

16 October 1981

NEW RIVER MURRAY WATERS AGREEMENT

The Prime Minister, Mr. Malcolm Fraser, said today in Melbourne that he was pleased that a new River Murray Waters Agreement has been settled.

"The new River Murray Waters Agreement would be ~~the keynote of~~ the Commonwealth's involvement with Victoria, New South Wales and South Australia in dealing with salinity problems in the Murray Valley", the Prime Minister said.

The Prime Minister was speaking after a meeting at which he and the Minister for National Development and Energy, Senator J.L. Carrick, had met with State Premiers of New South Wales, Victoria and South Australia and their Water Resources Ministers to discuss River Murray matters.

The new Agreement would place new responsibilities ~~on the River Murray Commission~~. In particular, the Commission would formulate water quality objectives and standards for any part of the River Murray. It would also make assessments of the implications of new developments which could have a significant ~~impact on water quality~~ in the River and make representations on any proposals which might adversely affect water quality. The new Agreement would allow the further development of strategies to reduce salinity and other water quality problems in the River to manageable proportions.

The Prime Minister said that now that Heads of Government had ~~reached agreement on the terms of the new Agreement~~ the principles would be applied immediately on an interim basis pending the ~~completion of legislative processes~~. This meant that to all intents and purposes the River Murray Commission would be authorised to assume its new responsibilities immediately.

Mr. Fraser said that there were already signs that recent initiatives by the four governments are gradually becoming effective. Improvements will be accelerated by the new Agreement.

Water quality recordings by the River Murray Commission over the recent severe drought indicated that salinity levels were lower than in previous comparable dry periods. It appears that this comparative improvement is due to the initial operations of Dartmouth Dam and the effectiveness of already completed salinity control works. The very heavy rains since the beginning of June are having a very beneficial flushing effect on the river system and adequate water supplies of good quality should be available next season.

Mr. Fraser said that the Commonwealth and States' concern for the economic and environmental health of the River Murray has been backed up by strong action over recent years -

- * about \$35 million was provided for the construction of Dartmouth Dam and over \$26 million in loan funds was provided to the three States to help them meet their respective shares of the cost of the project.
- * the Dartmouth Dam is now about two-thirds full - by almost doubling the freshwater storage under the control of the River Murray Commission, it will enable the Commission to pursue a number of river management objectives not previously possible, including dilution of river salinity.
- * in addition, arising from the 1979 Maunsell Report on Murray Valley Salinity and Drainage, about \$36 million has been spent on major new salinity control projects in the Murray Valley since July 1978 - the Commonwealth has provided \$18 million and there are matching contributions by the States.
- * the projects recommended in the 1979 Maunsell Report as the highest priority are now completed or well under way.
- * the Commonwealth intended to proceed with the funding of additional salinity control projects in accordance with priorities identified by the States, in conjunction with the River Murray Commission.

The Prime Minister said that all Governments had agreed that improved irrigation practices were a fundamental element in reducing salinity problems in the Murray River Valley and it was essential that rapid progress was made in this regard.

Ministers had agreed therefore that officials should review the extent to which irrigators were adopting improved practices to reduce salinity and the possible need for additional incentives to hasten to adoption of new practices.

In this context, the Prime Minister referred to the new taxation concessions which the Commonwealth had introduced in April and December 1980 to encourage irrigators to improve their irrigation practices and salinity control. These concessions allowed the full write-off of expenditures in the same year as the expenditure occurred. This generous concession was already in place and was encouraging irrigators to improve their practices and to combat salinity.

The Prime Minister said that before any further decisions are considered on a major follow-up to the current implementation of the Maunsell plan of action, some time is needed to assess the effectiveness of the high priority projects now underway, the full integration of the Dartmouth Dam into the operations of the River Murray Commission, improved irrigation practices and the new water quality responsibilities of the River Murray Commission. When these assessments become possible, the Commonwealth will give careful consideration to proposals for further salinity control projects in the Murray Valley.

The Prime Minister said that to hasten this process of assessment the River Murray Commission is engaging consultants to develop a mathematical computer model which will enable the Commission to simulate the operation of the whole River Murray system in terms, not only of river flow and storage changes, but also water quality. This model will enable the Commonwealth and State Governments to examine all available options for new

initiatives in managing the river, having regard to both water quantity and quality.

While the Commonwealth is making a significant contribution to combatting salinity in the River Murray, it has made an equally important contribution to helping South Australia improve the quality of river water supplies for urban purposes. By the end of this financial year, over \$40 million will have been provided towards the cost of a filtration scheme for Adelaide to reduce turbidity in water supplies and, at the same time, improve both the taste and odour of treated water for domestic purposes.

"The River Murray Waters Agreement has worked to the advantage of all three States over the past 60 years or so, and its revision to meet today's requirements is a milestone in co-operative management of the River's water and in improving water quality in the River", the Prime Minister concluded.