



PRIME MINISTER

FOR MEDIA

TUESDAY, 20 OCTOBER, 1981

STATEMENT TO THE HOUSE: RIVER MURRAY WATERS AGREEMENT

I am pleased to inform the House that the Commonwealth, New South Wales, Victoria and South Australia have endorsed a draft of a new River Murray Waters Agreement. This was the outcome of a meeting which the Minister for National Development and Energy and I attended last Friday in Melbourne, together with the three respective Premiers and their Water Resources Ministers.

The Premiers and I have agreed that the draft new agreement now be referred to the Crown law advisers of the four Governments with a view to the early introduction of the necessary legislation.

In the meantime, the River Murray Commission has been authorised to operate fully within the terms of the new agreement, pending completion of the necessary legislative action. The draft new agreement is the result of the first major review of the agreement signed in 1914.

It is now proposed to expand the responsibilities of the River Murray Commission to include water quality in addition to the responsibilities it now has for water quantity in the main stem of the river and associated storages. At the same time, the agreement is being updated to make it more relevant to present day requirements by giving the River Murray Commission responsibilities in regard to other water management objectives.

Under the proposed new agreement, the River Murray Commission will be authorised to formulate river water quality objectives or standards, as appropriate, for various locations on the river. State authorities will be required to inform the Commission of all proposals under their consideration which could significantly affect water quality and quantity in the river and provide the necessary information to permit an assessment of their likely impact.

Obviously, the agreed water quality objectives will be of central relevance to such an assessment. The Commission will be empowered to make representations as necessary to the appropriate State authority on such proposals.

Further, the water distribution provisions of the new agreement will enable account to be taken of the quality of the inflows of tributaries and man-made outfalls in assessing the credits of the States in the Commission's water accounting procedures.

Rules are to be drawn up for this purpose. As in every river system, water quality in the River Murray is the end product of numerous activities which take place in the catchment - in irrigation, dryland agriculture, processing industries, urban centres, forestry, etc. These are all State responsibilities.

There is no intention of the River Murray Commission having a regulatory function, the power of sanctions in regard to these matters or the right to interfere in the States' affairs. The new arrangements aim at a joint assessment of all relevant water and land use and other factors significantly affecting water quality. This is consistent with the development of river management strategies where a river and its catchment fall within the responsibility of a single Government.

While in this regard the River Murray Commission will have only the power of persuasion, its representations will be based on mutually agreed water quality objectives or standards, and on an ever increasing body of knowledge of the river system and its problems.

Subject to the new water quality provisions, the current water sharing principles and arrangements between the three States will continue. South Australia will be entitled to 1.85 million megalitres annually as measured at the South Australian border in accordance with specified monthly volumes. This includes the recent 23% increase made possible by the completion of Dartmouth Dam. The two upper States will share the balance of the water resources available to the River Murray Commission, but with some flexibility to cope with year-to-year pressures in water demands.

While the River Murray Water Agreement is, and will continue to remain, the main policy instrument for the Commonwealth's involvement with the three States in the management of the nation's most important water resource, considerable financial assistance has been provided to the three States for those salinity control and drainage works in the Murray valley which fall outside the area of the Commission's own responsibilities.

These are all priority works recommended by consulting engineers, Maunsell and Partners, in the plan of action they proposed in their 1979 report on salinity and drainage problems in the Murray valley. By the end of this financial year, we will have provided about \$18 million in grants to the cost of underground and surface saline water drainage works on a dollar for dollar basis with the three States - a total of around \$36 million. Together, we are well advanced in the implementation of urgent works identified in the Maunsell plan of action.

It is the view of this Government that before any decisions are contemplated regarding a follow-up to the implementation of the plan of action, time must be allowed for the accumulation and assessment of vital information arising from three important recent joint Commonwealth/States initiatives.

We need to know the effectiveness of the new water quality responsibilities now proposed for the River Murray Commission, the full operational impact of Dartmouth Dam and the efficiency of salinity control projects already completed, or under construction.

Subject to this review, we will give careful consideration to new salinity control projects in accordance with priorities identified by the States in conjunction with the River Murray Commission. This was done, recognising that to an extent, because of the measures already undertaken, the Maunsell report is already to a degree out of date.

Basic data for this purpose is already being gathered. The Commission has now established a water quality monitoring network along the river to record salinity and other key parameters and consultants are being engaged shortly to develop a mathematical computer model to simulate the operations of the river system, not only in terms of river flows and storage changes, but also in terms of river water quality. This model should be an invaluable instrument in the development and operation of long term strategies to reduce salinity in the river system to manageable proportions, and all efforts are being made to ensure its early completion.

There are already signs that recent initiatives by the four Governments are gradually becoming effective. Water quality recordings by the River Murray Commission during last season's severe drought indicated that salinity levels were lower than in previous comparable dry periods. This comparative improvement has been attributed to the initial operations of Dartmouth Dam, now about two-thirds full, and the effectiveness of already completed salinity control works.

High river flows resulting from heavy winter rains and melting snow are having a beneficial flushing effect on the river system and adequate water supplies of good quality should be available next season.

It is recognised throughout the world where irrigation has induced salinity problems, that techniques which reduce the application of water surplus to plant requirements are essential to the success of any long-term strategy to bring the problem under control. Amendments in May and December 1980 to the Income Tax Assessment Act now provide strong incentives to irrigators to improve their watering practices. The new provisions of the Act allow full deductibility of expenditures for income tax assessment purposes on water conservation and conveyance, salinity control and associate drainage works in the same year as they are incurred. We understand that these incentives are now starting to become effective. However, a better definition of the magnitude of the problem is required and the four Governments agreed last Friday that a Commonwealth/States working group should review the extent to which irrigators are now adopting improved irrigation practices and assess the possible need for additional incentives.

It is clear that without complementary preventative measures at the farm level, initiatives by the four Governments in the fight against salinity will be impaired. The Government is mindful of South Australia's specific problems with River Murray water quality - particularly during prolonged periods of minimum river flow conditions. To some extent, these problems originate outside the State.

In relation to drinking water, there is the additional problem of turbidity caused by the presence of suspended soil particles and organic material, which reflect run-off conditions in the vast catchment including parts of Queensland.

Commonwealth financial assistance, already reaching \$40 million, is enabling South Australia to build a water filtration scheme for metropolitan Adelaide. Two filtration installations are already operational.

The scheme, when completed, will contribute significantly to an improvement in the colour and taste of drinking water from the Murray integrated into Adelaide's water supplies. The River Murray Waters Agreement has worked to the advantage of all three States for over 60 years. Admittedly, managing the river for water quantity is far less demanding than taking account also of water quality, having regard particularly to the Constitutional role of the States in practically all aspects of water and land use which affect river water quality.

We do not underestimate the difficulties and complex issues which lie ahead. But with goodwill on the part of everyone concerned and a determination to make the proposed new River Murray Waters Agreement work, the long-term environmental health of the river and the economic well-being of the numerous urban centres and the great irrigation settlements in the Murray Valley can be assured.

The River Murray Commission and the agreement between the States is an example of the way in which many officials, or is the result of the way in which many officials and Ministers have over the years worked together to make sure that this great natural resource is preserved and improved for future years. There are not only many thousands of farmers, many thousands of irrigators, but tens of thousands of people in rural communities as well the much larger number throughout South Australia of course who are dependent on the River Murray and its systems. It really is one of Australia's greatest natural resources. It is only going to be used in the future to the best advantage of everyone concerned while the Governments concerned are prepared to work in co-operation, recognising their responsibilities, each to each other. I would like to pay recognition to the officials of the Commonwealth and of the States, the State Ministers and to other Premiers who helped to bring this agreement about in a way which I believe is going to be beneficial to a very large part of Australia.