

COMMUNIQUÉ

MURRAY-DARLING BASIN MINISTERIAL COUNCIL MINISTERIAL COUNCIL MEETING 44 7 MARCH 2008, SYDNEY

The Murray-Darling Basin Ministerial Council meeting in Sydney today expressed deep concern for those Basin communities, enterprises, families and individuals still affected by the drought.

While above average summer rainfall across much of the Basin brought welcome relief for many graziers and dryland farmers and flooding in southern Queensland and the border rivers, inflows in the central and southern parts of the Basin are still low and headwater storage levels well below average.

The Council also expressed concern that the prolonged and severe drought had magnified the environmental impacts of water extraction and river regulation.

Potential acidification

Council discussed the grave potential for acidification of the water and sediments of the Murray River downstream of Blanchetown and in particular in the Lower Lakes. In principle support was given for the MDBC to provide \$6 million in emergency measures to reduce the risk of environmental damage to Lake Albert.

The MDBC will also develop a range of medium and long term risk management strategies for the Coorong and Lower Lakes that capture the best available science, hydrological modelling and climate change analysis and strike a balance between the environmental, economic and social values of the sites. The MDBC will report outcomes to Council by October 2008.

An interim report on the status of all other Ramsar and key environmental sites in the Basin, including water delivery and management options, will be provided at the next Council meeting in May 2008. The report will inform consideration of best responses should a similarly critical situation emerge in any of these sites. A progress report on the condition of the Lower Lakes will also be provided at the May meeting.

Critical urban, stock and domestic water

Council said contingency planning arrangements for the balance of this year and for next year would allow for critical urban and stock and domestic water needs to be virtually assured at the beginning of the new water year.

Under the worst case scenario used for planning there would be little or no opening allocations for irrigation throughout the Murray Valley except for carryover that can be delivered.

Council noted that total inflows to the River Murray System in 2007-08 were more than double those of 2006-07 but still only about 25% of the long term average, and that the last two years of inflow were a record low.

Recent inflows in the north of the Basin will result in Menindee Lakes storage volume increasing to more than 500 GL but still not sufficient for MDBC to resume management of water resources in the lakes system.

Because storages and allocations were so low at the beginning of 2007-08 and inflows through the year have been low, increases in allocations have been modest. In the Murray total water availability this year will be only about one third of long term average.

The Living Murray – progress welcomed

The Council welcomed the progress that has been made in The Living Murray (TLM) program with two packages of water (133 GL – 120GL from Victoria and 13 GL from South Australia) being listed on the Environmental Water Register. A further report on the status of TLM initiatives will be provided to the next council meeting.

The packages are a major milestone as they are the first access to real water under the program. The Council said it looked forward to the delivery of more water from the 500 GL of projects now approved for investment.

Despite the progress, Council were concerned that the drought had had a significant impact on the condition of the icon sites and was a threat to meeting environmental objectives at the sites.

They acknowledged the Australian Government's recent announcement to purchase \$50 million worth of water as an important step forward for the Basin.

Council also announced today a further purchase for The Living Murray of up to 125,000 megalitres of water access licences in the New South Wales Murray, Lower Darling and Murrumbidgee valleys.

The MDBC project will be implemented by the NSW Government with investment through the TLM from all partner governments (except ACT).

Council said the purchase from willing sellers would complement the purchase of 100,000 megalitres of supplementary access entitlement from Murray Irrigation Limited completed in October 2007, and an existing program of infrastructure and efficiency works in NSW that is expected to deliver water savings of about 75,000 megalitres.

For more information on today's 125,000 megalitre water purchase announcement go to www.environment.nsw.gov.au/candc/WaterForLivingMurray.htm

Improvement works for Hume, Dartmouth dams and Lake Victoria

Council were advised about a recommended program of long term maintenance and improvement works for Hume and Dartmouth dams and Lake Victoria to begin in 2009.

The works were recommended by a portfolio risk assessment of all five major storages (Dartmouth, Hume, Yarrawonga, Torrumbarry and Lake Victoria) which reported in December 2007.

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

Work on Hume and Dartmouth Dam would include spillway capacity upgrades, strengthening a retaining wall and works on filters and drainage.

Council will consider the proposals later this year.

Risks to shared water strategy flagged

Council announced that an important strategy dealing with the risks to shared water resources in the Basin would be released on the MDBC website in late April.

Council indicated they were keen to see the strategy released as it was evident that the risks were already impacting on water availability.

The MDBC Risks Program was established to develop a strategy for assessing and responding to activities, events and processes that have the potential to reduce water volume and quality in the Murray-Darling Basin.

The Program identified six priority risks: climate change, afforestation, groundwater extraction, irrigation return flows, farm dams and bushfires.

The report, *The Murray-Darling Basin Risks Strategy* along with other key MDBC activities, is part of a national approach to managing these issues, in the context of the National Water Initiative and the Commonwealth Water Act 2007. It will be a valuable input into the emerging COAG water reform agenda and its focus on addressing over allocation.

The program also draws on the results from other work such as the CSIRO Murray-Darling Basin Sustainable Yields Project.

Tackling salinity issues

To help tackle salinity issues, the Council today released the *Basin Salinity Management Strategy Mid Term Review* report that has assessed achievements in implementing the strategy to date, and challenges for the next eight years.

(The Review is available for download at www.mdbc.gov.au/news/MC_communique)

The strategy addresses one of the key water quality issues which has significant long term economic and environmental impacts across the Basin. The findings of the Mid-Term Review have been independently reviewed and endorsed.

Key achievements have been the salinity registers that ensure that each state is accountable for the salt that enters the River Murray, the annual salinity auditing process and on-ground works including salt interception schemes.

Priority challenges include the need to develop innovative management approaches to deal with periods when river salinity is most at risk - extremely long dry periods and the months immediately following large flooding events.

New salt interception scheme authorised

The Council authorised construction of a new salt interception scheme at Murtho in South Australia at a total cost of \$30.198 million.

The proposed scheme will intercept about 100 tonnes per day of salt through a series of groundwater bores along the south bank of the Murray River between Renmark and the State border.

The scheme will reduce salinity at Morgan by an estimated 20.2 EC and is expected to bring significant floodplain benefits.

Sustainable Rivers Audit - first Basin-wide river health check

Council noted progress in the MDBC's Sustainable Rivers Audit (SRA) program which provides long-term monitoring of river ecosystem health across the Murray-Darling Basin (MDB) to underpin management and planning.

The audit report will provide the first basin wide robust information on river health - a report card on the status of river health in all 23 Basin valleys.

Beginning in 2004, the MDBC has worked with state agencies to collect data including samples of 300,000 macro-invertebrates and more than 60,000 fish from hundreds of sites across the Basin

Council announced today that the first full *Sustainable Rivers Audit Report*, detailing the findings would be released in May.

Council noted that in May they will consider the annual *Independent Audit Group (IAG) Report of the Cap on Diversions for 2006-07*.

The report canvasses key issues of the diversions in all valleys for which the Cap is defined, and the ACT's proposal for its Cap.

Native Fish Strategy makes solid gains

Council welcomed reports of solid progress in the MDBC's Native Fish Strategy which aims to return native fish populations in the Basin to 60% of pre-European levels by 2050.

Milestones include 60% implementation of the Sea to Hume Fishway Program to provide uninterrupted fish passage from Lake Hume to the Murray Mouth. Testing has begun at a new fishway at Lock 1 and final design is underway for another at Lock 3.

The Council welcomed the development of a Basin Pest Fish Plan and rehabilitation of demonstration reaches in each jurisdiction.

Interstate water trade increases

The Council noted that interstate water trade increased substantially during the 2006/07 and the 2007-08 water seasons due to intense demand from horticultural and viticultural irrigators.

Preliminary estimates suggest up to 30% of available water was traded during the current water season.

The MDBC will analyse interstate and intrastate entitlement and allocation transfers at the end of the 2007/08 water season to establish a better understanding of changes in the water market.

The volume of trade this year illustrates the importance of the water market in enabling individuals to respond to changes in climatic conditions which impact on state water allocations.

Community advice welcomed

Council welcomed community input on key Basin natural resource management issues through its Community Advisory Committee (CAC) Report.

The Committee recommended that the water trading system be streamlined to reduce administrative burdens and facilitate purchases of water for the environment.

Council noted the advice that water trading was sometimes an unnecessarily onerous and lengthy process which interfered with the smooth operation of the market with financial and trading implications for buyers and sellers.

Ministers concluded that while governments could not take the same level of risk as the commercial sector, their processes did need to be as streamlined as possible.

Council was also advised by the CAC of the imperatives of managing catchments and rivers and that entitlements held for the environment should have the same status as equivalent irrigation held entitlements.

Council agreed to a six month extension in the terms of those members of the CAC whose terms were due to expire in April.

Next meeting

Council agreed that the next Council meeting would be held on 23 May 2008 in Adelaide.

Ends

Attachment:

- *Basin Salinity Management Strategy Mid Term Review*

Available for download at http://www.mdbc.gov.au/news/MC_communique