

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED **Question No:** 41
Broad Topic: SRWUIP – committed funding
Proof Hansard Page and Date 35-36 (22/2/11)
or Written Question:

Senator Birmingham asked:

Ms Harwood—Of the \$5.6 billion of administered funds available for projects through the SRWUIP, \$5.1 billion, approximately, has been committed either for announced programs or for commitments through intergovernmental agreements et cetera.

Senator BIRMINGHAM—This is \$5.6 billion that we all talk about as being the infrastructure dollars for water saving infrastructure projects. Mr Slatyer has just told us that not only is \$59 million of it being shifted across for administrative purposes in the MDBA but that the government has been funding other non water saving activities out of this fund, thereby diminishing the overall pool available for water saving activities. How much in total has been committed out of the fund for non-infrastructure projects that do not save a drop of water in the basin?

Ms Harwood—For a precise figure, I would have to take that on notice. The two items that Mr Slatyer referred to—the support for the development of the National Water Market System and the work on compliance and enforcement—are funded from SRWUIP but the program objectives for SRWUIP embrace activities of that sort.

Senator BIRMINGHAM—My recollection is that when SRWUIP, before it was known as SRWUIP, was that when John Howard announced the funding for infrastructure and when the \$10 billion was announced, comprising the buyback money and the funding for infrastructure—

Senator CONROY—On the back of an envelope.

Senator BIRMINGHAM—You seem quite happy as a government to have, in theory, kept to those figures, but what we are discovering is that in practice you actually have not been.

This was a fund for actual infrastructure activities from which water saving would be generated, from which half of those water savings would be transferred to the Commonwealth Environmental Water Holder. There may be wriggle room in the written guidelines, but how much of the infrastructure fund is actually now being spent or committed to non-infrastructure spending?

Ms Harwood—As I said, we will take the precise figure on notice. The two items for compliance and enforcement represent \$60 million out of the \$5.6 billion, and the National Water Market System, from memory, is \$56 million.

Senator BIRMINGHAM—So we have somewhere around \$175 million that we know of as a starting point, that has been committed to non-infrastructure activities from the infrastructure fund. I will look forward to getting your detailed answer, Ms Harwood ...

Answer:

In establishing the Sustainable Rural Water Use and Infrastructure Program (SRWUIP), the Australian Government envisaged a range of investments focused on rural water use, management and efficiency, including, but not limited to, water infrastructure. The majority of SRWUIP funds are allocated to infrastructure projects agreed in principle in the July 2008 Intergovernmental Agreement on Murray-Darling Basin Reform – the State Priority Projects. Most of these involve some level of water recovery. Water reform envisages improvements of markets so that water is used more efficiently and effectively for both private and environmental purposes. This requires the development of market systems and knowledge, and management of complex reform programs. This is why SRWUIP is not only about hard infrastructure.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

The following tables provide a break down of SRWUIP into two categories: infrastructure projects, including analysis, assessment and planning; and improved water use and knowledge, market reform and water skills development.

Infrastructure projects, including analysis, assessment and planning support (Administered Funding)	Maximum government commitment (\$m)
State Priority Projects	3,236.0
Menindee Lakes project	370.0
Orange City Pipeline	20.0
Warren Nyngan Pipeline project	12.0
Lithgow-Clarence Colliery Water Transfer project	4.0
Supporting more efficient irrigation in Tasmania	140.0
Wimmera-Mallee pipeline project	99.0
Harvey Pipeline Project	49.0
Gascoyne Pipeline project	6.6
On Farm Irrigation Efficiency Project	300.0
On Farm pilot projects	5.6
Strengthening Basin Communities Program	200.0
Hotspots Assessment Program	24.3
Irrigation Modernisation Planning Assistance Program	7.2
Small Block Irrigators Exit Grants	102.5
Hume Dam Remedial Works	10.0
Meter Test Facilities	6.9
Due Diligence and Conveyancing Costs	35.0
Total	4,628.1

Improved water use and knowledge, market reform and water skills development (Administered Funding)	Maximum government commitment (\$m)
Compliance and Enforcement *	60.0
National Water Market System *	56.0
Basin Plan Activities	59.0
Snowy – Repayment of Mowamba Borrow *	13.7
National Water Commission – Assessment of Reforms *	1.0
Commonwealth Environmental Water Holder – Management of Water Holdings	195.8
E-Water CRC Hydrological Modelling *	5.7
Water for Rivers *	6.3
Great Artesian Basin Shared Water Resource Assessment *	3.1
WA Sustainable Yields Study *	5.2
Water for the Future Communication	8.5
Total	414.3

* Initiatives which have been agreed between the Commonwealth and one or more States/Territories, eg. through COAG or other fora.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED **Question No:** 42
Broad Topic: Restoring the Balance program
– cost of water entitlements
Proof Hansard Page and Date 36 and 37 (22/2/11)
or Written Question:

Senator Joyce asked:

[EC36]

Senator JOYCE—... What is the cost of water entitlements that the government has agreed to purchase under the Restoring the Balance program and how much has the government agreed to purchase by 30 June—

...

[EC37]

Ms Harwood—As at the end of June 2010, the amount settled to that date was \$742 million.

Senator JOYCE—So the Australian National—

Ms Harwood—The previous year was \$371 and in the first year of the program, which was 2007-08, there was \$27 million.

Senator JOYCE—Does that confirm the ANAO's figure on page 20 of the report, which is \$1.37 billion?

Ms Harwood—I just gave you the settled figures. If you want the figures under contract, I am sure our figures would line up with ANAO's.

Senator JOYCE—I hope so. They do not. We are out by a couple of hundred million at the moment.

Ms Harwood—Yes. There is a difference between settled and contracted.

Senator JOYCE—Okay.

Ms Harwood—So water that is under contract is under a binding contract with the money committed, but the expenditure does not occur until settlement of the trade takes place.

Senator JOYCE—You would agree that we are currently ahead of what was initially envisaged with the layout of the buybacks?

Ms Harwood—The bring forward of funds has meant that the program is further ahead than it would have been under the original profile.

Senator JOYCE—By how much is it ahead?

Ms Harwood—I would have to do a comparison of the previous profile for the budget and the current commitments against the revised profiles and give that to you on notice for a precise figure of the difference.

Senator JOYCE—It is just shy of \$700 million.

Ms Harwood—I think that is a little high but I will get back to you.

Answer:

The original administered funding allocated to the Restoring the Balance in the Murray-Darling Basin program over the 2007-08 to 2010-11 period was \$970 million. As at the end of January 2011, the value of water entitlement purchases which had been secured by legal contract was \$1.513 billion.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED **Question No:** 43
Broad Topic: Evaluation of Twynam water purchase
Proof Hansard Page and Date 40 and 41 (22/2/11)
or Written Question:

Senator Joyce asked:

[EC40]

Senator JOYCE—Who did you rely on for determining the value of that water?

Ms Harwood—We had existing marketing information. We do regular assessments of the state of the water market and the value that water entitlements of different types are trading for. From memory, we also got some additional valuations in relation to the Twynam entitlement.

Senator JOYCE—Who did those additional valuations?

Ms Harwood—I would have to take that on notice. So we did a full valuation of it. It came through the formal tender process. The offer came through the normal tender process.

...

[EC51]

Senator JOYCE—... It is well known, and it has been documented in such papers as the Australian Financial Review, that the capacity to purchase the same value of water or the same reliability of water could have been done at a much cheaper price. It is open knowledge that other people were more than willing, once they realised the price, to have sold you water at that price. So the conjecture is: why did you spend so much of Australian taxpayers' money when you could have paid substantially less?

Ms Harwood—As I said, the 10 per cent was the upper premium for a very large parcel of water and the trade was within that premium. So, yes, there was a small premium paid to acquire the water all at once, for the reasons that I have already outlined, compared with the market price for water. So a small premium was paid above our normal tender benchmark, recognising the fact that we were acquiring a very large parcel of water at once that could immediately go to improving the prospect for environmental watering, as well as saving us the transactional costs of doing many individual small transactions to add up to the same volume of water.

Senator JOYCE—What did the evaluation committee present you with to come to that decision? I hear the statement but what did they present you with? What factual data did they present you with?

Ms Harwood—With a meticulous comparison against market prices for the parcel as a whole assessed against the tender guidelines and the evaluation plan for the tender.

Senator JOYCE—Would you be prepared to table them?

Ms Harwood—I am uncertain as to that because I believe it to be commercial-in-confidence.

CHAIR—Ms Harwood, you can take that on notice.

Ms Harwood—I will take it on notice.

Answer:

The Department commissioned two independent valuations to assist with the assessment of the Twynam sell offer. The consultants were Arche Consulting and PSI Delta. These consulting firms used input from a number of registered regional valuers. The valuations complemented the regular market price reports the Department obtained from the consulting firm, GHD Hassall.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

The price benchmarks for tenders established on the basis of those consultancy reports remain tender-in-confidence.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED **Question No:** 44

Broad Topic: Twynam water purchase –
price in tender

Proof Hansard Page and Date 45-46 (22/2/11)
or Written Question:

Senator Heffernan asked:

Senator HEFFERNAN—In 2009, on 16 February, there was a meeting with Twynam, having been given prior permission by the minister to go to private negotiations and abandon the tender. ...

...

Senator HEFFERNAN—Were you at the meeting?

Ms Harwood—I probably was. I would need to see where I was on 16 February.

Senator HEFFERNAN—At the meeting you correctly described the unsuitability of buying allocation water and you said to Twynam, ‘Take that away.’ That was \$8½ million. You then said, ‘We will progress the rest of your tender.’ I have all the prices.

CHAIR—Senator Heffernan, you are making assertions on behalf of the officer. If you have got a question to ask the officer—

...

Senator HEFFERNAN—As for the 10 per cent over the top that you paid, was that the price already in the tender less the allocation order?

Ms Harwood—I would have to take that on notice. ...

Answer:

The Department accepted a revised sell offer as lodged by Twynam with the allocation account water removed. The asking price of the revised sell offer was \$303.3 million.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED **Question No:** 45

Broad Topic: Twynam water purchase -
duration

Proof Hansard Page and Date 47 (22/2/11)
or Written Question:

Senator Joyce asked:

Senator JOYCE—How long did the deliberations go over?

Ms Harwood—I would have to take that on notice too.

...

Ms Harwood—From the initial offer to the conclusion or the placing of the purchase under contract, I will take that on notice.

Answer:

The initial offer from Twynam was received on 19 December 2008. The Department agreed to pursue the Twynam sell offer on 27 February 2009. The master sale agreement was signed by both parties on 8 April 2009.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 46

Broad Topic: Twynam water purchase –
timing of decisions

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

1. On what date did the Minister approve changing the Restoring the Balance project guidelines to allow a 10% premium above normal benchmarks to be paid for parcels of water larger than 40 GL? [also taken on notice during hearing – proof Hansard EC46]
2. On what date did the Minister's communicate this decision to the Department?
3. On what date was the purchase of \$303 million of Twynam Agricultural Group's water entitlements approved? [also taken on notice during hearing – proof Hansard EC47]
4. Did the Department prepare advice for the Minister on the issue of adjusting the guidelines to allow a premium to be paid? If so, was this advice prepared before or after Twynam Agricultural Group had originally tendered over \$300 million of entitlements for purchase?

Answer:

1 and 2.

The price benchmarks set for water purchase tenders are endorsed by the Water Project Board with no involvement by the Minister. The decision to provide for a premium of 10% for parcels larger than 40 GL was made on 15 December 2008. This decision was made before the Twynam sell offer was received by the Department.

3. See answer to question on notice 45.

4. The pricing strategy used to access the Twynam sell offer was endorsed by the Water Project Board on 15 December 2008, prior to the sell offer being received.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 47

Broad Topic: Twynam water purchase -
assessment

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

1. Did the Evaluation Committee assess the 34 separate allocations of Twynam Agricultural Group on a separate basis or was just one benchmark price calculated for the entire Twynam bid?
2. Can you please provide (a) details of each of the separate 34 separate licences tendered by Twynam Agricultural Group, (b) the amount they tendered them for, (c) the benchmark price that was calculated by the Evaluation Committee and (d) the price paid by the Government for each licence?

Answer:

1. One benchmark price was calculated for the package as a whole.
2.
 - (a) Details of the licences tendered by Twynam are provided below.
 - (b) The offer was lodged with a total asking price of \$303.3 million. The sale offer did not list asking prices for individual entitlements.
 - (c) The benchmark price for the package of entitlements offered is tender-in-confidence.
 - (d) The price paid was for the package as a whole.

Water Source	Volume of Water Offered (ML)
Barwon – Unregulated – B Class	4,488
Barwon - Unregulated – C Class	6,095
Barwon – Unregulated – B Class (Collymongle)	1,836
Barwon – Unregulated – B Class	872
Barwon - Unregulated – C Class	1,312
Gwydir – Regulated – General Security	5,832
Gwydir – Regulated – General Security	19,916
Gwydir – Regulated – General Security	21,384
Gwydir – Regulated – Supplementary	2,019.5
Gwydir – Regulated – Supplementary	6,899.9
Gwydir – Regulated – Supplementary	7,404.8

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Lachlan – Regulated – General Security	572
Lachlan – Regulated – General Security	3,000
Lachlan – Regulated – General Security	31,776
Lachlan – Regulated – General Security	16,935
Macquarie and Cudgegong – Regulated – General Security	399
Macquarie and Cudgegong – Regulated – General Security	368
Macquarie and Cudgegong – Regulated – General Security	2,468
Macquarie and Cudgegong – Regulated – General Security	36
Macquarie and Cudgegong – Regulated – General Security	34,259
Macquarie and Cudgegong – Regulated – General Security	1,584
Macquarie and Cudgegong – Regulated – Supplementary	30.4
Macquarie and Cudgegong – Regulated – Supplementary	28.1
Macquarie and Cudgegong – Regulated – Supplementary	188.3
Macquarie and Cudgegong – Regulated – Supplementary	2.7
Macquarie and Cudgegong – Regulated – Supplementary	1,518
Macquarie and Cudgegong – Regulated – Supplementary	120.9
Murrumbidgee – Regulated – General Security	18,472
Murrumbidgee – Regulated – General Security	9,452
Murrumbidgee – Regulated – General Security	24,412
Murrumbidgee – Regulated – Supplementary	11,056.5
Murrumbidgee – Regulated – Supplementary	1,129
Murrumbidgee – Regulated – Supplementary	6,143
Murrumbidgee – Regulated – Supplementary	2,491.5

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 48

Broad Topic: Twynam water purchase

Proof Hansard Page and Date Written
or Written Question:

Senator Heffernan asked:

Who attended on behalf of the Government and Twynam all meetings concerning sale of water to the Commonwealth, including two meetings in February 2009, and could you table any advice surrounding the tender being abandoned and private negotiations occurring?

Answer:

The departmental officers involved in the February 2009 meetings with Twynam were Dr James Horne, the then Deputy Secretary, Ms Mary Harwood, First Assistant Secretary, Water Efficiency Division, and Mr Colin Mues, Assistant Secretary, Water Recovery Branch.

The purchase of water entitlements from Twynam was made through the normal tender process under the Restoring the Balance program guidelines. Under these guidelines, at any stage of the Request for Application (tender) process, the Department has the right to negotiate with one or more applicants or to discontinue negotiations.

This process is undertaken according to the Program Information Guidelines issued by the Australian Government for the water purchase tenders. Because the Twynam entitlements were offered as a single package, the application was treated as a combined bid.

The application was assessed by an Evaluation Committee according to the tender Evaluation Plan, which included assessing the application against the selection criteria of:

- Ability to provide more water in a catchment where scientific evidence indicates that water needs to be recovered for the environment;
- Capacity to deliver the water for an environmental benefit; and
- Price including offer prices, transaction costs, management costs and trade restrictions.

The application was assessed as meeting the above value for money criteria. Following this, the application underwent due diligence assessment and was approved to proceed to contract.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 49

Broad Topic: Menindee Lakes

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

1. What progress has been made on identifying and securing a safe alternative source of drinking water for Broken Hill?
2. Has the further hydrological work identified in the MoU between the Commonwealth and Government of NSW on Menindee Lakes been completed?
3. Does the Government still expect reengineering works will result in water savings of 200GL?
4. When does the Australian Government expect reengineering works to begin?
5. The MoU between the Commonwealth and New South Wales Government on Menindee Lakes identifies October 2010 as the expected completion of several key steps in securing agreement for reengineering works. Please detail reasons for the delays in completing these steps. When does the Government now believe each of these steps will be completed?
6. Has there been further correspondence between the Department and New South Wales Government regarding the operation of the MoU? If so, please provide copies.
7. Are there any infrastructure proposals that would increase the storage capacity of Menindee Lakes? If so, please detail.

Answer:

1. Geoscience Australia has undertaken a detailed assessment of a target aquifer at Menindee Lakes in terms of the technical feasibility of a managed aquifer recharge scheme as a basis for securing Broken Hill's water supply. An interim report has been provided to the Australian and New South Wales governments. Completion of a final report has been delayed by recent flooding in the region.
2. In late 2010, the Joint Steering Committee, established under the Memorandum of Understanding (MoU), considered several reports on the results of hydrological modelling in relation to the Menindee Lakes Project. The need for further modelling beyond that already undertaken will depend on the outcome of discussions between the Australian Government and the new New South Wales Government about the Menindee Lakes Project.
3. The MoU confirmed water savings of up to 200 gigalitres as one of the goals of the Menindee Lakes Project. The Joint Steering Committee's work to date has sought to identify, on the basis of the additional hydrological modelling, a preferred option at Menindee Lakes involving both on-ground works and operational changes that seeks to maximise water

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

savings while ensuring no adverse downstream impacts. The hydrological work that has been undertaken to date indicates that gross water savings in the region of 200 gigalitres are achievable; however, the precise level of savings will be dependent on matters under consideration including meeting downstream requirements.

4. A decision to implement a Menindee Lakes Project is dependent on finalising current major investigative studies as well as reaching agreement with New South Wales and other Basin States.
5. The detailed hydrological modelling undertaken for the Joint Steering Committee required extensive analysis to assess the impacts on water savings and downstream users of a range of operational and climate scenarios. This necessitated refinement of model runs to provide an acceptable level of certainty about the level of water savings available while ensuring no adverse impacts on existing entitlement holders. Delays in finalising the work undertaken by Geoscience Australia to assess the feasibility of a managed aquifer recharge scheme have been due primarily to impacts on the bore drilling and testing program caused by adverse weather conditions and more recently extensive flooding of the target area. The future timing of these and other elements of the Project will depend on the outcome of discussions with the New South Wales Government about the future of the Menindee Lakes Project.
6. Development of the Menindee Lakes Project as set out in the MoU has been the subject of correspondence between the Department of Sustainability, Environment, Water, Population and Communities (DSEWPaC) and the former New South Wales Government. New South Wales Government officials have been consulted on this matter and it has been agreed that it would be preferable that this correspondence not be released at least until there have been consultations on the Menindee Lakes Project with the new New South Wales Government.
7. There are no infrastructure proposals under consideration that would increase the storage capacity of Menindee Lakes.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 50

Broad Topic: Menindee lakes and Murray-Darling Basin Agreement

**Proof Hansard Page and Date
or Written Question:** Written

Senator Birmingham asked:

1. Has the Joint Steering Committee agreed on recommended terms for amending the Murray-Darling Basin Agreement?
2. Have the Commonwealth and New South Wales Governments sought or secured agreement with the Basin States for amendment to the Murray-Darling Basin Agreement?
3. Have the Commonwealth and New South Wales Governments agreed on the volume and character of the water entitlement to be transferred to the Commonwealth?

Answer:

1. No.
2. No.
3. No.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 51

Broad Topic: Private Irrigation
Infrastructure Operators
Program (NSW)

**Proof Hansard Page and Date
or Written Question:** Written

Senator Birmingham asked:

1. What amount of funding is available under round two of this program? If fully subscribed, how much funding will remain to be allocated in future rounds of this program?
2. What level of water saving were secured by Round One of this program? What was the value of grants given?

Answer:

1. On 18 February 2011, the Australian Government announced Round Two funding of up to \$373 million.

If fully subscribed, there would be no further funding rounds for this program.

2. The five approved projects will result in the Commonwealth receiving water entitlements totalling 65,816 megalitres.

The total funding allocated under Round One was \$255,647,057.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 52

Broad Topic: Private Irrigation
Infrastructure Program (SA)

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

1. What amount of funding is available under round two of this program?
 - a. If fully subscribed, how much funding will remain to be allocated in future rounds of this program?
 - b. How many applications for funding were received? What was the value of applications received? What was the total water saving associated with these applications?
 - c. How many applications were approved? What is the total value of applications approved? What is the total water savings associated with these approved applications?
2. What is the total entitlement to be transferred to the Commonwealth?
3. What level of water savings were secured by Round One of this program? What was the value of grants given?

Answer:

1. Up to \$106.6 million.
 - a. Funding limits have not been prescribed for individual rounds under this program.
 - b. Seven applications (one of which includes 17 sub-projects), were received under Round Two. These applications are seeking Commonwealth funding totalling close to \$12 million, and are proposing water savings totalling around 3200 megalitres (to be shared between irrigators and the Commonwealth). The applications are currently under assessment.
 - c. As at 28 February 2011, no applications have been approved under Round Two.
2. As at 28 February 2011, no applications have been approved under Round Two.
3. As at 28 February 2011, grants under the Private Irrigation Infrastructure Program for South Australia have been approved to the value of \$3.4 million for projects that will save a total of 875 megalitres in water shared between irrigators and the Commonwealth.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 53

Broad Topic: On-farm irrigation efficiency
program

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

1. How much of the promised \$300 million for on-farm infrastructure upgrades has been spent? What level of water savings has been secured from this funding?
2. What level of water savings does the Government expect to achieve via round two of this program?

Answer:

1. Projects under Round One of the On-Farm Irrigation Efficiency Program (the program) have spent \$39.6 million as of 28 February 2011.

Water savings secured for the Commonwealth Environment Water Holder (CEWH) under Round One of the program are 16.8 gigalitres of water entitlement as at 28 February 2011.
2. Based on Round One and that \$150 million of projects are under funding agreements, in Round Two it is estimated that water savings of around 45 gigalitres of water entitlement will be secured for the CEWH.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 54

Broad Topic: Restoring the Balance program

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

1. Has the Department noticed any trend or movement in the number of offer and value of offers to sell water through the Restoring the Balance program since allocations in most parts of the basin were returned to 100% ?
2. How does the average price and number of offers received to sell water this year compare with previous years of the Restoring the Balance Program?
3. Does the department expect the price of water to rise and number of offers to sell fall as irrigators take advantage of full allocations and plant crops? What affect will this have on the average price paid for water and volume purchased under the Restoring the Balance Program?
4. Please detail all changes to the budgeted expenditure for the Restoring the Balance Program since 2007.

Answer:

- 1 and 2. Water availability in the Murray-Darling Basin (MDB) improved considerably in late 2010. The Department conducted two tenders which opened in November 2010, one in the southern connected Murray River System and the other Lower Balonne in Queensland. These tenders were followed by a second water purchase tender in the southern connected Murray River System which opened in February 2011. The number of offers received and the average prices paid in those tenders compared with previous rounds conducted under the Restoring the Balance (RtB) in the Murray-Darling Basin program are provided below.

RtB sell offers by tender round	
Period and Tender	Offers
2007-08 MDB tender	1017
2008-09 Southern MDB	3712
2008-09 Northern MDB	447
2009-10 Southern connected Murray River system Round 1	1227
2009-10 Southern connected Murray River system Round 2	1203
2009-10 Southern connected Murray River system Round 3	780
2009-10 Lower Balonne Round 1	37
2010-11 Southern connected Murray River system Round 1	783
2010-11 Lower Balonne Round 1	17
2010-11 Southern connected Murray River system Round 2	774

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Catchment/Type	Entitlement type	2007/08	2008/09	2009/10	2009/10	2009/10	2009/10	2010/11	2010/11	2010/11
		MDB	MDB	SC 1	SC2	SC3	LB 1	SC 1	LB1	SC 2
		Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML
Barwon-Darling	B Class		\$872							
Barwon-Darling	C Class		\$763							
Barwon-Darling	Colymongle Refill		\$872							
Gwydir	General Security	\$2,212	\$2,242							
Gwydir	General Security		\$1,045							
Lachlan	General Security	\$660	\$692							
Lachlan	High Security	\$2,200	\$2,250							
Lower Darling	General Security				\$949					
Macquarie	General Security	\$1,283	\$1,267							
Macquarie	Supplementary		\$161							
Murray Valley - Above the Barmah Choke	General Security	\$1,145	\$1,322	\$870	\$796			\$831		\$790
Murray Valley - Below the Barmah Choke	General Security	\$1,099	\$1,276	\$967	\$926			\$914		\$897
Murray Valley - Below the Barmah Choke	High Security		\$2,292		\$2,050			\$2,072		
Murrumbidgee	General Security		\$1,118	\$930	\$861			\$927		\$888
Murrumbidgee	High Security		\$2,400							
Murrumbidgee	Supplementary		\$218							
Namoi	General Security		\$2,050							
Murray	High Security (3A)	\$2,370	\$2,392	\$2,047	\$1,930	\$1,841		\$1,814		\$1,825

Senate Standing Committee on Environment and Communications
Legislation Committee
 Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Catchment/Type	Entitlement type	2007/08	2008/09	2009/10	2009/10	2009/10	2009/10	2010/11	2010/11	2010/11
		MDB	MDB	SC 1	SC2	SC3	LB 1	SC 1	LB1	SC 2
		Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML	Avg. Price/ML
Campaspe	High Reliability Water Share	\$2,350	\$2,376			\$1,740				
Campaspe	Low Reliability Water Share		\$173							
Coliban River System			\$1,000							
Goulburn	High Reliability Water Share	\$2,363	\$2,390	\$2,054	\$1,953	\$1,862		\$1,860		\$1,782
Goulburn	Low Reliability Water Share	\$192	\$196							
Loddon	High Reliability Water Share		\$2,388			\$1,636		\$1,500		\$1,500
Loddon	Low Reliability Water Share		\$200							
Murray Valley - Above the Barmah Choke	High Reliability Water Share	\$2,119	\$2,176	\$1,795	\$1,700	\$1,613		\$1,643		\$1,613
Murray Valley - Above the Barmah Choke	Low Reliability Water Share	\$175	\$194							
Murray Valley - Below the Barmah Choke	High Reliability Water Share	\$2,349	\$2,378	\$2,072	\$1,957	\$1,824		\$1,833		\$1,821
Murray Valley - Below the Barmah Choke	Low Reliability Water Share	\$175	\$201							
Border Rivers	Medium Priority		\$2,276							
Lower Balonne	Unsupplemented						\$1,433		\$1,433	

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

3. The Department is not in a position to offer comment on future seller behaviour.
4. The effect of all budget changes on the administered funding budget for the Restoring the Balance in the Murray-Darling Basin program are shown in the following table.

	Original Administered Budget (\$m)	Current Administered Budget (\$m)
2007/08	15.7	33.1
2008/09	72.6	371.7
2009/10	407.0	780.2
2010/11	474.5	961.9

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED **Question No:** 55

Broad Topic: Restoring the Balance Program
– end date

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

Is the Restoring the Balance program set to finish in 2016-17?

Answer:

The Restoring the Balance program is currently scheduled to finish in 2016-17. However, the Australian Government has committed to bridge any remaining gap, between the level of water returned to the Basin under existing Water for the Future initiatives and the level required to be returned under the Final Basin Plan, by continuing to buy back water entitlements each year beyond 2014. As announced in the 201-11 Mid Term Economic and Fiscal Outlook, the Government has provided additional funding of \$310 million per annum from 2014-15 for water entitlement purchases to fulfil this commitment.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 56

Broad Topic: Sustainable Rural Water Use
and Infrastructure program

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

1. Can the department please provide an itemised list of what has the \$437 million spent to the 31 October 2010 under the Sustainable Rural Water Use and Infrastructure program has been spent on? If more funds have been expended since this date please provide details for this spending?
2. Which projects have delivered the 2.7 GL of water under this program?
3. How much water under the Sustainable Rural Water Use and Infrastructure program has been delivered to the Commonwealth Environmental Water Holder under this program?

Answer:

1. Between 31 October 2010 and 31 January 2011, a further \$81 million was spent under the Sustainable Rural Water Use and Infrastructure Program (SRWUIP), bringing the total expenditure of administered funding to \$518 million at 28 February 2011. Details of expenditure to 31 October 2010 and 28 February 2011 are at Attachment A.
2. Attachment B outlines SRWUIP projects which had secured water savings for the Commonwealth Environmental Water Holder (CEWH), as at 31 October 2010 and as at 28 February 2011.
3. As at 28 February 2011, entitlements with a long term average annual yield of 21 gegalitres (GL), from projects under SRWUIP, had been secured by water transfer contracts for the Commonwealth's environmental water holdings.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Attachment A

SUSTAINABLE RURAL WATER USE AND INFRASTRUCTURE PROGRAM		
PROGRAM/PROJECT	PROGRAM SPEND to 31 Oct 2010 (\$m) *	PROGRAM SPEND to 28 Feb 2011 (\$m) *
SA Integrated Pipelines project	116.9	116.9
SA Riverine Recovery project	2.1	2.2
SA Lower Lakes and Coorong Recovery project	17.6	17.7
SA Private Irrigation Infrastructure Program	0.2	0.2
Vic NVIRP Stage 2	2.8	2.8
Vic Sunraysia Modernisation project	0.1	0.2
Qld On-Farm Healthy Headwaters Water Use Efficiency project	0.7	2.4
Qld Sunwater Modernisation project	0.1	0.1
Qld Coal Seam Gas Water Feasibility Study	0.8	0.8
NSW Irrigated Farm Modernisation project	5.6	7.6
NSW Basin Pipe - Stock and Domestic project	0.9	0.9
NSW Metering Scheme project	7.0	7.1
NSW Healthy Floodplains project	1.0	1.0
NSW Private Irrigation Infrastructure Operators Program	3.2	15.9
ACT Salt Reduction Strategy	0.3	0.3
Menindee Lakes Project	15.5	21.1
Lithgow-Clarence Colliery Water Transfer Project	0.4	0.4
Wimmera-Mallee Pipeline Project	98.0	98.0
Water For Rivers	6.3	6.3
Irrigation Hotspots Assessment	2.1	2.0
On-Farm Irrigation Efficiency Program including pilot projects	14.7	44.7
Strengthening Basin Communities Program	2.5	5.7
Snowy River Repayment of Mowamba Borrow	0.0	13.7
Small Block Irrigator Exit Grants	48.4	48.9
Great Artesian Basin Shared Water Resource Assessment	0.0	2.3
Irrigation Modernisation Planning Assistance Program	4.8	5.0
Metering Test Facilities	3.2	3.2
Compliance and Enforcement	0.0	2.4
National Water Market Systems	4.3	7.4
Supporting More Efficient Irrigation in Tasmania	22.5	23.4
Harvey Water Pipeline Project	35.0	35.0
Gascoyne Pipeline Project	1.7	1.7
Sustainable Yields Study of South West WA	5.2	5.2
Enabling Activities	12.0	15.2
Totals	437	518
* Figures have been rounded to nearest million.		

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Attachment B

SUSTAINABLE RURAL WATER USE AND INFRASTRUCTURE PROGRAM		
	Water for the Commonwealth to 31 Oct 2010 (Long Term Average Yield in GL)	Water for the Commonwealth to 28 Feb 2011 (Long Term Average Yield in GL)
NSW Irrigated Farm Modernisation - Border Rivers-Gwydir pilot project	0.3	0.4
SA Private Irrigation Infrastructure Program	0.1	0.1
NSW Private Irrigation Infrastructure Operators Program	0.0	5.7
On-Farm Irrigation Efficiency Program including pilot projects	2.3	14.8
Total	2.7	21.0

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 57

Broad Topic: Menindee Lakes project

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

1. What is the status of the agreement for the NSW Government on Menindee Lakes?
2. The Government has announced further funding for Chaffey Dam from the \$400 million allocated to this project. Will the other projects that are waiting on this money have to wait until the agreement with the NSW Government is finalised?
3. What's the estimate for when the Menindee Lakes Project will be finished?

Answer:

1. The Memorandum of Understanding (MoU) signed in July 2010 with the New South Wales Government remains in place. The Joint Steering Committee established under the MoU has not finalised a recommendation to the Australian and New South Wales governments about the Project. Further action under the MoU is dependent on the outcome of discussions with the New South Wales Government.
2. The funding source for the Australian Government's contribution to the Chaffey Dam project is in fact the National Water Security Plan for Cities and Towns Program. The funding amount potentially available for water security projects under the Menindee MoU has been adjusted to account for the funding being provided to the Chaffey Dam project.
3. Agreement has yet to be reached on the scope or timing for implementation of a Menindee Lakes Project.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WED

Question No: 58

Broad Topic: Water purchase plan

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

In the advice the Department gave to the Minister after the election it proposed to announce a refined “purchase plan” as soon as the Guide is released. Was that purchase plan released?

Answer:

A revised purchase plan has not yet been released.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD

Question No: 59

Broad Topic: Mowamba Borrow

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

1. Can you confirm the funds to repay the Mowamba Borrow will come from the Sustainable Rural Water Use and Infrastructure program?
2. Have these funds been paid?
3. What was, or is expected to be, the total amount required to repay the Borrow?

Answer:

1. Yes.
2. Yes.
3. \$13.68 million.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WGD **Question No:** 60

Broad Topic: Commonwealth
Environmental Water Holder

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

1. What is the Commonwealth Environmental Water Holder doing with its environmental water holding this year?
2. How much do you expect to allocate this year?
3. Have you been unable to allocate water in any or all instances?

Answer:

1. The Commonwealth Environmental Water Holder has published a 2009-10 Outcomes report detailing the use of environmental water in 2009-10. In 2010-11 Commonwealth environmental water is being made available at a number of sites including to the Lower and Mid-Murrumbidgee floodplains; Gwydir Wetlands; Macquarie Marshes; Hattah Lakes; Booligal Wetlands; Riverland Chowilla floodplain and to the Lower Lakes and Coorong. In addition, river reach flows have been provided to the Edward-Wakool, Darling, Warrego, Lachlan and Murrumbidgee rivers.
2. The total volume used will likely be in excess of 260 ggalitres.
3. A number of proposed uses of water have not proceeded because of increased inflows during 2010-11. Other options have become possible due to the changed conditions.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WGD **Question No:** 61

Broad Topic: Election commitments – water projects

**Proof Hansard Page and Date
or Written Question:** Written

Senator Birmingham asked:

In its agreement with cross bench members to form Government, the Government made the following commitment:

A minority Labor Government will continue its current commitments (funding and/or planning, where relevant) to the following projects:

- a. Chaffey Dam near Tamworth upgrade.
- b. Appropriate water supply for Barraba
- c. Namoi Valley Water Study

Please detail the current status of each project and what action has been taken since the election to progress these commitments.

Answer:

- a. On 9 February 2011 the Australian Government announced that \$17 million would be available to fast track construction on the augmentation of Chaffey Dam. This funding, together with state government and local contributions, will increase its capacity from 62 GL to 100 GL.
- b. A study into the feasibility of a water supply pipeline from Split Rock Dam to Barraba commenced in October 2010 and is progressing.
- c. Phase One of the Namoi Valley Water Study was completed and approved by the Ministerial Oversight Committee and presented to the community in November 2010. Phase Two has commenced.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WGD

Question No: 62

Broad Topic: National Urban Water and
Desalination Plan

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

1. Has final agreement with and final payment to the South Australian Government been made for the Adelaide Desalination plant project? What was the total amount Federal funding provided for this project? What was the timing of payment and conditions for payment to be met?
2. Has agreement been reached between the Commonwealth and SA Government on requirements regarding reducing Adelaide's draw on the Murray in return for Federal funding for this project? If so, please detail. If not, why not?

Answer:

1. (a) No.
(b) \$328 million.
(c) Funds for the initial \$100 million are provided on achievement of milestones and are set out in the Implementation Plan (refer http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/environment/water_for_the_future/Adelaide_Desalination_Project_IP.pdf). The \$228 million for expansion of the plant to 100 gegalitres per annum remains available and will be paid once an Implementation Plan is finalised and milestones achieved.
2. Discussions between the Australian and South Australian governments on the funding condition to improve Adelaide's water security and reduce its reliance on the River Murray, along with environmental benefits, continue in good faith.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WGD **Question No:** 63

Broad Topic: Eastern Adelaide Stormwater
project

Proof Hansard Page and Date Written
or Written Question:

Senator Birmingham asked:

What conversations has the Government had with the South Australian Government in regards to the Eastern Adelaide Stormwater project promised during the 2010 election campaign? What timelines have been set for negotiation, planning and construction of this project?

Answer:

There have been several telephone conversations and one face-to-face meeting with representatives of the Eastern Regional Alliance.

The feasibility study will be undertaken throughout 2011. After completion of the feasibility report and consideration of its findings, decisions will be made on further investment in the project. The timeline for construction of the project will be determined after consideration of the feasibility report.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WGD

Question No: 64

Broad Topic: Expenditure on water programs

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

Can the Department please provide a list of expenditure under each of the following programs for all financial years beginning 2007-08, and include the most up to date spending for the current financial year. Can the Department also provide forecast or projected for these programs over the forward estimates?

- a. Restoring the Balance
- b. Sustainable Rural Water Use and Infrastructure
- c. National Water Security Plan for Cities and Towns
- d. National Rainwater and Greywater Initiative
- e. Green Precincts Fund

Answer:

The table below lists the annual administered expenditure for the identified programs, starting from the financial year 2007-08 to the end of February in the current financial year. It also provides the total administered forward estimates as at Portfolio Additional Estimates 2010-11.

EXPENDITURE				
Program	2007-08 \$m	2008-09 \$m	2009-10 \$m	2010-11 (up to 28/02/2011) \$m
a. Restoring the Balance in the Murray-Darling Basin	33.1	371.7	780.2	283.0
b. Sustainable Rural Water Use and Infrastructure Program	122.0	63.5	213.7	118.9
c. National Water Security Plan for Cities and Towns	10.0	13.0	13.7	3.4
d. National Rainwater and Greywater Initiative	-	0.6	4.7	1.6
e. Green Precincts Fund	-	0.5	5.1	3.4

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

FORWARD ESTIMATES				
Program	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m
a. Restoring the Balance in the Murray-Darling Basin	961.9	321.8	389.7	13.0
b. Sustainable Rural Water Use and Infrastructure Program	739.0	856.0	754.3	559.7
c. National Water Security Plan for Cities and Towns	108.2	106.9	0.0	0.0
d. National Rainwater and Greywater Initiative	5.0	5.0	5.0	5.0
e. Green Precincts Fund	6.1	0.8	0.0	0.0

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD **Question No:** 65

Broad Topic: Legal advice on the Water Act
2007 – summary and AGS
advice

Proof Hansard Page and Date 25, 26 and 27 (22/2/11)
or Written Question:

Senator Joyce asked:

[EC25]

Mr Freeman—As I have said, the authority has requested a lot of legal advice. On receipt of the minister's advice, the authority then requested legal advice to ascertain whether that advice that the minister had received was consistent with all previous advice to the authority. That legal advice confirmed that the minister's legal advice was entirely consistent with all previous advice provided to the authority.

Senator JOYCE—Do we expect a further statement? Are we going to get any clarification statement from Mr Knowles, the minister or you about what is in that further legal advice that none of us have seen?

...

[EC26]

Senator JOYCE—Minister, are you prepared to table the rest of the legal advice?

Senator CONROY—We tabled a summary of the legal advice, I understand, in October last year.

Senator JOYCE—Then you have nothing to be concerned about. You are prepared to table the rest of it, are you?

Senator CONROY—We have tabled all the information that we believe is necessary.

Senator JOYCE—All the information that you believe is necessary. How did you come to that decision of what you believe is necessary and what you believe is not?

Senator CONROY—I will take that on notice.

Senator JOYCE—You will get back to me after determining what you believe is necessary and what you believe is not.

Senator CONROY—As you would know, I am not the minister who made the decision, but I will seek some further information from Minister Burke

...

[EC27]

Senator JOYCE—Did the minister request that the Murray-Darling Basin Authority not release the advice that it sought from the Australian Government Solicitor after 25 October?

Senator CONROY—We have released it in the Senate. I am happy to read from the statement in the Senate: 'The release of advice that explores legal matters in detail would go against long-established convention and practice. There are important public interest grounds long recognised by successive governments for having such material remain confidential.' That was on the public record. As to whether the minister made a request, I am happy to take that on notice and ask Minister Burke.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Answer:

“Do we expect a further statement?”

The Authority does not expect to make a further statement.

“All the information that you believe is necessary. How did you come to that decision of what you believe is necessary and what you believe is not?”

The Australian Government Solicitor has advised the Department of Sustainability, Environment, Water, Population and Communities that recent advice provided is consistent with the earlier summary advice which the Minister for Sustainability, Environment, Water, Population and Communities has made public.

“Did the minister request that the Murray-Darling Basin Authority not release the advice that it sought from the Australian Government Solicitor after 25 October?”

No.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD **Question No:** 66

Broad Topic: Legal advice on the Water Act
2007 – public interest and
legal professional privilege

Proof Hansard Page and Date 29 (22/2/11)
or Written Question:

Senator Birmingham asked:

Senator BIRMINGHAM—I have a list of the legal advice that apparently exists. It is a list of documents that you have told me that you will not give me. Will the authority table those documents? They include the legal advice: the advice from the AGS of 26 November 2010; the summary advice of 30 November 2010; the advice of 15 June 2010 et cetera. Will you table those for this committee?

Mr Freeman—I am sorry; will—

Senator BIRMINGHAM—Will you table those documents for this committee?

Mr Freeman—The authority will not be tabling that information. As we understand it, the legal advice is subject to legal professional privilege and disclosure may prejudice the Commonwealth's legal position. As a result, any discussion on the content of the legal advice or its production here might be the subject of a public interest immunity claim by the minister and needs to be referred to the minister.

Senator BIRMINGHAM—The Clerk of the Senate has made it clear that legal professional privilege is not being accepted as a public interest reason not to disclose advice or documentation. So on what grounds of public interest are the MDBA and the government refusing to provide this advice?

Dr Grimes—I think that this is a question that we will take on notice and have it referred to the minister.

Senator BIRMINGHAM—I ask that you to refer to the advice of the Clerk of the Senate in this regard as you take it on notice and ensure that a proper argument for what the public interest ground for not releasing this advice actually is so that it can be properly considered. In relation to the advice that Minister Burke tabled, is it the case that, by publishing that advice, the legal professional privilege on that has been waived?

Mr Freeman—The authority has not sought any comment in that regard about the minister's advice. I guess we are concerned about our legal advice. I cannot comment on the status of the minister's legal advice.

Senator BIRMINGHAM—Has the minister's legal advice been provided to the authority as well? I see that in the least the authority received advice dated 26 October, which is the day after Minister Burke released his advice.

Mr Freeman—We have received the legal advice as tabled by the minister.

Senator BIRMINGHAM—You have received it, but you do not have an opinion as to whether the legal professional privilege on that advice has been waived by its publication?

Mr Freeman—No. That is an issue for the minister.

Senator BIRMINGHAM—And the department?

Dr Grimes—It is not a matter that I have a view on, Senator.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Senator Conroy—We are happy to take it on notice and get back to you.

Senator BIRMINGHAM—Thank you. ...

Answer:

“So on what grounds of public interest are the MDBA and the government refusing to provide this advice?”

There is a long established convention and practice that the Government does not release such advice. The reason for this convention is that disclosure of the advice may harm the Commonwealth’s legal position on the particular matter covered by the advice or on other matters where the same constitutional issues were in contention.

“You have received it, but you do not have an opinion as to whether the legal professional privilege on that advice has been waived by its publication?”

This question asks for a legal opinion about the effect on legal professional privilege on the tabling and publishing of an advice. It would not be appropriate for the department to express an opinion on this matter.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD **Question No:** 67

Broad Topic: Legal advice received on the
Water Act 2007

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

1. How many pages of legal advice has the department received from the Australian Government Solicitor?
2. How many pages of legal advice from the Australian Government Solicitor did Minister Burke receive on 25 October in total?

Answer:

1. 407 pages of formal legal advice on the *Water Act 2007* have been received by the Department from the Australian Government Solicitor since the Act came into force on 3 March 2008.
2. 10 pages, but has had access to all legal advice received by DSEWPaC and the MDBA.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD **Question No:** 68

Broad Topic: Directory of Wetlands of
National Importance

Proof Hansard Page and Date Written Question
or Written Question:

Senator Siewert asked:

1. Are printed copies of the directory available, or can it only be accessed online?
2. If only online, why?

Answer:

1. The Directory of Important Wetlands in Australia is no longer available in hard copy except through libraries.
2. Online publication reduces the resources required for publishing the information. It also allows for information to be updated at much lower cost and to be searched more easily. For example, the interactive map allows users to quickly search a point, line or area for nationally important wetlands.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD **Question No:** 69

Broad Topic: Review of Water for the
Future programs

Proof Hansard Page and Date Written
or Written Question:

Senator Joyce asked:

In the advice the Department gave to the Minister after the election the Department mentioned that a high-level review of Water for the Future programs is occurring. Has this review completed? What were its findings? Have any changes occurred as the result of this review?

Answer:

No. The Review has not been completed.

**Senate Standing Committee on Environment and Communications
Legislation Committee**

Answers to questions on notice

Sustainability, Environment, Water, Population and Communities portfolio

Additional Estimates, February 2011

Program: Division or Agency: 4.1: WRD

Question No: 70

Topic: Water for the Future campaign

Proof Hansard Page and Date Written Question
or Written Question:

Senator Joyce asked:

1. How much money has the Government spent on its Water for the Future advertising campaign?
2. What is the total budget for this campaign?

Answer:

- 1 and 2. Details including costs of the Water for the Future campaign were provided in the response to Question on Notice 90 from Supplementary Budget Estimates, October 2010, tabled on 14 February 2011. That response indicated final costs might vary slightly as all invoices for the campaign had not been presented.

Final costs for the media buy are \$2,202,595 GST exclusive. Other costs outlined in QON 90 remain accurate as at 8 March 2011.