



BARNES MDA Conference AUSTRALIA -AUG18

WELCOME

E ngā mana – to the Wiradjuri People, I acknowledge you;

E ngā reo – to David & Emma of the Murray Darling Association and sponsors of the 2018 Conference, I thank you for the invitation;

E rau rangatira mā o ngā hau e whā – to all of you who have gathered here today from far and wide, I greet you all;

Tēnā koutou, tēnā koutou, tēnā tātou katoa – greetings one and all

Ko Grant Barnes tōku ingoa – My name is Grant Barnes

DROUGHT ACKNOWLEDGEMENT

In addition to those greetings, I'd also like to echo the Minister's sentiments and acknowledge all the landholders who are experiencing hardship as a result of the drought. It is in these times that the character of rural Australia is demonstrated; its resolve, strength and fortitude.

ADDRESS

A lot has happened in twelve months.

Late last month was the anniversary of the ABC Four Corners program 'Pumped'. The NSW Government's response was prompt; Ken Matthews AO undertook an independent review of water regulation and his recommendations were accepted in full, the Water Reform Action Plan quickly followed, and soon thereafter the Natural Resources Access Regulator was initiated replete with its own legislation and independent Board.

For my short address this morning, I will briefly reflect on 3 things:

- NRAR; its mandate and approach
- Why our establishment matters to those who depend on water in the Murray Darling Basin, and
- How NRAR will deliver

So to the first point, NRAR and its activities

NRAR has been established with a clear, legislated mandate to;

- Firstly, ensure the efficient, effective, transparent and accountable delivery of the regulatory regime for water, and



- Restore public trust and confidence.

In a mechanistic sense we have been up and running for over 120 days.

- We are operational and our teams are on the ground engaging with stakeholders, providing assistance when it is sought, investigating breach notifications and shepherding environmental flows - we have undertaken over 300 site visits in all parts of the state since 30 April.
- We are working diligently on compliance matters. We are focused on addressing the over 200 new cases on our books since our inception and legacy cases inherited from our predecessors.
- We have embraced transparency and proactively publish on-line the actions of our governors, our policies and procedures, our engagement with stakeholders, and our compliance activities. This speech for instance, will soon be published.
- We have taken enforcement action when necessary and have issued multiple Penalty Infringement Notices, remediations directions, stop work orders and nearly 100 advisory and warning letters.
- Prosecutions have commenced in four matters where alleged breaches required direct action. There is more likely to follow.

We are though in our infancy and there is much to do.

Reviews by independent bodies draw attention to the behaviour of some at the detriment of many. The reputation of lot of good farmers and irrigators have been unfairly sullied.

The same can be said of the overwhelming majority of professional and hardworking departmental staff whose expertise was ignored and contributions marginalised.

The bad behaviour of a few has had an adverse effect on the performance of many.

With an eye then intently on the future, the only way is up.

As the independent regulator, we need to make sure we do all the things necessary:

1. to re-establish a physical compliance presence - 'boots on the ground'. We are actively recruiting now to more than double our capacity.
2. to re-state what is required to be a professional regulator; outcome focused, intelligence led.
3. to require the highest of ethical standards of our people; accountability, integrity, service and trust.



4. and to resolutely commit to act in the public interest at all times.

OK now to the second matter; why do I think all of you here today and those you represent should care?

In preparing for this role and since joining NRAR as Chief Regulatory Officer, I have been all over NSW meeting with farmers, irrigators and the residents of rural towns who rely so heavily on stable access to water for their livelihoods and indeed their very existence.

The Murray Darling Basin is a significant contributor to the Australian economy, providing about a third of the total output for natural resource-based industries, worth billions of dollars a year. In addition to this there is significant environmental value in its water assets, cultural significance for some 30 Aboriginal nations that call the Basin home, and great importance to 40% of Australia's farmers who ply their trade within its reaches producing a significant proportion of the nations food and fibre.

But I suspect you know all this

You know too the importance of water as a critical input to all the Basin's activities. Security of supply goes hand in hand.

Equally, you understand that the ability to access water and to extract for productive use is a right that confers both economic value and social obligations.

Now I understand that just like the land you might farm, you own the right to the water you have purchased. Just as you have an expectation of protection from the theft of your land, you have a right to the protection of your water assets. Both are essential to your businesses and deserve active protection under the law.

Low accountability of water users undermines the integrity of the regulatory system and the confidence therein. A downward spiral can ensue.

Water users act rationally to purchase water at a price that is in part based on the certainty that they'll get what they paid for. That there will be little or no 'leakage'. This runs true for taxpayers who foot the bill for environmental water held on their behalf.

Thirdly and finally, how will NRAR deliver?



With NRAR we are rebuilding a compliance regime that affirms the value of water as an asset, protected from those who seek to obtain it unlawfully.

An effective & efficient regulatory system is best determined by a robust, fair and ethical compliance agency. That is where NRAR comes in. We make it easy to comply and painful to not.

A visible, independent, professional and well resourced NRAR affirms the social licence of lawful operators by validating their compliance as distinct from unlawful actors whose activities flout the law.

By having a presence on the ground with clear rules, fairly and consistently applied, NRAR endorse the good and marginalise the bad.

It is with this final point that I acknowledge the cautious support of NRAR's stakeholders in the Murray Darling Basin. Through my tour of regional NSW I have consistently heard that the great majority of water users are honest operators who appreciate the need for rules and want them fairly applied.

That is NRARs commitment to you.
