# Webinar

Findings from the Inquiry into water sharing arrangements in the southern Basin Webinar transcript

21 May 2020

## Transcript

[Webinar begins]

Racquel Boyd: Welcome everyone to today's webinar. My name is Racquel Boyd, I'll be your facilitator for this session.

Firstly we acknowledge the traditional owners of the many lands on which we meet today and pay our respects to elder's past, present and emerging.

Firstly I'd like to just clarify and make sure that we're all across the scope for today's webinar. Our focus, is on the findings from the recent inquiry undertaken into water sharing arrangements in the southern Basin.

Now we acknowledge that many of you have submitted questions when you registered for the session and we thank you very much for those, we will address those questions pre-submitted that were in the scope for forum during this session. The out of scope ones that you have won't be addressed in this session, but we do really encourage you to use the link that's displayed on the screen in front of you to follow those up if you choose to do so. It was also recommended that attendees read the report prior to attending the webinar. So if you haven't done so already we certainly do encourage you to do that following this session.

Now before I hand over to Mick, I'd like to just take a moment to share with you how you can interact with in this GoToWebinar platform. Now, the first thing to note is that all participants are automatically muted and the session is being recorded.

Now at any time during the session, if you have a question that you'd like to pose you can do so by clicking on the question mark icon that you should be able to see on your control panel and you can type that in at any time.

Toward the end of the session we will have some time for some open Q&A where we will address questions from the box as well as people will have an opportunity to raise their hand to ask a question, now at that time you could if you had a question you'd like to ask verbally raise your hand and we can unmute your line individually for you to be able to ask that. I will recap these instructions when we get to that section of today's session. But please note with the questions being typed option you are able to do that at any time throughout the session.

Now I'll hand over to Mick Keelty, Interim Inspector-General Murray–Darling Basin Water Resources, over to you Mick.

Mick Keelty: Thank you Racquel and I add my acknowledgement of our traditional owners, our elders past and present on the many lands that are represented in the webinar. I also want to thank people for taking interest in in connecting this way. Obviously the original plan for those who attended the Town Hall meetings was that I would go back out to the areas where we held the Town Hall meetings and go through the report with people who took the time to come to those meetings.

Unfortunately, obviously with the lockdown provisions, I'm not able to do that, so this was decided to be the best available medium through which I could talk to people about the report and where we landed on the report with the findings.

It's probably worth while also saying that I want to thank everybody for tuning in this way. Originally we thought there would be a lot more interest but there hasn't been that much interest in the report and so given the fact that we thought we'd have a lot more interest in three or four location, but that hasn't turned out that way.

We've combined all those presentations into this single presentation. For those who have tuned in, thank you very much for taking the time to actually understand why we wrote what we wrote and what we meant by it. Look I'll start off by just reminding people that this was a very narrowly focused inquiry.

It was specifically into two areas the impact of the changing distributions of inflows into the southern Basin on state shares under the Murray–Darling Basin Agreement, and it was around any consequential impacts on water shares resulting from the reserves required under the Murray–Darling Basin Agreement. Just to remind everybody it was not a review of The Murray–Darling Basin Plan. It was not a promise that we would find water. It was not an inquiry into water trading that water trading inquiry is underway by the ACCC (Australian Competition and Consumer Commission).

With the ACCC delivering an interim report to the Minister, Minister Keith Pitt; we had a change in Minister between when I started the inquiry to when we delivered the inquiry, and it's not an inquiry into water sharing arrangements.

So we had quite a few submissions that came forward, we had 345 submissions through the Town Hall meetings, we met with over a thousand people, quite a few people came prepared to talk about the Murray–Darling Basin Plan, or prepared to talk about or argue about whether water was promised at the outset of the inquiry. There should be no doubt that there was no water promised at any stage during the lead up to the inquiry and it's also should be pointed out that the inquiry started and was commissioned by the former Minister David Littleproud.

Not only based on some representations that were made in Canberra to him by a large number of people who took the time to go to Canberra to present their concerns to government, but also several other groups had lobbied the Minister prior to that asking questions, particularly about the general license agreements in New South Wales and the fact that they've been successive year on year, allocations to those people.

With that in mind, the Minister undertook that there would be an inquiry and that I would undertake that inquiry.

There are a lot of other issues that I know are of concern to irrigators and farmers that are not part of this inquiry, but they are still relevant in any event and can still be followed through by the Office that now has a permanent location in Mildura, as well as Goondiwindi, and also an office in Canberra. If there are issues that can't be addressed today, and there's a lot of them that were raised in the online forum prior to the start of today's webinar, no doubt some may be raised today during the webinar, those issues can still be addressed, but they'll probably be addressed outside of what we're here today to talk about.

I’ll just give you a bit of an idea of some of the other questions that have been asked, one of them was about foreign ownership in water. That foreign ownership, just so everyone knows, was something that was raised by me in the report that I delivered to government in December last year on the Northern Basin. It's not an issue that was subject to this inquiry.

But however for anybody who has an interest in that, I’d probably point you to the fact that following an expose on foreign ownership in water, I appeared on the 7:30 Report recently and explained that my concern was about inaction by the Australian Tax Office on foreign ownership, and the fact that foreign ownership fell below the threshold of the foreign investment review board, therefore it wasn't within scope of people to actually examine properly.

So that was raised in my Northern Basin Commission Report, not this report, and so it falls outside the scope of this report. Just to update anybody who has interest in that; I met with Treasury last week and I met with the Foreign Investment Review Board and I've asked them to consider reducing the threshold in terms of reporting provisions under the under the legislation there, so that we get a better handle on it in terms of foreign ownership of water.

But there are a few other things that are important to raise before we go into the Recommendations of this report. There's a couple of fairly, I think disturbing allegations which have been made about the report; one is that the report was written in concert or in collaboration with the Murray–Darling Basin Authority.

Nothing can be further from the truth, I have even in fact spoken to the Murray–Darling Basin Authority for nearly three months now. The Murray–Darling Basin Authority in no way influence this report and any suggestion to that effect is absolute nonsense. We had to quote areas of the Murray–Darling Basin in the report because it's the only agency that reports on the matters, or some of the matters, that required some graphic illustration in the report.

Common sense will tell you that we had to consult with the Murray–Darling Basin Authority, but they in no way had any influence or any impact on the writing of the report, and to suggest otherwise is an insult to my integrity, and an insult the integrity of the Inspector-General's Office and the people who work with me in the preparation of this report. That's the first thing that needs to be said.

The second thing is another allegation that arose in talkback radio that I've been doing around the place, and that is “do I own any shares in water?”, the answer to that is no, I don't, I have no interest in water and I have no interest in agriculture. When I say no interest, I mean no vested interest, of course I'm interested in the success of Agriculture. That's one of the reasons why I took on the role of Inspector-General. I just want to make those points clear, because rumors circulate around the place about ownership in water. I don't have any ownership. No member of my family has ownership.

We couldn't be any further away from it if we tried, and I wouldn't do this job if I was conflicted in that way, so just to make those points. I'll now turn to the report itself. Hopefully as Racquel said in the opening comments people have had a chance to read the report. I understand that some people were disappointed in a report because they thought it would promise them water.

The promise was never made as I said, and both the former Minister David Littleproud and myself, actually made statements in the media following the announcement of the review or the inquiry to that effect. We did that because we heard that people were told incorrectly that water had been promised and that had never been promised.

But the report does give some options in terms of understanding of where some of the calculations that have been made, particularly by the Murray–Darling Basin Authority, might give some or might offer up some opportunities to further examine more closely where water is, and why that water has not been made available, to particularly people who have gone through that year on year zero allocation under the general license provisions in New South Wales. As we go through this report, the other thing I think that is really important is that we had something in the order of 345 submissions, and we spoke to over a thousand people, to fairly represent all of those people and all of the things that were raised is not an easy task. The thing that we are trying to do with this report is to hit on what are the most important things that were being raised in the submissions.

So in short the inquiry received a quite amount of attention and you'll see in the early part of the report.

We broke down where we thought, or where the submissions actually came in, and of most interest to everybody was, or for the people who participated, was the operation of the system's, equity and water sharing Arrangements, state entitlements and environment concerns about the environmental water. So they were the big ticket items and then the other ones were trade and ownership and the lack of the transparency and accountability.

So with those in mind, we sort of attack the report to try, and first before we decided to deliver up any possible solutions was to properly identify the problem.

But the problem for some was incorrectly perceived to be the Murray–Darling Basin Plan. It's not, it's actually the Agreement, and it's not actually even the Agreement that the Murray–Darling Basin Agreement which has been in place since 2000, sorry since 1915, it is not necessarily the problem here, it is actually the operationalisation of the Murray–Darling Basin Agreement, that’s the problem.

We took the time in the report to provide a history of the Murray–Darling Basin Agreement up until 2011, so from its inception in 1850 to 2011. Then we went through and described in the report how water is available where the Agreement comes into play and once the Agreements in play, then the states determine their own share of how water will be allocated and their allocation frameworks.

So we tried to properly identify what the problem was, in terms of describing what the Murray–Darling Basin Agreement is all about, its history and how it operates and it's in that it's in that state water shares determination and state water allocation frameworks that we think that the critical misunderstanding in some parts, or the critical problem is in other parts. We then took a very careful look, because it was in fact the first of the terms of reference, the impact of the changing distributions of inflows into the southern basin, and we looked at the northern Basin and the inflows into the Murray.

I think if you were to ask me what were the main findings coming out of the report, clearly the most graphic finding is that there's been a 44% reduction of inflows into the Murray–Darling Basin over the last 20 years, that is quite significant, what also came to light as a result of looking at the Darling River is that, over the past hundred years, the Darling has in fact been dry on a number of occasions and has been reduced to pools on a number of occasions.

So it wasn't the very first time that we actually saw that, and in fact, it also occurred around the time of the millennium drought, but we were more interested in was how do we find out, why that's the case and why is water now not flowing into the Darling like it perhaps once did, and like what it must have been doing at the time the Murray–Darling Basin Agreement was agreed to by the by the three states in the Commonwealth.

So that first finding of the difference in the inflows is quite critical, because it means that there's 40 to 44% less water coming into the Darling system.

Now even despite the fact that there's less water coming in, what we've tried to demonstrate in that first couple of pages of the report, is that what that has done in terms of the share equities across the water that is coming into the Darling system that then fits into the Murray. So we don't think it's actually enough data there to tell us why, there's data there to tell us that it's happening, but there's not enough data to tell us why. So that's why in Recommendation 1, we've asked that the MDBA should undertake further analysis into the causes of the reduced inflation of the northern Basin, and the extent to which this is affecting the southern shares.

So it's if you like, a further extension of the, I guess the problem definition that we embarked upon when we when we started the inquiry. Saying that there is a problem in the inflows is one thing, but trying to find out why is another. You'll see that in the report we say over the historical record inflows from the lower Darling actually have only contributed 8% of the water available to the Murray system each year. Now some of you who have taken an interest in this, would have realised that I had about two hours appearing before the Senate, are being questioned on the report last week in Canberra and that was one of the questions that was asked of me, it was where did I get that 8%?

So in other words just to be clear on this, we're saying that over the historical record inflows from the lower Darling have only contributed an average of 8%. So the expectation that because there was 44% reduced inflow into the Darling, an argument was being put forward that even despite the fact that there is 44% less coming in, the total representation of what the Darling contributes to the system is only 8%. So it was in the report, it wasn't cited where the information came from for that 8%, but I can tell you that I've since written back to the Senate which I undertook the following day that I appeared, and the citation for that is from the Murray–Darling Basin Authority.

My Office is continuing to just make sure that that's absolutely correct, and we'll keep on that in terms of that 8% given that the question came from, I think from memory, Senator Perin Davey.

So Recommendation 1 is that further analysis needs to be undertaken into the reduced inflows from the northern Basin. For those of you who have taken an interest in what I've been doing for the last 18 months; the first 12 months of that was totally dedicated to the northern Basin. We still have a situation in Queensland and in New South Wales where compulsory metering and telemetry has not been implemented, Queensland has still not introduced legislation for a compulsory metering and telemetry, and New South Wales whilst having introduced the legislation, sought an extension for the implementation of that legislation until December 2020.

So there's another six months before New South Wales is supposed to a transition across to compulsory metering and telemetry, and as people raised with me during the town hall meetings, and subsequent submissions and personal interviews, we can't manage what we can't measure, and then until we know what those inflows are and measuring them, we won't be able to be confident about what is missing from the from the Darling in terms of inflows.

So a lot more work needs to be done on that, and we will be talking to both NRAR (Natural Resources Access Regulator) and Queensland DNRME (Department of Natural Resources, Mines and Energy), to ensure that we get better measurement and better understanding of what is causing those inflows into the system, not to be measured because everybody's entitled to know what that is.

The next section of the report went into the Water Sharing Agreements. I was concerned, and people raised with me during the town hall sessions and during the interviews and submissions, that the Ministerial Council on the Murray–Darling Basin was not responsive to the current drought situation.

So that that caused me to look at the legislation, and the Murray–Darling Basin Agreement, as to whether there was enough flexibility and agility for the Ministers who involved themselves in the activation of changing the rules, or changing the processes, or the policies because of the of the drought situation. Many of you would have heard a perennial complaint that water was flowing down the system but couldn't be accessed, and that was what was frustrating irrigators and farmers, who owned that water, and was that water just destined for South Australia? I’ve tried in the in the second part of the report to just simply explain what the water sharing Agreements are, and how the tears impact on the activation of the Murray–Darling Basin Ministerial Council.

When I went through that process I discovered, or we discovered, that each year the Murray–Darling Basin Authority in conjunction with the Basin Officials Committee, actually look at the water sharing Agreements based on the availability of water for the forthcoming year.

What I discovered was that was not a transparent process, and nobody knew what the deliberations of those meetings were, and nobody knew how they arrived at the calculations they arrived at, so Recommendation 2 is to increase trust and transparency about the water sharing. The Murray–Darling Basin Authority should provide clear and easily accessible information about special accounting measures, including the circumstances under which they are applied, and how they are used to determine state allocation.

So in summarising that there's a group that meets and determines the allocations at the beginning of each year, based upon what is available, what the demands on that water are, in terms of entitlement and what has been carried over, and they determine then what is available to be redistributed. So that is really key for everybody to understand, and yet it's not a transparent process. So I've now made it clear that in order for everybody to understand how that process takes place, that that process should now be one that's open and transparent to the rest of the community.

The third part of the report that I went into, or we went into, was about the shares and allocation from the consumptive pool.

This is worthwhile spending a little bit of time on because quite a few people made a number of approaches to us whilst we were doing the inquiry. For those of you who heard the evidence that I gave to the Senate last week, these were cogent people, and some of you might even be online at the moment hearing this, but they were people who were not emotive people, who were motivated by trying to establish that the veracity of the data that was being, you know, that was being discussed in some of the reports that were coming out of the MDBA.

When someone's pointed out in one of the earlier questions that came before the commencement of the webinar, that when I was in Shepparton and when we were in Shepparton and I talked about the calculations made by that group of people, and some of you will know who these people are and as I say, some of them might even be online now, who did an excellent job in articulating where they thought there was an under estimation or under measurement by the MDBA about the under use of water.

So we set about trying to find out what the answer to that was, from memory the calculation that that group came up with, or a number of groups came up with, was around 900 gigalitres of water was unallocated, or was lost in the system or was not measured properly, or was not properly measured in terms of what was being stored. But we set about trying to find out the truth of that matter, and we were told originally by the MDBA that there was in the order of some 350 gigalitres of water, that was not in that under use, I don't want to say under use pool because it gives you the impression that's a pool of water sitting in a bucket or in a damn ready to be released.

That's what I had in mind and I was wrong. It was 350 gigalitres they were talking about, but it's in a number of places that I’ll talk about in a moment. So I thought, when I appeared, when I went to Shepparton and I had that 350 gigalitres in my mind, and I knew from having met with the group of people down at Cobram Barooga Golf Club, when I spoke to that group of people, they were talking in the order of only needing 200 gigalitres of water. So I was confident that we might have found some water that had been not allocated, or not accounted for properly in the system. So our Office started to question that data with the MDBA, and then around the time that this report was being printed or been written, the MDBA changed this figure from 350 gigalitres to 50 gigalitres of water over seven years.

So in other words, there had been an under use of, in the order of 50 gigaliters over a period of seven years making 350 gigalitres. So that appears in my report.

However, you will see that Recommendation 3 in the report says that the MDBA should clearly communicate the results of its examination of under use of allocations, and compare them with the submissions made to this inquiry, so that an accurate feedback can be given to the community. Now separate to this inquiry, the former Minister, David Littleproud commissioned a separate inquiry because he'd had a number of representations from a number of people who were also saying the same thing; that there’s been a miscalculation of the underuse of allocations. So he had commissioned a review by the MDBA.

Because it came up in our inquiry, I also thought that this was such an important issue and it would come up time and time again on the Victorian side of the border, on the New South Wales side of the border, people were saying there's water going down the system, it's been lost, it's all going to South Australia for the purposes of South Australia, and if South Australia doesn’t use it, it gets washed out into the ocean. So it's wasted, so that was the proposition that was being put to me.

That's why I took the time in this review to understand it myself, and understand that what people were saying in the public meetings, and what people were saying in the submissions that the Murray, the people in the Murray, so the Victorian and New South Wales people before the Murray enters into the South Australian side of the border, were having to shoulder 100% of the contribution rate to South Australia, and that South Australia was benefiting from that. Well then when you actually look at what the rules are, and what the Murray–Darling Basin Agreement is, that's not exactly right whilst the Agreement promises 1850 gigalitres of water to South Australia, and you can understand why South Australia is in that position, because if they didn't have that Agreement, they'd have no surety and no guarantee of water every year.

So going back to the Agreement, the Agreement is based on a solid foundation of cooperation between jurisdictions that New South Wales and Victoria have to in some way provide a guarantee of water to South Australia. Now that guarantee of the 850 gigalitres is not there each and every year, if there's not 850 gigalitres available that it doesn't go, it doesn't happen.

So we took the time in the report to actually describe how that is broken down and how it happens, and then we put, and particularly for those who are interested, on page 17 of the report in figure 10, it actually shows you that in 2000, particularly in mid 2000s or late 2000s, there's quite a significant difference between what's being promised to South Australia and what they actually receive. In fact, if you look back over the last 20 years, South Australia has never really achieved what it's been guaranteed under the Agreement, because the water simply hasn't been available.

And then of course when water is available, the guaranteed quantities to New South Wales and Victoria remain the same, and where water is lost, it’s lost and spilt for South Australia. So South Australia is the first to lose it, so that didn't appear to be well understood when we were doing the inquiry.

And it certainly wasn't understood by me until we went into it in further detail.

So we published this report, we faithfully believed what the Murray–Darling Basin Authority told us that it was 50 gigalitres of water under used per year over the last seven years to a total of 350 gigaliters.

So this is why it's ridiculous to even suggest that this report is written in in some sort of cooperative or collaborative fashion with the MDBA, because anyone who saw or listen to the evidence I gave in the Senate last week would have seen I've been quite critical of the MDBA for first of all telling us it was 350 gigalitres per year for seven years, then changing that story to the 50 gigalitres per year for seven years to total 350 gigalitres.

So that confusion has led my Office now spending the last two weeks, or two weeks prior to this week, trying to nail what that quantity of underuse is. Now the quantity is more in the order of 375 gigalitres per year for seven years. Now that appeared to me to be quite an attractive discovery because going back to the meetings that we had with people in town hall meetings, the meetings that we've had with the New South Wales irrigators to people down at Cobram Barooga, we knew they were only looking for 200 gigalitres of water.

So if there's been 350 that's been under used or conservatively used in the calculations by the MDBA, the solution was pretty simple and straight forward to it, so, you know on first blush. But it turns out that that's not necessarily the case, that 375 gigalitres on closer examination, is water that is already accounted for in by DPIE (Department of Planning, Industry and Environment) in New South Wales or by Victoria. It's already quite an ownership in it.

The problem about it is that it sits in the system and while ever its sits in the system, it stands subject to loss so through evaporation or whatever. So we are still in Recommendation 3 in the report, that the Murray–Darling Basin Authority should clearly communicate the results of its examination of it's under use and compare them with submissions made to this inquiry, so that accurate feedback can be given to the community.

Now the at this point in time, so on today's date is the 20th of May, I can tell you that my Office has been writing the MDBA for the last two weeks to get this figure right. We think it's in the order of 375 gigalitres, but I go back now to what DPIE and Victoria of told us, and that is that this water is already accounted for in their states, that's the first problem. The second problem, is that this water doesn't sit in one valley it actually sits, this 375 gigalitres, sits across a number of valleys. So if you look, which we have done, if you look at the under use of water across the valleys, you'll see places like the Yass Valley has under used over a number of years and has not reached its full allocation over a number of years.

The problem being to then transfer that water, or that quantity of water back into the Murray system, or back into the Darling system, is almost impossible to do. So in one sense, it's a virtual figure, it's not a real thing, it's not real water.

And in another sense, it's water that's already been accounted for by those agencies. Having said that that we're not we're not going to let it go.

I was quite impressed by the submissions that were made to me and I was quite impressed by the group that came to see me and talk to me about the 900 gigalitres, because as that group, as anyone in that group will tell you I was actually so taken by the logic and the cogent argument, without any emotion attached to it, the cogent argument that they put forward about this under use, that I asked them to come and meet me again in Melbourne, and then my Office went with them to the MDBA to walk through the calculations with the MDBA. I have to say to you, in all honesty, that the jury is still out with me on this. I do not think we're at the bottom of it yet.

And I do think that they are there is some scope for the MDBA to be less conservative and less risk averse about some of these calculations. Now whether that translates into real water, I do not want to give you a false hope that that's going to translate into real water. It will translate into real waters in some valleys, but it won’t translate into real water going to those farmers who approached me originally about this down in Cobram Barooga. So that’s it with that matter, we've just got two more sections to go to and we'll open up the session for questions to come online.

The next two sessions were to deal with the operational decision making, talking about the dilution flows and the loss entitlements, the break up, a lot of people raised with me about loss of water over embankments and I'll share with the people that are on the on the webinar.

That I've spoken to the Minister about this, Minister Pitt, and I’ve also spoken to South Australian Government or Department about this, people were talking to me a lot during the presentations about losses through the Barmah Choke and whether the Millewa Choke was a useful alternative to reduce those losses.

They were things that I took back directly to the Departments, I also took a back to the Minister in terms of some infrastructure investment that might be able to be done, and I can tell you without, I don't want to breach the Minister's confidence, I don't want to put words in the Minister's mouth, but all these are active considerations and I think are worthwhile pursuing and will be taking quite a bit of interest in two particular, the losses on over bank transfers and particularly the losses attributed to getting environmental water from one end of the system to the other. Just on that some other very sound submissions were made to me, and people took the time to explain to me during the town hall meetings that you know, there are other ways to count water to actually consider the water at the choosing.

And for example, we talked in the meetings about rice growing, whether that's a credit or a benefit to the community. When I examined that with the Commonwealth Environmental Water Holder. They assured me that the calculations were already taking into account for the environmental benefits from agriculture. In the report I talked about there and the Mark Elliott Irrigation Trust, and many of you know better than me that that was one of the original systems that was in place of having water cooperatives around areas, around districts, geographic or districts where groups actually assisted each other in water sharing.

And so that's one of the reasons why we highlighted in the report about the Renmark Irrigation Trust. All of that led to I think an understanding, or a finding, that there's just not enough communication about what is going on.

And what is being counted in the in the in the movement of water around the Murray Darling Basin, whether it be for environmental purposes, whether it be water that's been carried over and held in dams, whether it be water that's going to entitlement and title holders.

So we put in there a recommendation that the Basin Officials Committee needs to implement a single source of authority of truth that combines the information that's available to both the Commonwealth and state government agencies. You would have heard me talk about that during the public forum sessions, and I think there is without backing the government into a corner, it needs to go to a Ministerial Council. But I think there's a lot of support now, but that a lot of the mistrust and lack of confidence is because there are so many systems, and so much information going on around the place that it is very difficult for farmers and irrigators to actually be able to find that single source of truth.

Now the final Recommendation was one that was put forward during the town hall meetings and that is that water literacy to enable. Now this is such a complex subject matter, that in order to help people in a system, there's two problems here that were identified in the course of the of the review.

One is, as you all know people were really worried about the next generation, about what the incentive for the next generation to get into irrigation or farming would be, that this was such a complex and difficult issue that needs to be simplified. So we put in a recommendation there that did come up out of the forums that we improve people's water literacy by engaging it in further education. So that is why the fifth Recommendation is there, I'll close off now and start to deal with some of the questions that are coming in while I've been talking but I'll just simply add that.

It's a shame that some people chose to discredit the report. It's a genuine attempt to actually define the problem, and come up with some workable solutions that will improve, the situation for a number of people. While I've been doing this or what we've been doing this, the CSIRO has released its report into the Lower Lakes.

The Lower Lakes was another major issue that was raised to me during the town hall meetings. If you have not seen it yet, it is worthwhile going on to the CSIRO website and have a look at its fact sheet on the Lower Lakes, it talks about the barrages.

I think the problem for me, in case anybody wants to ask the question, the problem for me as the Inspector-General is now that we've got that fact sheet, now that we've got a line in the sand so to speak as to where we sit with the Lower Lakes and whether they should be saline or fresh water. Now that we've got this definitive piece of work by the CSIRO, what are we going to do about it? And I think that's the thing that the Inspector-General's Office needs to challenge both the Ministerial Council and the Basin Officials Committee. Now that you've got this report, what are you going to do about it?

Because people need to know the answer to that because it was one of the most prevalent issues, apart from water trading, it is one of the most prevalent issues that came up during this inquiry. So I'm now going to go back to Racquel and Racquel do you have any questions online that you want me to answer?

Racquel Boyd: Yes, thank you. Thank you very much Mick and certainly with what you've covered, I think you've certainly answered a lot of questions for people because we've seen some questions coming in and out as you've gone through, you know, the content in such detail and coverage. We do have a couple that we will have some time for now.

So the first one I'd like to start with is; why didn't the inquiry recommend an analysis of entire Basin reduced inflows and how this is affecting water share when we know Victorian stream flows have reduced 50% on average over the last 20 years?

Mick Keelty: The answer to that question is that we didn't have that as a term of reference. We were looking at the inflows from the northern Basin. I've got no hesitation in you know in opening it up a bit further Racquel before you get to the next question.

Whoever asked that question just be aware that in the report that I delivered for the Northern Basin I also said that there should be an examination of the total amount of water that's available, and the total amount of allocations that have been done and until that audit is done. We won't know whether we've over-allocated through entitlement or whether we've actually underestimated inflows and I that is a piece of work that really needs to be done, and needs to be done urgently and thanks for that question.

Racquel Boyd: Thank you. Okay, Mick our next question is actually referencing the report. So make sure that's handy. Figure 1, page 1; the issues raised by stakeholder states that only 3% of. Sorry, my apologies, I'll reread that. The issues raised by stakeholders states only 3% floodplain harvesting, now that seems quite low in our experience and in attending meetings where it has been brought up. Can you comment on that Mick?

Mick Keelty: All I can say is that it’s an accurate representation of where it sits in percentage rate to the rest of the questions. Now I know floodplain harvesting was like was raised post this report, remembering this report was commissioned back in December, and remember the report basically closed down at the end of February and started into writing phase.

I know and accept that floodplain harvesting has since been raised by the New South Wales Government and I think from memory that we have a referral from the New South Wales Minister on floodplain harvesting. If not, I'm aware of it and I know that our office has been dealing with the NRAR, the Natural Resources Access Regulator, in New South Wales, on floodplain harvesting, and can I just say to whoever asked that question, it is an issue that is clearly on our radar particularly the measurement of it.

But we can't get to the measurement of it until we get this telemetry legislation, particularly up in Queensland, where the legislation still has not been introduced for mandatory telemetry and measurement of water.

You there Racquel?

Racquel Boyd: Thanks Mick. Sorry I was talking away to myself there. Alrighty, so thank you so much for that. The next question that we have is; why not abolish all the confusing authorities? Then all the issues and constant arguments would stop and the country would flourish.

Mick Keelty: Well, that's a good question. You can ask it in the context of the current Covid-19 where borders are closed and some borders are open. I mean, we've got a federation, look I do think it's you know, we are complicating the issue because we've divided it on federal lines.

But I don't think the state would ever allow the Commonwealth remembering under our constitution the states would have to refer the power to the Commonwealth to enable the Commonwealth to take it over, the states would not agree to any individual state taking it over, so we can't do it any other way. And just whoever asked that question, to give you a good example of the difficulty in working through all of this, we call my office the Interim Inspector-General. The reason why is because I have no legislation. I have no appointment. And in fact for the last two months, I've not even been working for the Department of Agriculture. I don't have legislation because the state would have to refer the power to me or to the office of Inspector-General, who enable that office to work with any sort of powers to get to the bottom of some of these issues. The only way I've been able to do anything at the moment is through cooperation.

Getting the cooperation from the community and getting the cooperation from agencies. I have to tell you, that it's not always been forthcoming, and I'll just giving you an outline of the difficulties I've been having with the MDBA in nailing this under use. But you know, it worries me that I can't get a simple answer to simple questions, as much as it worries you.

Racquel Boyd: Right. Thank you very much for those reflections and comments Mick. I think we probably have time for one more. Let's look at this one. Mick can you please speak to how and if the recommendations from this report are likely to be adopted and implemented? Quite a broad question, but yeah, I'm sure that many people on the call would be interested in your reflections.

Mick Keelty: It's a really good question, and it goes back to the answer I just gave. If you get back to how this inquiry started, this inquiry was commissioned by the former Minister David Littleproud. He's no longer my Minister. He commissioned the inquiry without the support of the states. Now that just shows you the complexity and the conflict that exists in the Murray–Darling Basin Ministerial Council.

Having said, that the new Minister Keith Pitt, when I met with Minister Pitt in March when I delivered the report, he has subsequently accepted all of the Recommendations.

How is going to implement them, I’m not sure. Those that he's in control of he can certainly implement. So for example, he's in control of the MDBA so he can certainly implement those first three findings that deal with the MDBA.

He can deal with the BOC to a degree, the Basin Officials Committee, because the chair of the BOC happens to be in the Commonwealth Department of Agriculture. But the chair of the BOC doesn’t control the jurisdictions, the final recommendation, which is probably innocuous in the scheme of things, but is important. Yes equal just the same about education here again, there is no Commonwealth school. So to introduce this you need the cooperation and the agreement of the state Departments of Education.

So the person asking that question is hitting on the difficulty of the environment in which I am operating and that is it's within the Federation and we have to work within the Federation.

Having said all of that on a positive note; one of the greatest advances in modern policy has been the implementation of the national cabinet. The move to have a national cabinet to deal with the covid-19 crisis has been the most positive move that I've seen in in my 40 years of working with government, and I think there is some hope for the future in work that I do for Social Security, in looking after the unemployed and homelessness and youth who are in trouble, which I know is not a subject of this this inquiry. But in the work that I'm doing there, we're taking a lot of confidence in the fact that we now have a model of a national cabinet and I think that delivers hope that something, like the Murray–Darling Basin Authority [*Mr Keelty advised that he intended to refer to the Murray–Darling Basin Agreement in this statement, not the Authority*], can be advanced under that model.

Racquel Boyd: Great. Thank you. Thank you very much Mick. So we are right on the hour now. So that is our time for the webinar today. I am going to display on the screen. Now again, the link that we encourage you to use for any questions that you have that have been raised through the conversation today and through the presentation, but of course in regards to the report and anything as well that is out of scope of today's discussion that you would like to follow up. So ladies and gentlemen, thank you for your attendance and your participation today. We encourage you to have a good read of that report if you have not done so as yet and please make use of the contacts information that's there for you. Thank you very much, a reminder as well that we will have a transcript of today available on the website in the next few days. Thank you all and good afternoon.

[Webinar ends]