

Speech given by Peter Cullen at launch of Water Politics on Monday 12th 2007 at Australian National University

I am delighted to launch this wonderful book by Daniel Connell on water politics in the Murray-Darling Basin (MDB). A brave man and a brave publisher to launch a book on this topic at this time when things seem to change by the day. But this book is right up to date and the epilogue reflects on the Prime Minister's National Plan for Water Security and how this might be used to move us towards a sustainable Basin, or might be used to again fudge the hard questions facing our society and its use of its resources.

The research and the publication of the book were supported by Land and Water Australia – encouraging thinking and exploration of issues.

The tension between exploitation/development against sustainability/conserving, and the rhetorical dance around these positions are all carried on within evolving governance arrangements and competition between players. Competition, and blaming others, has been a feature of water development in the last century

Arguments about how to use the Basin almost stalled Federation. I recall the Centenary Celebration of the Corowa Conference held in April 2002 where I had an opportunity to deliver the after-dinner address. I was able to do that, because Daniel had meticulously researched original Conference tensions between South Australia wanting river used for transport, and the other States more interested in irrigation.

This tension was resolved by one of those untidy compromises that tried to be all things to all people, a tendency that dogged the Basin throughout the last century. The row over our waters came to a head in 1902 at the end of the Federation drought (1895-1902).

Droughts certainly help focus the mind. Community groups in 1902 called the Corowa Conference as they were sick and tired of the inability of governments to resolve pressing water problems.

It was made up mainly of practical people and all they wanted was that some Government – any Government – should provide them with an assured water supply. In 1902 we saw the same tensions between upstream and downstream users and communities as we see now.

South Australia wanted the Murray developed for navigation while Victoria was aggressively developing it for irrigation under the leadership of Alfred Deakin. The NSW Premier of the time, GH Reid, put it: "New South Wales was not prepared to reduce itself to the status of a catchment for South Australia" .

Much of Australia again seems to be drying and we now face real water scarcity for many cities and rural areas after an unusually wet period 1950-1990 that has formed our expectations. Long-term inflow to the Murray was 10,500 GL, but the average over the past six yrs has been 40% of this at 4300 GL. Major storages of the Basin are now almost empty, irrigation allocations have been slashed and emergency planning is underway to ensure water for Adelaide.

The history of water development in the MDB is a history of articulate interest groups seeking to have waters used for their particular advantage. As at Federation, the pressures become unbearable in a big drought, and governments have to act.

Prime Minister Howard recognised the failure of governance of the MDB and has addressed it with his proposal that powers be transferred to the Commonwealth to manage the MDB as a single system and provide \$10 billion to address water security issues.

Most commentators have welcomed the Prime Minister's plan, and there is widespread agreement that something had to be done.

The goal is largely agreed –we seek a healthy river and we seek to share available water in a fair way between cities and rural communities dependent on the river.

What Needs to be Done Now

- Stop further extractions
- Establish estimates of the sustainable levels of extraction of each river, based on best available scientific advice
- Build a single register of all water entitlements
- Ensure seasonal allocations made to each entitlement holder are within these sustainable levels of extraction.
- Establish an independent and professional environmental water manager for the MDB
- Don't just throw money out the door to meet some treasury target but insist on serious cost benefit assessment of all infrastructure projects and investments to create wealth and develop an irrigation industry that can pay its own way
- Integrate the management of land and water, and strengthen regional catchment bodies to help deliver on river health, interception and water theft issues.

Challenges to Commonwealth in Moving Forward

Previous governance of the MDB failed because powerful interest groups were able to stall actions they felt might hurt them. Interest groups still pushing their rights to whatever water remains in the Basin, and the Federal Government (presently a coalition of Liberal and National parties), will not find these issues easy to resolve either.

In the past with multiple governments involved it has been easy to blame other levels of government for failure to confront these issues. The Commonwealth will no longer have anyone with which to share blame and will have to make tough decisions that will be contested.

They will be responsible for deciding the consumptive pool of water available to be traded, and for establishing market rules and access conditions and prices that give us a sustainable system.

The Federation Press is to be congratulated on publishing a series of important Australian environmental books of which this is another fine example. The Press proudly states that ideas are important and they encourage authors to engage current debates. They have certainly hit that mark with this book. I commend it to all of you.