

MS18-001241

Mr Wayne Poels
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Email: helpdesk-OBPR@pmc.gov.au

Dear Mr Poels

Certification of RIS-like process: Basin Plan Amendment Instrument (No.1) 2018 - changes to sustainable diversion limits (SDLs) in the Northern Basin, selected groundwater areas, and other technical amendments of the Basin Plan 2012

During the 2018 Winter sitting, the Minister for Agriculture and Water Resources (the Minister) introduced the *Water Amendment Bill 2018* (the Bill), which has now amended the *Water Act 2007* (the Water Act) to insert a new directions power under section 49AA of the Water Act. Your office advised that a RIS was not required for the Bill (OBPR identification number 23798).

This Bill received the Royal Assent on 27 June 2018, and is now law, the *Water Amendment Act 2018*. This new directions power enables the Minister to direct the Authority to prepare a Basin Plan amendment that is the same in effect as an amendment (the Basin Plan Amendment Instrument 2017 (No. 1)) which has been previously disallowed, or taken to have been disallowed, by either House of Parliament, without having to undertake the consultation process requirements contained in Subdivision F of Division 1 of Part 2 of the Water Act.

On 28 June 2018, the Minister provided the Authority with the Water Act (Northern Basin Review and Other Measures) Direction 2018 (the Direction) (<u>Attachment C</u> refers) and this will commence in law on 29 June 2018. Under the Direction, the Minister is directing the Authority to prepare an amendment of the Basin Plan that is the same in effect as the NBR instrument, which was disallowed by the Senate on 14 February 2018. The Direction also requires the amendment to include the changes set out in paragraphs (a) to (c) of subsection (2) of Schedule 10 to the *Water Amendment Act 2018*.

The Basin Plan Amendment Instrument (No.1) 2018 (the Amendment Instrument) has undergone a process and analysis equivalent to a Regulation Impact Statement (RIS), as set out in the *Australian Government Guide to Regulation* - as this was the process undertaken to make the Instrument (Basin Plan Amendment Instrument 2017 No. 1, (the NBR Instrument). As noted above, the Instrument is required by law to be the same in effect as the disallowed NBR instrument which was certified by OBPR on the basis of advice from the Murray Darling Basin Authority.

Mr Phillip Glyde, Chief Executive of the Murray-Darling Basin Authority, wrote to you on 21 July 2017 to certify that the Authority, in preparing the NBR Instrument to amend the *Basin Plan 2012* (the Basin Plan), had undertaken a process and analysis equivalent to a Regulation Impact Statement (RIS), as set out in the *Australian Government Guide to Regulation* (Attachment B refers). Your office advised that a RIS was not required for the NBR Instrument, acknowledging that the Authority had completed a RIS-like process and there were no impacts on regulatory burden (OBPR identification number 20794).

The limitation that the amended instrument is the same in effect as the disallowed instrument, is important to ensure that the Authority cannot propose changes to the disallowed amendment that have not previously been subject to the extensive consultation process detailed in sections 46 to 48 of the Water Act. As a result there has been no changes to the Instrument that require an additional RIS-like review nor additional consultation. The directions power also avoids duplication of the extensive consultation process undertaken for the disallowed NBR Instrument, therefore preserving and respecting the integrity of the original process.

I have therefore concluded that I may certify that the RIS-like review undertaken by the Murray-Darling Basin Authority adequately addressed all seven RIS questions and there will no review requirements that can alter the RIS like process undertaken by the Authority. Given the above there will be no changes to the regulatory burden on business, community or organisations or individuals and this has been agreed with your office.

Accordingly, I am satisfied that the reports included at <u>Attachment A</u> (as also provided to you on 21 July 2017), meet best practice consistent with the *Australian Government Guide to Regulation*.

This letter and its attachment will be published on the OBPR website.

Yours sincerely

Malcolm Thompson Deputy Secretary

29 June 2018

Changes to the Northern Basin limits*

Northern Basin - Background information and research

Finding the balance - Final report of the Northern Basin Advisory Committee - October 2016

Northern Basin Review - community consultation report - November 2016

The Northern Basin Review - Understanding the economic, social and environmental outcomes from water recovery in the northern basin - November 2016

The Triple bottom line framework - A method for assessing the economic, social and environmental outcomes of the sustainable diversion limits for the northern basin - November 2016

Northern Basin - Social and Economic Research

An independent review of the social and economic modelling inputs to the Northern Basin Review - November 2016

Economic modelling report for the Northern Basin Review (KPMG) - November 2016

Lower Balonne Floodplain grazing model draft report - November 2016

Northern Basin Review – land use modelling documentation - November 2016

Northern Basin Review - social and economic condition reports - November 2016

Northern Basin Review - technical overview of the social and economic analysis - December 2016

Our water, our life, an Aboriginal study in the Northern Basin - July 2016

Northern Basin - Environmental science and hydrological report

Environmental outcomes of the Northern Basin Review - October 2016

Assessment of environmental water requirements: Barwon-Darling river system - October 2016

Environmental outcomes for the Northern Basin - Brochures and Factsheets - August 2016

Hydrologic modelling for the Northern Basin Review - January 2016

Hydrological modelling for the Northern Basin Review - Full Report - January 2017

Changes to groundwater limits**

Eastern Porous Rock Water Resource Plan Area Review Synthesis Report - February 2014

Goulburn-Murray Sedimentary Plain Groundwater Sustainable Diversion Limit Review - Synthesis Report - September 2014

Report to the MDBA by the Review Panel for the Goulburn-Murray Sedimentary Plain SDL Area in Victoria - November 2014

Report to the MDBA by the Review Panel of the Eastern Porous Rock Water Resource Plan Area in NSW - February 2014

Report to the MDBA by the Review Panel of the Western Porous Rock Groundwater SDL Resource Unit in NSW - December 2014

Social and economic impacts of proposed groundwater Basin Plan amendments - July 2015

Western Porous Rock Groundwater Sustainable Diversion Limit Review - Synthesis Report - February 2014

Statutory processes***

Broad outline of changes to the proposed Basin Plan amendment - May 2017

Comments from the Murray-Darling Basin Ministerial Council - 16 June 2017

 $Community\ consultation\ report\ -\ Proposed\ Basin\ Plan\ amendment\ including\ a\ broad\ outline\ of\ changes\ -\ May\ 2017$

MDBA letter to state water Ministers seeking views on the proposed amendment - 26 June 2017

Plain English summary - proposed Basin Plan amendments - 22 November 2016

- * All Northern Basin reports are available on the Murray-Darling Basin Authority website
- ** All groundwater reports are available on the Murray-Darling Basin Authority website
- *** Documents are available on the Murray-Darling Basin Authority website