisions and improve Australia's investment climate, while maintaining high environmental standards.

Access to reliable water resources has long been recognised as a key challenge to development in many parts of northern Australia, due mainly to seasonal extremes in river flows, lack of suitable sites for water storage and lack of knowledge of groundwater resources.

The National Water Initiative (NWI) sets out the approach agreed in 2004 by the Council of Australian Governments for managing water resources in a way that optimises economic, social and environmental outcomes by a range of regulatory and planning reforms. These reforms are set out comprehensively in the NWI, and continue to be relevant and applicable today.

Under the NWI reforms, water resource development are supported by each state and territory having in place water resource plans and water access entitlements which provide long term security of access by water users to their share of the available water resource. These plans are the primary mechanism for addressing risks to water security resulting from any inter-connectivity between surface and groundwater systems and 'interception' activities. These plans also secure environmental objectives by having these and their associated management arrangements clearly identified. The NWI sets out the relevant objectives and principles as well guidelines for preparing new water plans.

Regarding investment in new water infrastructure, the NWI provides that jurisdictions will ensure proposals are assessed as "economically viable and ecologically sustainable" prior to the investment occurring. Consistent with this, and to facilitate efficient water use, jurisdictions have agreed to give effect to the principles of user pays and achieve pricing transparency in respect to water storage and delivery in irrigation systems. For new developments, the NWI envisages that jurisdictions may recover costs by releasing unallocated water through market based mechanisms.

Northern Australia's rich diversity of flora and fauna, a globally unique natural environment, and important heritage sites are some of the region's most important features. My portfolio responsibilities include the conservation and management of many of these sites. Kakadu National Park, the Great Barrier Reef and Uluru are recognised as iconic places. They are also tourist drawcards which represent important economic and social assets.

Alongside its social and cultural richness and the strong fabric of its communities, northern Australia is a region with tremendous natural values. The sustainable management and use of natural assets will be important in ensuring a strong future for businesses, communities and individuals in northern Australia, and for generating benefits for Australians generally.

Thank you again for the opportunity to provide a submission to the Committee's Inquiry.

Yours sincerely

Greg Hunt