



MEDIA RELEASE

Senator the Hon Penny Wong

Minister for Climate Change and Water

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COOPERATION ON MURRAY DARLING A STEP CLOSER

A new cooperative approach to managing the Murray Darling Basin is a step closer following a meeting of Water Ministers in Sydney today.

Federal Minister for Climate Change and Water, Senator Penny Wong, and her counterparts from across the Basin agreed:

- Basin States will work with the Commonwealth on governance arrangements to bring together the new Murray Darling Basin Authority and the existing Murray Darling Basin Commission;
- The Commonwealth will proceed to consult with the States in appointing the Chair of the new Authority, with all parties to consult on the remaining four members; and
- All Basin States will work together on the management of water for the environment, to maximise environmental benefits and minimise the potential impact on the market.

This is the first time the Commonwealth and all Basin States have reached agreement on these issues.

In addition, Senator Wong demonstrated the Commonwealth's cooperative approach by making clear the Commonwealth would allow States to retain their rights to manage annual water allocations in accordance with the Basin cap.

"The Basin needs national leadership in the setting of a new cap on water extractions, but we believe the States are best placed to determine how water is allocated within that cap each year," Senator Wong said.

Senator Wong said it was important that there be an overall cap on the amount of water taken out of rivers and aquifers, and that cap should be informed by independent experts and science.

The Minister said today's meeting highlighted the willingness of the States to work together to address the long standing issues across the Basin.

"Today we have agreed on a number of real outcomes that get us working towards a more cooperative approach to managing the Basin.

"All of us need to work together if we are to keep the Basin's rivers healthy and provide water for the many Australians who rely on the rivers for their livelihood and drinking water."

Senator Wong said the agreement to work cooperatively on arrangements to bring together the Murray Darling Basin Authority and the Murray Darling Basin Commission would help deliver on an election commitment of the Rudd Government.

"We have an election commitment to bring these two bodies together to eliminate duplication and ensure the Basin functions in a coherent way.

“While it is important that the States have a seat at the table, we also need to ensure the cap is determined by expert, independent advice.”

Under the *Water Act 2007*, the Commonwealth is responsible for appointing the Chair and two members of the new Murray Darling Basin Authority, with the States to jointly appoint two further members.

Senator Wong said close consultation would now occur between the Commonwealth and the Basin States on all five appointments to the Authority.

“The previous government put conditions on being involved in this process, but we are now seeking to ensure all Basin States are involved in putting together this important new body.”

In the area of environmental water, Ministers agreed to work together on the management of water to maximise river health and minimise any potential impacts on the market.

Senator Wong said this decision was based on feedback from stakeholders concerned about the potential for environmental water purchase to impact the price of water for irrigators.

“Irrigators are telling me that they are worried about having buyers in the market with big cheque books,” Senator Wong said.

“Purchasing water for the environment is a necessary part of addressing the urgent issues in the Basin, but it’s also important that we work together to minimise the impact of our presence in the market.”

All water purchased by the Commonwealth in the Basin will be managed in a way that complements existing State environmental water programs as much as possible.

“We want to make sure we get the best value for money at the same time as we improve the health of the Murray Darling Basin,” Senator Wong said.

Senator Wong said the progress made today built on measures already announced to invest \$50 million this year in purchasing water for the environment and \$4.6 million in grants to kick-start the modernisation of infrastructure.

“We’re working with the States on a cooperative solution for the long term future of the Basin,” Senator Wong said.

“At the same time, we’re getting to work on buying water for the rivers and planning for infrastructure improvements that will help our farmers do more with less water.”

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