



Australian Government

# WATER for the FUTURE

## A new way of managing the Murray-Darling Basin

**The Murray-Darling Basin Authority (MDBA) has been established to improve the way water is managed in one of Australia's most diverse and significant river systems, the Murray-Darling Basin.**

For the first time, water planning in the Murray-Darling Basin (MDB) will be undertaken by an independent, expert-based body with a whole-of-basin focus. The objective of the new arrangements is to put water use on a sustainable footing to ensure a viable irrigation industry, secure water for cities and towns, and restore the health of the environment.

The MDBA will develop a new sustainable diversion limit (or cap) that incorporates groundwater and surface water, and develop plans to ensure that enough water is allocated to the environment for the maintenance of ecosystems.

By using the best available science to place water use on a sustainable footing, Basin communities will be better prepared to meet the challenges of climate change.

In addition to its independent basin planning role the MDBA assumes responsibility for the functions of the Murray-Darling Basin Commission, which had managed the Basin since 1992. The MDBA is responsible for implementing the decisions made by the new Murray-Darling Basin Ministerial Council and the Basin Officials Committee relating to these functions.



Gundagai hay.  
John Baker and the Department of the Environment, Water, Heritage and the Arts.



© MDBA, The Murray River and the Snowy Mountains. Photographer John Baker.

### Intergovernmental agreement

New management arrangements for the Basin were initiated when the Prime Minister and the Premiers of New South Wales, Victoria, Queensland and South Australia and the Chief Minister of the Australian Capital Territory signed an Intergovernmental Agreement (IGA) on Murray-Darling Basin Reform on 3 July 2008. The new governance structures and partnerships include:

- Transferring current powers and functions of the Murray-Darling Basin Commission to an independent, expert body, the Murray-Darling Basin Authority;
- Strengthening the role of the Australian Competition and Consumer Commission by extending the application of water market rules and water charge rules; and
- Enabling the Basin Plan to provide arrangements for meeting critical human water needs.

To implement the reforms outlined in the IGA the Basin States needed to pass legislation referring a range of powers to the Commonwealth, and the Australian Parliament needed to amend the *Water Act 2007* to reflect these changes. This was finalised in December 2008 and the Authority came into practical effect on 15 December 2008.

*Water for the Future* is a long-term plan to secure the water supply for all Australians. The Government is investing \$12.9 billion over 10 years to address four key priorities:

- Taking action on climate change
- Using water wisely
- Securing water supplies
- Supporting healthy rivers

## Functions and operations of Murray-Darling Basin Authority

The Murray-Darling Basin Authority is headed by a Chair and Chief Executive and reports to the Australian Government Minister for Climate Change and Water.

Key functions of the Authority include:

- Preparing the Basin Plan for adoption by the Minister, including setting sustainable limits on water that can be taken from surface and groundwater systems across the Basin;
- Advising the Minister on the accreditation of state water resource plans;
- Developing a water rights information service which facilitates water trading across the Murray-Darling Basin;
- Measuring and monitoring water resources in the Basin;
- Gathering information and undertaking research;
- Directing the construction, operation and maintenance of River Murray assets; and
- Implementing programs of the former Murray-Darling Basin Commission.

In relation to certain functions of the former Murray-Darling Basin Commission, the Authority reports to the Murray-Darling Basin Ministerial Council.

## Basin Plan

The centrepiece of the new management arrangements for the Murray-Darling Basin is the development of a Basin Plan with a sustainable diversion limit, or 'cap', on the Basin's surface and groundwater resources. The Basin Plan will also include water quality and salinity management targets, an environmental watering plan and rules about trading water rights. It will play an important role in identifying responsibilities for managing risks associated with reductions in water availability and changes in reliability, including the impacts of climate change, and in developing strategies to manage those risks.

The Basin Plan will be developed in consultation with Basin communities and will draw on scientific and other studies, including the Murray-Darling Basin Sustainable Yields project conducted by the CSIRO for the Australian Government. The Basin Plan will be approved by the Commonwealth Minister and administered by the MDBA and form the framework for detailed water resource planning by states and the ACT.

The Authority will release a concept statement in March/April 2009, which will explain the contents of the Basin Plan, the timing of its development and the processes to involve interested parties and individuals. A proposed Basin Plan will be released in 2010 to allow for extensive consultation with stakeholders. The first Basin Plan is to be completed by 2011, after which the Basin Plan will be regularly reviewed and updated.



Lower Murray Darling.  
John Baker and the Department of the Environment, Water, Heritage and the Arts.

## Community participation

New arrangements for managing the Murray-Darling Basin include stronger opportunities for community participation. A Basin Community Committee will be established to advise the MDBA on a range of matters, including engaging the community in the preparation of each draft Basin Plan, community matters about Basin water resources and matters referred to the committee by the MDBA.

There will be several sub-committees of the Basin Community Committee covering various issues including irrigation, the environment and Indigenous water issues. The MDBA will call for expressions of interest from the public before appointing the members of the Committee.

## Water for the Future

The Government's \$12.9 billion, ten year *Water for the Future* plan has four priorities:

- Tackling climate change
- Supporting healthy rivers
- Using water wisely and
- Securing our water supplies

In delivering *Water for the Future* the Australian Government is setting a new standard in national leadership and co-operative relations with state and territory governments in water resource management.

Together, the MDBA and the Basin Plan and *Water for the Future* will help prepare the nation for the challenges of securing enough water for our homes, businesses, farms and the environment as we confront the impacts of climate change.

### Q. Why is it important that we made these changes?

A. The Murray-Darling Basin is under great stress from the combined impacts of historical over-allocation of water for consumption, a severe drought, and the early impacts of climate change. Pressures are expected to increase with growing population and anticipated reduction in water availability in future. This means it is imperative to put water use on a sustainable footing, having regard to human needs and the needs of the environment across the Basin. Previous ways of managing the MDB have failed to deliver a whole-of-Basin approach. The new management arrangements provide for an independent agency to set a new diversion limit in individual catchments and across the Basin as a whole, integrating surface water and groundwater.

### Q. What is new about this? How will the Basin be run differently than before?

The creation of the new independent Authority means that for the first time a single agency will be responsible for planning the integrated management of water resources of the Murray-Darling Basin. The Basin States — New South Wales, Victoria, Queensland, and South Australia — recently passed legislation transferring certain powers to the Australian Government to allow it to amend the *Water Act 2007* and to create a comprehensive Basin Plan.

Though there will be extensive stakeholder consultation on the draft Basin Plan and an opportunity for the Basin States and the Australian Capital Territory to provide advice on the Basin Plan via the new Murray-Darling Basin Ministerial Council, it is ultimately the Minister for Climate Change and Water, Senator Penny Wong, as the Commonwealth Minister with responsibility for water issues, who makes the final decision as to whether or not to adopt the Basin Plan.

### Q. How will decisions be made by the MDBA?

The MDBA will consist of six members — a full-time Chief Executive, a part-time Chair and four other part-time members. The MDBA will hold at least nine meetings per financial year to address Basin Plan related issues. At the meetings Basin Plan issues will be decided by a majority of votes of the Authority members present and voting. However, while the MDBA is responsible for the preparation of the Basin Plan it is the Commonwealth Minister, not the MDBA, that makes the final decision on adopting the Basin Plan.

### Q. Won't the states still have a veto?

A. Basin states will not have a veto over the Basin Plan. States will continue to determine how water is allocated and used in their own jurisdictions through the development of Water Resource Plans. However, the MDBA will set the sustainable diversion limit and will develop the Basin Plan. The states will have a consultative role through the Murray-Darling Basin Ministerial Council.



Murtho vineyards.  
John Baker and the Department of the Environment, Water, Heritage and the Arts.

Actions the Government is already taking to address the critical situation in the Basin include:

- Committing \$3.9 billion towards priority water efficiency and irrigation infrastructure projects in the Basin;
- Undertaking the first-ever purchase of water by a Federal Government to return to Basin rivers and wetlands — out of a \$3.1 billion commitment for this purpose;
- New northern and southern Basin tenders to purchase water to return to rivers and wetlands;
- A program to work with State governments to purchase appropriately-sited properties with large water entitlements where environmental benefits and value for money exist (e.g. the recently-purchased Toorale station in northern New South Wales);
- Inviting groups of irrigators wishing to leave the industry to submit proposals to sell their water entitlements together in ways that provide benefits for farmers and rivers; and
- A small block irrigators exit grant package.



© MDBA, Wetland near Narran Lakes, Condamine-Balonne region, NSW.  
Photographer Arthur Mostead.

### **MORE INFORMATION**

For more information about the MDBA call 02 6279 0100 or visit:  
[www.mdba.gov.au](http://www.mdba.gov.au)

For more information about the Australian Government's *Water for the Future* plan call 1800 218 478 or visit:  
[www.environment.gov.au](http://www.environment.gov.au)

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