Murray–Darling Basin Royal Commission (South Australia)

Queensland Government Submission

May 2018

Summary

The Queensland Government welcomes the opportunity to make a submission to Mr Bret Walker SC, Commissioner for the Murray–Darling Basin Royal Commission (South Australia).

The Queensland Government:

- 1. Supports the Murray–Darling Basin Plan and is committed to working with all relevant jurisdictions to implement the plan on time and in full.
- 2. Is proud to have delivered the first water resource plan (WRP) to be accredited in the basin and is on track to deliver its remaining WRPs for accrediatation in early 2019.
- 3. Supports the recent bipartisan agreement to deliver on the Northern Basin Review and work closely with basin governments on the associated package of commitments to deliver improved environmental and social outcomes for the northern basin.
- 4. Will continue to support the Australian Government's efforts to achieve the water recovery targets in Queensland.
- 5. Treats matters of compliance seriously, and expects its approach to water measurement and compliance of non-urban water will be outlined at the next meeting of the Murray–Darling Basin Ministerial Council; considering the recommendations of the Murray–Darling Basin Authority's Water Compliance Review and Queensland's Independent Audit of Queensland Non-Urban Water Measurement and Compliance Report.

Introduction

The Queensland Government welcomes the opportunity provided by Commissioner Bret Walker SC to provide a written submission on the operations and effectiveness of the Murray–Darling Basin Plan (the Basin Plan).

The Queensland Government supports the Basin Plan and is committed to working with all relevant jurisdictions to implement the plan on time and in full. In this context, the Queensland Government would like to acknowledge the ongoing work of the Murray—Darling Basin Authority (MDBA) in overseeing the complex task of implementing the Basin Plan in conjunction with the basin states. The Queensland Government has, and continues to maintain, a collaborative partnership with the MDBA.

The Queensland Government supports the Murray—Darling Basin water reforms and the objective to optimise social, economic and environmental outcomes. However the Queensland Government remains cognisant of the negative social and economic impacts occurring in Queensland communities from water recovery and the potential to mitigate these whilst achieving environmental outcomes through non-water recovery activities.

The Queensland section of the Murray–Darling Basin (Queensland basin catchments) comprises the Border Rivers, Moonie, Condamine and Balonne, Nebine, Warrego and Paroo catchments. These catchments are shown in **Map 1**.

River flows in the Queensland basin catchments are highly variable, typically characterised by long periods of no flow and large flood events. Climatic conditions in recent times have particularly highlighted these 'boom and bust' extremes. The hydrological features and patterns experienced in the Queensland basin catchments (and other parts of the northern basin) and the low level of regulation of these flows by major storages means that water planning and management practices differ significantly from those in the southern areas of the basin.

While the Basin Plan was based on the best information available at the time, the MDBA recognised that there was room for improving the information base, particularly the scientific information about the Condamine–Balonne and Barwon–Darling systems¹. This was a key driver for the Northern Basin Review completed in November 2016. The scientific understanding of the northern basin system has improved considerably in the last few years compared to when the Basin Plan was finalised in 2012.

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¹ Murray-Darling Basin Authority (2016) The Northern Basin Review—Understanding the economic, social and environmental outcomes from water recovery in the northern Basin.

Rivers in the Queensland basin catchments flow across the state border into the Barwon–Darling River system in northern New South Wales. The geography of the south-west Queensland landscape and geomorphology of many of the northern tributaries is such that the natural processes of inundation of wetlands, breakouts to the floodplain, evaporation, and seepage consume significant volumes of water. As a result of these natural processes a considerable proportion of the flows that originate in the Queensland basin catchments do not reach the Barwon-Darling River system.

Flows originating in Queensland support important environmental sites within local catchments including the Narran Lakes wetland, the Lower Balonne floodplain, the Currawinya Lakes, and Paroo Overflow Lakes. As well as these important wetlands, flows originating in Queensland sustain key functions in riverine and floodplain ecosystems in the Barwon and Darling rivers.

Queensland basin catchments contribute very limited flows to the southern part of the basin, other than as a result of major flooding events. For example, under natural (without development) conditions in the Condamine-Balonne, less than half the flow generated naturally leaves the region and one megalitre of water at the point of maximum flow represents only 0.18 megalitres at the Murray mouth.² Environmental management in the Queensland basin catchments is therefore focussed on delivering benefits to environmental assets in the northern basin rather than inflows to the River Murray.

Queensland's location in the headwaters of the Murray–Darling Basin, with its largely unregulated river systems and associated distinctive water management framework, must be taken into account when considering approaches to recovering water that will deliver tangible environmental benefits.

Water Resource Plans

Queensland is proud to have delivered the first water resource plan (WRP) to be accredited in the basin. The Warrego-Paroo-Nebine WRP was accredited on 15 June 2017 and is so far the only accredited WRP in the basin.

Queensland has contributed to improving and streamlining the WRP assessment process, to the benefit of all the basin states. This was as a result of Queensland's review of the assessment process for the Warrego-Paroo-Nebine WRP in conjunction with the MDBA.

² Page 31. CSIRO (2008). Water availability in the Murray-Darling Basin. A report to the Australian Government from the CSIRO Murray-Darling Basin Sustainable Yields Project. CSIRO, Australia.

The remaining Queensland basin catchments WRPs for the Condamine—Balonne, Border Rivers and Moonie plan areas are on track to be completed by early 2019, in time for the Commonwealth minister's expected accreditation by the due date of 30 June 2019.

A key component of the Queensland WRPs will be the water plans that are being prepared under the *Water Act 2000 (Qld)*. They provide for the sustainable management of surface water (i.e. water in rivers and flowing over land) and groundwater resources in the Queensland basin catchments in a robust planning framework. The water plans are based on the latest science and hydrologic studies, risk assessments, extensive consultation with water users and engagement with Aboriginal peoples in the Queensland basin catchments. Additionally, a further component of the WRPs prepared under the Basin Plan in Queensland are Healthy Waters Management Plans, which are submitted to achieve the specified water quality requirements.

The Commonwealth funding under the National Partnership Agreement for Implementing Water Reform in the Murray—Darling Basin is an important contribution to completing the scientific studies and preparing the planning documents. A reduction in this funding would negatively impact on plan implementation and increase the risk to completing the WRPs on time and in full.

Queensland supports an adaptive management approach to making improvements to the WRPs over time. The *Water Act 2007 (Cwlth)* provides an opportunity for any basin state to propose a review once the Basin Plan has been fully implemented in June 2019.

Northern Basin Review Amendment to the Basin Plan

On 14 February 2018, the Australian Senate disallowed the Basin Plan Amendment which sought to deliver the Northern Basin Review recommendations.

The disallowance occurred despite support for the amendment by all members of the Murray–Darling Basin Ministerial Council, including South Australia and Victoria, at its meeting on 16 June 2017 and after clarification of limited impacts on inflows to the southern basin system.

A new Commonwealth process is necessary to amend the Basin Plan to implement the recommendations of the Northern Basin Review to rebalance the environmental and socioeconomic outcomes of the Basin Plan, as the Basin Plan (as agreed in 2012) requires such a review to occur.

Key recommendations of the Northern Basin Review include a reduction of the surface water recovery target in the northern basin from 390 gigalitres to 320 gigalitres and the implementation of 'toolkit' measures which contribute to achieving the Basin Plan's environmental, community and Aboriginal outcomes.

As a result of the disallowance of the Basin Plan amendment, the implementation of the proposed toolkit measures is in doubt. This includes, among other things, targeted water recovery, protection of environmental flows, coordinated delivery and active management of environmental water entitlements, construction of new fishways and addressing cold water pollution issues through improved dam operations.

The Northern Basin Review process was designed to bring improvements to the environmental outcomes of the Basin Plan while also reducing the social and economic impact on distressed Queensland communities, in particular the Lower Balonne communities of St George and Dirranbandi.

The Northern Basin Review was based on assessments conducted by the MDBA on science, hydrological modelling and consideration of the socioeconomic impacts on small irrigation dependent communities in the northern basin. New research included assessing the watering requirements of floodplain vegetation, breeding waterbirds, fish and waterholes, with a focus on the Culgoa floodplain and the Narran Lakes Ramsar-listed wetland in the Condamine-Balonne catchment, and the Barwon–Darling watercourse and floodplain. The independent peer review of the environmental assessments noted that they represent the best available science on which to base a decision about water recovery.

The Northern Basin Review found that targeting of the revised water recovery volumes would deliver equivalent specific flow indicators as under the current Basin Plan targets and not negatively impact on flows to the southern basin. This is achieved by considering the natural processes of inundating wetlands and breakouts to floodplains that can vary considerably across Queensland rivers.

The results of the Northern Basin Review also found that water recovery under the existing Basin Plan targets would lead to significant negative impacts on northern basin regional economies and communities. It has been estimated that around 200 jobs may be lost from the additional water reductions that the Australian Government needs to find from the northern basin. Local communities, already impacted from dry years, are now being impacted from Basin Plan water reductions. For example, while enrolments at Dirranbandi P-10 State School stood at 100 at the beginning of 2014, this has decreased in the intervening years to 54 (Day 8 of 2018 School Year³. This is a large drop in numbers, even taking into account varying climatic conditions. A large decrease in Dirranbandi P-10 State School numbers demonstrates how families are leaving the area to look for employment. In turn, this has an impact on local businesses and services.

The Queensland Government supports the recent bipartisan agreement to deliver on the Northern Basin Review, including a future amendment to the Basin Plan, and is willing to

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³ Queensland Department of Education and Training https://data.qld.gov.au/dataset/state-school-enrolments/resource/4d68ef26-1a8b-4b1b-87ca-1304d8a8ee7d

work closely with basin governments on the associated package of commitments to deliver improved environmental and social outcomes for the northern basin.

Water Recovery

The Queensland Government will continue to support the Australian Government's efforts to achieve the water recovery targets in Queensland.

The disallowance of the Murray-Darling Basin Plan amendment on 14 February 2018 means the remaining water recovery target in Queensland will increase from 12.2 to 48.2 gigalitres.

This in turn increases the likelihood that the Australian Government will not complete its water recovery program in Queensland by the due date of 30 June 2019.

Throughout the implementation of the Basin Plan, the Queensland Government has advocated strongly for the Commonwealth to provide economic development support due to the major impacts suffered by regional communities struggling with water buybacks.

The Queensland Government acknowledges that the recovery of an additional 450 gigalitres of water for the environment through efficiency measures funded under the Water for the Environment Special Account will enhance environmental outcomes in the southern basin while minimising further social and economic impacts on basin communities. However, the Queensland Government's first priority is to achieve the recovery of the current target of 2,750 gigalitres outlined in the Basin Plan.

Water use compliance

The Queensland Government treats matters of water compliance seriously and supports reporting water use in an open and transparent manner. To ensure public confidence in water management across the state, on 14 August 2017, the Hon. Dr Anthony Lynham, Queensland Minister for Natural Resources, Mines and Energy, announced an Independent Audit of Queensland Non-Urban Water Measurement and Compliance (the Audit). The Audit was undertaken by an independent panel of experts in late 2017/early 2018.

Under its terms of reference, the Audit assessed the effectiveness of Queensland's current measurement and metering frameworks and regulatory arrangements for non-urban water, including:

- identifying limitations with existing frameworks for water measurement and management and compliance arrangements
- providing options for improving the current framework and adopting improved technology

• contributing to the Australian Government's independent review of compliance in the Murray-Darling Basin being led by the MDBA.

The final report was completed on the 23 March 2018, and is now being considered in conjunction with findings from the MDBA's Water Compliance Review. Queensland openly and fully contributed to the MDBA's basin-wide Water Compliance Review which was released in November 2017.

Minister Lynham is expected to report on the findings of the Audit, and, in consideration of the Audit and MDBA's Water Compliance Review, outline Queensland's approach to the measurement and compliance of non-urban water at the next meeting of the Murray—Darling Basin Ministerial Council, due on 8 June 2018.

The Queensland Government notes that other basin states have already received hundreds of millions of dollars to implement metering and measurement and it is time for similar investments in Queensland to create modern metering and measurement systems. The Queensland Government will soon be making a submission for assistance to enable the modernising of the metering and monitoring in the Queensland basin catchments.

The Queensland Government is committed to ensuring that Queensland's water measurement and compliance frameworks are effective and uphold public confidence in water management across the state.

SUBMISSION ENDS