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## **HIGH COURT CHALLENGE AGAINST VICS ON WATER LAUNCHED**

The South Australian Government today issued proceedings in the High Court to force the Victorian Government to lift its restrictive 4 per cent cap water trade barrier along the Murray River system.

The proceedings assert that the cap is an unconstitutional imposition on trade and is therefore invalid.

The High Court challenge forms part of the SA Government's campaign to return healthy flows to the River Murray and help save the Murray Lower Lakes and Coorong.

Premier Mike Rann says the Government wants to see free water trading along the River.

“It has become increasingly urgent to force these changes as the drought continues and the River Murray suffers more and more environmental damage.

“While I am pleased that earlier this year the announcement of South Australia's intention to launch a High Court challenge caused Victoria to abolish its restrictive 10 per cent trading cap, Victoria's 4 percent trading cap remains until 2014 – at the earliest.

“It is a mechanism to protect inefficient and wasteful water practices in Victoria.

“It is also a trade barrier that severely hinders the ability of Governments to purchase water for the environment and critical human needs.

“The Rudd Government has allocated \$3.1 billion to buying back water licences to restore flow to the river system.

“Because of restrictive trade barriers in Victoria, the vast majority of the water for environmental flow was being purchased by the Commonwealth from New South Wales.

“This prompted New South Wales to impose a trade embargo earlier this year.

“In other words, the 4 per cent barrier in Victoria has had a damaging domino affect.

“In effect, it's placed a handbrake on the whole reform of the River Murray restoration.

“The only State that has open free trade on water now is South Australia.

“We want every State to follow our lead – even if we have to force it via court action.”

Minister Maywald says the High Court challenge is designed to keep the momentum of reforms going.

"Water scientists have been telling us for many years that a minimum of 1500 gigalitres and up to 3800 gigalitres of flow needs to be permanently returned to the River Murray to ensure its long-term survival.

“What many people don’t realise is that in the past few years we have made a very good start towards restoring this level of permanent flow to the River Murray.

“So far, under the Living Murray program, 485 gigalitres of permanent water has been returned to the river and under the Water for the Future Program, a further 360 gigalitres in water entitlements have been purchased.

“That means a total of 844 gigalitres has, in effect, been restored to the river for permanent environmental flow.

“But we need to keep the momentum going,” Minister Maywald says.

“The simple truth is that of all of the water extracted from the Murray Darling basin, in normal years 93 per cent is drawn from NSW, Victoria and Queensland.

“Only 7 per cent is taken out in South Australia.”

“The Victorian cap is placing undue pressure on South Australia's irrigation community. The same opportunities for trading water should be available right across the Basin.”

Mr Weatherill says that the state of the Coorong and Lower Lakes shows the urgent need to fix the problems in the Murray Darling Basin system.

“The Coorong and Lower Lakes are on the verge of environmental collapse," he said.

“Record low inflows into the Lower Lakes caused by prolonged drought and over-use of water in the upstream states has left large tracts of lake bed exposed.

"The South Australian Government is continuing to do what we can to try to help restore the River Murray, Lower Lakes and Coorong to health.

“The bioremediation and revegetation work we are undertaking is critical to controlling the serious acid sulfate soils issue confronting the lakes.

"But what we need most is to return healthy flows to the River Murray and this High Court action is part of South Australia's campaign to achieve that.”