

# COMMUNIQUÉ

## MURRAY-DARLING BASIN MINISTERIAL COUNCIL

Meeting 45  
23 May 2008, Adelaide

The Murray-Darling Basin Ministerial Council meeting in Adelaide today expressed deep concern that record drought conditions have not eased for many Basin communities, enterprises, families and individuals.

They expressed strong disappointment that good rainfall in the northern part of the Basin earlier in the year had now stopped and that Autumn inflows in the southern Basin are heading back towards last year's record lows.

In the central and southern parts of the Basin headwater storage levels are well below long term averages.

Yesterday Ministers flew over the lower Murray River to view the impact of the continuing drought (photographs and television footage are available from the Murray-Darling Basin Commission\*).

Ministers flew over Lake Victoria, Chowilla and Lindsay River icon sites, Lock 1, the Adelaide water supply offtake, Wellington, the Lower Lakes (Lake Albert and Lake Alexandrina via Narrung Narrows), the Barrages, the Coorong and the Murray Mouth.

Council observed that the ecological condition of the Coorong and the Lower Lakes in South Australia continues to decline without freshwater flows from the Murray River and the upper South East region of South Australia.

As part of the \$6 million of works approved at the last Council meeting in March this year, a temporary structure has been built to separate the Lakes and pumping water from Lake Alexandrina to Lake Albert began in early May.

About 45 GL of water will be pumped into Lake Albert to prevent further sulfidic sediments being exposed and to mitigate further risk to Lake Albert until the end of September 2008. Council noted the interim report on the assessment of acid sulfate soil risks at key wetlands in the Basin. A fact sheet on acid sulfate soils is available at [http://www.mdbc.gov.au/news/MC\\_communique](http://www.mdbc.gov.au/news/MC_communique)

Ministers noted that if dry conditions continued it might be necessary, before October, to consider implementing other interim options.

Advice on these measures will be developed as part of the project looking at longer term management options and will be presented to Ministers at their next meeting.

### **Cap Audit Report 2006-07**

Ministers released the *Independent Audit Group Report on the Cap 2006-07*. They noted that at 5303 GL, diversions from rivers in the Murray-Darling Basin were the lowest since 1983-84, reflecting drought conditions throughout most of the Basin.

The previous five years were five of the lowest seven years of diversion in the same period.

The 2006-07 audit identifies progress in each of the states and the ACT in establishing and/or operating the Cap.

The Council agreed a Cap for the ACT, the first for the Territory, at 40 GL (42 GL minus 2 GL allocated to The Living Murray) with a provision for population growth.

Conditions of the ACT Cap include:

- no urban water to be traded out unless previously purchased from interstate;
- any growth in demand for water for industry and future Commonwealth use will be provided by trade; and
- existing Cap credits (based on the assumption that 40 GL Cap applied since 1 July 1997) are recognised.

Other key issues of the audit report were:

- progress made on a Cap for the Border Rivers and Condamine-Balonne to the stage where it is felt Caps can be finalised for these systems within the next 12 months;
- the first audit of the Moonie River and Warrego, Paroo and Nebine catchments under agreed Cap for those systems; and
- the cumulative debits for the Barwon/Upper Darling and Lower Darling designated river valley dropping below the trigger value for a special audit.

Ministers noted that because of the continuing severe drought, it had been necessary to review and recalibrate some of the models that were used to administer the Cap. If the drought continues they might need further recalibration.

A copy of the report is available at [http://www.mdbc.gov.au/news/MC\\_communique](http://www.mdbc.gov.au/news/MC_communique)

### **Independent audit of The Living Murray Implementation 2006/07**

Ministers today released the Independent Audit Group's report - *Audit of The Living Murray Implementation 2006-07*.

This is the third audit of The Living Murray program and the report shows that at 30 June 2007, water recovery measures totalling 273.85 GL were listed on the Eligible Measures Register.

Since then the total has grown to more than 500 GL on the Eligible Measures Register.

The register has measures that are either 'implementation ready' or being implemented.

The IAG also recommended that the original timeframe for realising water recovery be adhered to wherever possible.

They recognised that 'the timeframe for startup in planning large scale projects can be significant but it is a necessary part of responding to recent substantial increases in available funds.'

Auditors noted that as at 30 June 2007, no completed measures had been listed on the Environmental Water Register of The Living Murray. The Council noted the ongoing work since 30 June 2007 which has continued to progress recovery measures substantially. 133 GL of recovered water was listed on the Environmental Water Register at the March 2008 Council meeting.

The report noted that progress had been made against all 15 recommendations from previous audits and actions completed for five of them.

#### *New water recovery projects approved*

The Council approved the listing of four additional projects on the Eligible Measures Register to take the total of listed projects to more than 530 GL.

Three are new and the fourth (the Lake Mokoan Water Recovery Package) has been significantly modified from the previous listing. The projects would be implemented largely in 2008/09 in accordance with the Living Murray Business Plan.

Three involve investment in infrastructure (of which two are on-farm). One application was the second submitted by an industry association (the Ricegrowers' Association).

The projects are:

- Pipe-it, NSW (1 GL) – project involving recovery of NSW stock access licences by replacing open delivery channels with pipelines;
- Purchase from willing sellers – stage 1, South Australia (5 GL);
- On Farm Water Efficiency Project: Round 2, Ricegrowers Association, (up to 10 GL) - industry initiative to recover water savings from farm scale water use efficiencies; and,
- Lake Mokoan Water Recovery Package, Victoria (at least 35 GL) – package including infrastructure works to decommission Lake Mokoan and rehabilitate the site.

The MDBC has budgeted \$60m for water recovery projects in 2007-08 with agreements signed for investment in six projects. \$140m is targeted for 2008-09.

Ministers noted that while good progress is being made (more than 530GL on the Eligible Measures Register and 133GL on the Environmental Water Register) there are several risks to recovering 500 GL (listed on the Environmental Water Register) by June 2009. These include:

- delays in completing negotiations with stakeholders, in constructing infrastructure, in completing hydrological modelling, and in administrative processes; and,
- regulatory constraints such as the 4% limit to the annual volume of water traded out of an area.

The Council affirmed that all efforts would be made to complete projects by June 2009.

A copy of the TLM Audit Report is available at [http://www.mdbc.gov.au/news/MC\\_communique](http://www.mdbc.gov.au/news/MC_communique)

**BSMS Annual Implementation Report 2006-07**

Ministers endorsed and released the *Basin Salinity Management Strategy Annual Implementation Report 2006-07* and the *Report of the Independent Audit Group on Salinity 2006-07*.

The BSMS Annual Report found that daily recorded river salinity at Morgan remained low, averaging 377 EC with a peak salinity of 534 EC in June 2007. The target is 800EC for more than 95 percent of the time.

The decline in salinity in recent years reflects the combined effects of low in-river salt loads due to the substantial decrease in salt mobilisation as a consequence of drought and the cumulative benefits of salt interception works. Both of these prevented highly saline groundwater from entering the Murray River.

Although salinity remained relatively low at Morgan for much of 2006-07, the peak salinity late in June 2007 was the start of a rising trend. This occurred because there has not been enough water for normal dilution flows.

Ministers noted that higher river salinity was a continuing risk for the lower Murray River and priorities for the BSMS included the need to develop more in-river salinity targets and to communicate the important interdependency between in-river salinity and water movement within the landscape.

The *Report of the Independent Audit Group on Salinity*, an annual assessment of the progress of BSMS implementation, noted substantial progress over all elements and across jurisdictions, particularly:

- the likelihood that the salt interception works will achieve the agreed 61EC offset at Morgan by 2010-11;
- progress in improving on-farm water use efficiency; and,
- reporting by all jurisdictions was timely and of a high standard.

The report also identified four broad areas needing further development:

1. assessing salinity risk from activities near rivers and their floodplains;
2. assessing dryland salinity risks;
3. knowledge on salt movement from floodplains following floods; and,
4. capacity to assess risks to resources from industrial projects such as coal seam gas extraction and intensive livestock production.

As this is the final year for the current Independent Audit Group, their Report contains an additional chapter reflecting lessons from the five audits undertaken to date.

Copies of both reports are available at [http://www.mdbc.gov.au/news/MC\\_communique](http://www.mdbc.gov.au/news/MC_communique)

### **Risks strategy released**

Ministers noted that the Murray-Darling Basin Risks Strategy has been released in line with the decision made at the last Council meeting in March.

In 2004 the Council identified the following six factors which pose a risk to the shared water resources of the Murray-Darling Basin:

- climate change;
- farm dams;
- increased groundwater use;

- afforestation;
- bushfires; and
- decreasing irrigation flows.

The Strategy provides an operating framework and a broad process to ensure a consistent and flexible approach to managing these risk factors now and into the future.

A copy of the Strategy and a fact sheet is available at [www.mdbc.gov.au/news/MC\\_communique](http://www.mdbc.gov.au/news/MC_communique)

### **Proposed Improvement works for Hume and Dartmouth dams and Lake Victoria**

Council noted progress on the design and planning stages of a proposed program of long term maintenance and improvement works for Hume and Dartmouth dams and Lake Victoria to begin in 2009.

The works were identified through an assessment of all five major storages (Dartmouth, Hume, Yarrawonga, Torrumbarry and Lake Victoria) which reported in December 2007.

Proposed Lake Victoria improvement works include repair or replacement of the outlet regulator and additional stabilisation on two banks where they cross major creeks.

Proposed work on Hume and Dartmouth dams include spillway capacity upgrades, strengthening a retaining wall and works on filters and drainage.

Council noted that plans for individual large projects would be submitted for consideration progressively as the designs are completed and that funding proposals will be brought to the next Council meeting.

### **Unregulated flows**

The Council noted the progress on unregulated flows. As a trial, priorities for the use of unregulated flows that become available for key environmental sites will be agreed for 2008/09. Ministers directed that MDBC provide a paper by 31 July 2008 summarising the approach for 08/09.

### **2008-09 MDBC budget approved**

The Council approved the MDBC Business Plan and Budget for 2008-09 and noted budgets for the following two years. MDBC programs operate on three year rolling plans.

The budget provides for planned expenditure of \$330m. However, a review of The Living Murray's Environmental Works and Measures Program might lead to some adjustment.

Highlights of the MDBC Budget and Business Plan are:

- managing available water resources and the water recovery program;
- construction of new salt interception schemes;

- improvements to salt interception schemes, dams and weirs;
- assessing the impact of disconnected wetlands, including soil acidification;
- the Environmental Works and Measures program;
- monitoring and delivering environmental outcomes; and,
- support for the transition to new governance arrangements.

### **Planning for transition to MDBA under way**

Ministers noted that planning for the transition to the Murray-Darling Basin Authority was well under way.

### **Next meeting**

The next Murray-Darling Ministerial Council Meeting will be held on 14 November 2008 in Canberra.

**\* Media contact: Sam Leone, phone: 0407 006 332**

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Attachments (available at [http://www.mdbc.gov.au/news/MC\\_communique](http://www.mdbc.gov.au/news/MC_communique)):

Fact sheet on acid sulfate soils.

*Independent Audit Group Report on the Cap 2006-07.*

*Audit of The Living Murray Implementation 2006-07.*

*Basin Salinity Management Strategy Annual Implementation Report 2006-07.*

*Report of the Independent Audit Group on Salinity 2006-07.*

*Murray-Darling Basin Risks Strategy and fact sheet.*