



issues backgrounder

April 2012

NSW Parliamentary Library Research Service

Murray-Darling Basin: water management issues

Background information

The River Murray Waters Agreement was signed in 1915 by the Commonwealth, NSW, Victorian and South Australian Governments. This Agreement was implemented by the River Murray Commission, which was responsible for regulating the Murray River to ensure each of the three States received their agreed share of water. Various amendments were subsequently made, culminating in the Murray-Darling Basin Agreement of 1987. A new [Murray-Darling Basin Agreement](#) was signed by the same four Governments in 1992, and placed on a legislative basis in NSW by the [Murray-Darling Basin Act 1992](#). Queensland became a signatory in 1996. Two years later the ACT joined the Agreement. The 1992 Agreement established new institutions for its implementation: the Murray-Darling Basin Commission, Murray-Darling Basin Ministerial Council, and a Community Advisory Committee.¹

One of the most significant governance reforms introduced by the Murray-Darling Basin Commission was the Cap on water diversions for consumption. [An Audit](#) in 1995 resulted in the imposition of an interim Cap in June 1995, and the introduction of a permanent Cap for NSW, Victoria and South Australia on 1 July 1997.² As of November 2011, a Cap had been approved for every valley in the Murray-Darling Basin.

An [Agreement on Murray-Darling Basin Reform](#) was signed by the Commonwealth, NSW, Victorian, Queensland, South Australian and ACT Governments on 3 July 2008. Further to this Agreement, under the [Water Act 2007](#) (Cth) a new governance structure for the Murray-Darling Basin was formed: the Murray-Darling Basin Authority; Murray-Darling Basin Ministerial Council; Basin Officials Committee; and Basin Community Committee. These reforms required a referral of powers from the participating States, as enacted by the [Water \(Commonwealth Powers\) Act 2008](#) (NSW). In 2011, the Murray-Darling Basin Ministerial Council was renamed the [Legislative and Governance Forum on the Murray-Darling Basin](#).

¹ Murray Darling Basin Commission, [A Brief History of the Murray-Darling Basin Agreement](#), 2006 [online - accessed 20/03/2012]; and Murray Darling Basin Commission, [The Murray-Darling Basin Agreement](#), 2009 [online - accessed 20/03/2012]

² Murray Darling Basin Commission, [The Cap](#), 2008 [online - accessed 20/03/2012]

Under the [Water Act 2007](#) (Cth), the Murray-Darling Basin Authority is responsible for the development of a Basin Plan. This will replace the Cap with sustainable diversion limits (SDLs) for the Basin as a whole and for each water management area. In October 2010, the Authority released the [Guide to the proposed Basin Plan](#) (the Guide) to present proposals to the community for discussion. The proposals concerned the key decisions the Authority was required to make under the *Water Act 2007* (Cth). The Guide proposed the return of between 3000 GL/y and 4000 GL/y to the Basin. A key issue in the debate which followed the Guide's release concerned the interpretation of the *Water Act 2007* (Cth). Three Commonwealth parliamentary inquiries were established following release of the Guide, one in the House of Representatives and two in the Senate. One of the Senate inquiries specifically investigated the provisions of the *Water Act 2007* (Cth).

On 28 November 2011, the Authority released the draft Basin Plan, legally referred to as the [proposed Basin Plan](#), for a 20-week consultation period. The draft recommended that a long-term environmentally sustainable take of water from the Basin will be achieved by reducing consumptive use of water by 2,750 GL/y from a 2009 baseline level. The Basin Plan will be tabled as legislation by the Minister for Sustainability, Environment, Water, Population and Communities in 2012 following the consultation process.³

Upon enactment, the Basin Plan will have implications for NSW [Water Sharing Plans](#) under the [Water Management Act 2000](#) (NSW). Once the current Plans expire, each Water Sharing Plan in the Murray-Darling Basin will have to be consistent with the Basin Plan. The Plans will also require accreditation by the Commonwealth Minister for Sustainability, Environment, Water, Population and Communities, and will be audited along with the Basin Plan by the National Water Commission. Complicating the creation of a Plan for the whole Murray-Darling Basin are the political, social, economic, scientific and environmental issues inherent in any water sharing endeavour.

This Issues Backgrounder organises relevant material under the following headings:

- Murray-Darling Basin Authority
- NSW
- Commonwealth
- Council of Australian Governments
- Journal Articles 2011-12
- Books
- Advocacy/Interest Groups
- Relevant Research Service publications on water

³ Murray-Darling Basin Authority, [Draft Basin Plan](#), no date [online - accessed 20/03/2012]

Murray-Darling Basin Authority

The [Murray-Darling Basin Authority](#) (MDBA) released the [proposed Basin Plan](#) in November 2011. A number of explanatory documents were released along with the Plan: [Plain English summary of the proposed Basin Plan](#); [Delivering a healthy working Basin](#); and [The draft Basin Plan - catchment by catchment](#). The [Environmental Watering Plan](#) is a key component of the proposed Basin Plan. Supporting documents released by the MDBA include:

- [The proposed 'environmentally sustainable level of take' for surface water of the Murray-Darling Basin: Method and outcomes](#). This document was reviewed by the CSIRO: [Science Review of the Estimation of an Environmentally Sustainable Level of Take for the Murray-Darling Basin](#).
- [Assessment of the ecological and economic benefits of environmental water in the Murray-Darling Basin](#) (CSIRO)
- [Hydrologic modelling to inform the proposed Basin Plan: Methods and results](#)
- [The proposed Groundwater Baseline and Sustainable Diversion Limits: Methods report](#)
- [Socioeconomic analysis and the draft Basin Plan](#)
- [River management - challenges and opportunities](#)
- [A yarn on the river: getting Aboriginal voices into the Basin Plan](#)

The MDBA also provides [fact sheets](#) on the Basin Plan. The MDBA website hosts the [Basin Plan Knowledge and Information Directory](#), which contains all the information used to inform the development of the Plan. Submissions made on the proposed Basin Plan can be found [here](#).

The Authority runs a number of programs, including: [The Living Murray](#); [Sustainable Rivers Audit](#); and the [River Murray Water Quality Monitoring Program](#). The Living Murray is a water buyback program – its latest report, and an audit of the report, can be found [here](#). The MDBA has also released a [Water Audit Monitoring Report 2009-10](#).

Murray-Darling Basin Ministerial Council communiqués can be found [here](#).

The Murray-Darling Basin Authority has a blog: [Free Flow](#).

Murray-Darling Basin Authority Media Releases can be found [here](#).

Selected responses to the proposed Basin Plan

[NSW Government](#)

[South Australian Government](#)

[Victorian Environmental Defenders Office](#)

[Victorian Government](#)

NSW

NSW legislation

The [First Print](#) of the *Water Management Bill 2000* (unamended);

The [Explanatory Notes](#);

The [Second Reading Speech](#);

Parliamentary debates in the [Legislative Assembly](#);

Parliamentary debates in the [Legislative Council](#);

[Briefing Paper](#) on the *Water Management Bill 2000*;

The [Water Management Act 2000](#) as originally assented to;

The *Water Management Act 2000* has been amended by the following legislation (as assented): [Water Management Amendment Act 2002](#) and its [Second Reading Speech](#); [Water Management Amendment Act 2004](#) and its [Second Reading Speech](#); [Water Management Amendment Act 2005](#) and its [Second Reading Speech](#); [Water Management Amendment Act 2008](#) and its [Agreement in Principle Speech](#); [Water Management Amendment Act 2009](#) and its [Second Reading Speech](#); [Water Management Amendment Act 2010](#) and its [Agreement in Principle Speech](#); and the [Water \(Commonwealth Powers\) Act 2008](#) and its [Agreement in Principle Speech](#).

Current version of the [Water Management Act 2000](#)

NSW parliamentary inquiries into water

[Sustainably Managing Water Under Climate Change](#)

Legislative Assembly Natural Resource Management (Climate Change) Committee
November 2010

NSW Government publications

[Draft NSW Aquifer Interference Policy - Stage 1](#)

Department of Primary Industries, Office of Water
March 2012

[Water Reform in the NSW Murray-Darling Basin: Summary of Regional Water Reform and Environmental Water Recovery in NSW 1996-2011](#)

Department of Primary Industries, Office of Water
November 2011

[Draft Floodplain Harvesting Policy](#)

NSW Office of Water
April 2010

NSW Water Sharing Plans, along with information on how they operate, can be found [here](#).

The following [Catchment Management Authorities](#) are located in the Murray-Darling Basin, and each has developed a Catchment Action Plan: [Border Rivers-Gwydir](#); [Central West](#); [Lachlan](#); [Lower Murray-Darling](#); [Murray](#); [Murrumbidgee](#); [Namoi](#); and [Western](#).

NSW press releases

NSW Government press releases:

[NSW backs Basin communities - will not support proposed Murray-Darling Basin Plan](#) (April 2012)

[Proposed plan raises more questions than answers: Williams](#) (April 2012)

[Last chance for NSW Basin communities to have a say](#) (March 2012)

NSW Opposition press releases:

[NSW Government releases submission to Murray-Darling Basin Authority](#) (December 2010)

[More than 170,000 waterbirds flock to wetlands](#) (December 2010)

[Minister in Central West to discuss guide to Murray Darling Basin Plan](#) (November 2010)

NSW Shooters and Fishers Party press releases:

[Shooters and Fishers put the State Parliament on notice: who supports the rights of regional NSW?](#) (December 2010)

NSW Christian Democratic Party press releases:

[Defend the Murray-Darling Community](#) (October 2010)

[Murray-Darling Basin Authority Report](#) (October 2010)

NSW Greens press releases:

[Key NSW environmental report card paints concerning picture](#) (January 2010)

Commonwealth

Commonwealth legislation

The *Water Bill 2007* [Explanatory Memorandum](#);

The [Second Reading Speech](#);

The Senate Environment, Communications, Information Technology and the Arts Committee Inquiry into the *Water Bill 2007* and *Water (Consequential Amendments) Bill 2007* along with its submissions and hearing transcripts can be found [here](#);

The *Water Bill 2007* [Bills Digest](#);

The [Water Act 2007](#) as originally assented to;

The *Water Amendment Bill 2008* [Explanatory Memorandum](#);

The [Second Reading Speech](#);

The [Supplementary Explanatory Memorandum](#), [Revised Explanatory Memorandum](#) and [Further Supplementary Explanatory Memorandum](#);

The *Water Amendment Bill 2008* [Bills Digest](#);

The Senate Rural and Regional Affairs and Transport Committee Inquiry into the *Water Amendment Bill 2008* along with its submissions and hearing transcripts can be found [here](#);

The [Water Amendment Act 2008](#) as originally assented to;

The current [Water Act 2007](#)

Commonwealth press releases

[Tony Burke](#) (Minister for Sustainability, Environment, Water, Population and Communities)

[Tony Abbott's weekend assignment](#) (April 2012)

[Five days to go and Tony Abbott still silent on river reform](#) (April 2012)

Commonwealth parliamentary inquiries into water 2010-2012

[Interim Report: The Impact of Mining Coal Seam Gas on the Management of the Murray Darling Basin](#)

Senate Standing Committee on Rural and Regional Affairs and Transport
November 2011

[A Balancing Act: Provisions of the Water Act 2007](#)

Senate Standing Committee on Legal and Constitutional Affairs
June 2011

[Of Drought and Flooding Rains: Inquiry into the Impact of the Guide to the Murray-Darling Basin Plan](#)

House of Representatives Standing Committee on Regional Australia
May 2011

[Sustainable Management by the Commonwealth of Water Resources](#)

Senate Standing Committee on Environment and Communications
October 2010

Commonwealth Government publications

Australian Bureau of Agricultural and Resource Economics and Sciences

ABARE has released several reports on [water management](#) in the Murray Darling Basin, including most recently:

[An economic survey of irrigation farms in the Murray-Darling Basin: industry overview and region profiles 2009-10](#)

Dale Ashton and Mark Oliver, Research Report 12.2
January 2012

[The economic and social effects of the Murray-Darling Basin Plan: recent research and steps](#)

Tim Goesch, Cheryl Gibbs, Nga Nguyen, Neal Hughes, Orion Sanders and Peter Gooday
March 2011

Australian Bureau of Statistics

[Water Account, Australia, 2009-10](#)

[Water Use on Australian Farms, 2009-10](#)

The Australian Competition & Consumer Commission

The [Australian Competition & Consumer Commission](#) regulates implementation of water charge rules and water market rules in the Murray-Darling Basin. It also advises on the creation of water trading rules for the Murray-Darling Basin.

CSIRO

[Assessment of the ecological and economic benefits of environmental water in the Murray-Darling Basin](#)

CSIRO Water for a Healthy Country National Research Flagship
March 2012

[Effects of Changes in Water Availability on Indigenous People of the Murray-Darling Basin: A Scoping Study](#)

Sue Jackson, Brad Moggridge and Cathy Robinson
June 2010

Department of Sustainability, Environment, Water, Population and Communities

Information on the Department of Sustainability, Environment, Water, Population and Communities (DSEWPC) water management responsibilities can be found [here](#). DSEWPC is running a [Strengthening Basin Communities Program](#) with two components: a [Planning component](#) and a [Water Saving Initiatives component](#). The Department also manages the [Sustainable Rural Water Use and Infrastructure](#) program, which is part of the overarching [Water for the Future](#) initiative, and the [Restoring the Balance in the Murray-Darling Basin](#) program.

DSEWPC manages the [Commonwealth's Environmental Water](#). The Commonwealth has a [Memorandum of Understanding in relation to water for the environment](#) with NSW. Recent publications in this area include:

- [Discussion paper - Trading of Commonwealth environmental water](#) (November 2011)
- [A Framework for Determining Commonwealth Environmental Water Use](#) (December 2011)
- [Commonwealth Environmental Water 2010-11 Outcomes Report](#) (February 2012)

National Water Commission

The [National Water Commission](#) has released several relevant reports, as listed below.

[Impacts of water trading in the southern Murray-Darling Basin between 2006-07 and 2010-11](#)

National Water Commission
April 2012

[Overview of recent changes in irrigated agriculture in the Murray-Darling Basin: 2006-07 to 2008-09](#)

Dale Ashton, Mark Oliver and Therese Formosa, Waterlines Report Series No 64
November 2011

[Watering floodplain wetlands in the Murray-Darling Basin for native fish](#)

L Beesley, A Price, A King, B Gawne, D Nielsen, J Koehn, S Meredith, L Vilizzi and S Hladyz, Waterlines Report Series No 56
September 2011

Productivity Commission

[Market Mechanisms for Recovering Water in the Murray-Darling Basin and Submissions](#)

Productivity Commission Research Report
March 2010

Council of Australian Governments

[Water Management Partnership Agreement – the Commonwealth of Australia and the State of New South Wales](#) (January 2010);

[Intergovernmental Agreement on Murray-Darling Basin Reform](#) (2008);

[Intergovernmental Agreement on a National Water Initiative](#) (2004);

[Intergovernmental Agreement on Addressing Water Overallocation and Achieving Environmental Objectives in the Murray-Darling Basin](#) (2004);

[The Council of Australian Governments' Water Reform Framework](#) (1994)

COAG Reform Council

[Water Management Partnerships: Performance report for 2010](#) (2011)

Journal Articles 2011-12

[Environmental science behind Basin Plan diversions fails biological reality](#)

Patrick Francis; Australian Farm Journal
February 2012

[Australia's Murray-Darling Basin: freshwater ecosystem conservation options in an era of climate change](#)

Jamie Pittock and C Max Finlayson; Marine and Freshwater Research
September 2011

[Saving the Southern Murray-Darling Basin: The economic effects of a buyback of irrigation water](#)

Peter B Dixon, Maureen T Rimmer and Glyn Wittwer; The Economic Record
March 2011

Additional journal articles on the Murray-Darling Basin can be found [here](#).

Books

[Water policy reform: lessons in sustainability from the Murray Darling Basin](#)

John Quiggin, Sarah Chambers and Thilak Mallawaarachchi
March 2012

[Basin futures: water reform in the Murray Darling Basin](#)

Daniel Connell and Quentin Grafton
May 2011

Additional books kept in the NSW Parliamentary Library are listed [here](#).

Media Coverage

Below are some selected media articles on the issue

[No turning on basin plan](#), 18 April 2012, The Australian

[Murray Darling plan would spark exodus, says report](#), 17 April 2012, SMH

[Rush for the Murray-Darling](#), 17 April 2012, AFR

[Go with the flow: states unite to sink Murray plan](#), 17 April 2012, The Australian

Additional media articles on the Murray-Darling Basin can be found [here](#).

Advocacy/Interest Groups

Irrigation and farmer groups

[Cotton Australia](#)

[National Farmers' Federation](#)

[National Irrigators' Council](#)

[NSW Farmers Association](#)

[NSW Irrigators' Council](#)

[Ricegrowers Association of Australia](#)

Environment groups and non-government organisations

[Australian Conservation Foundation](#)

[Basin Pulse](#)

[Darling River Action Group](#)

[Environmental Defender's Office NSW](#)

[Environmental Defender's Office Victoria](#)

[Environmental Farmers Network](#)

[Inland Rivers Network](#)

[Murray Darling Association](#)

[Nature Conservation Council NSW](#)

[World Wide Fund for Nature Australia](#)

Indigenous

[Murray Lower Darling Rivers Indigenous Nations](#)

[NSW Aboriginal Land Council](#)

[Northern Murray-Darling Basin Aboriginal Nations](#)

Local Government

[Australian Local Government Association](#)

[Central NSW Councils](#)

[Local Government and Shires Associations of NSW](#)

[Namoi Regional Organisation of Councils](#)

[New England Local Government Group](#)

[Orana Regional Organisation of Councils](#)

[Riverina Eastern Regional Organisation of Councils](#)

[Riverina and Murray Regional Organisation of Councils](#)

Science and research

[Australian Wetlands and Rivers Centre](#) (UNSW)

[Centre for Water Economics, Environment and Policy](#) (ANU)

[Cotton Catchment Communities CRC](#)

[eWater CRC](#)

[The Fenner School of Environment and Society](#) (ANU)

[Institute for Land, Water and Society](#) (Charles Sturt University)

[Institute for Rural Futures](#) (UNE)

[Murray-Darling Freshwater Research Centre](#)

[National Centre for Groundwater Research and Training](#)

[National Program for Sustainable Irrigation](#)

[Wentworth Group of Concerned Scientists](#)

Relevant Research Service publications on water

[The Basin Plan: legal debates and developments](#) (2012)

[The Murrumbidgee and Murray Regions: An Economic Profile](#) (2012)

[Water: Regulatory Frameworks in Rural NSW](#) (2010);

[Water Reforms in NSW: An update](#) (2002);

[New Water Management Legislation in NSW: A Review](#) (2000);

Author: Daniel Montoya

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For further information please contact the Research Service on 9230 2003

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