

Landholder update

Tuesday 17 October 2017



Board matters in the public domain

In May 2017, as your new chair, I issued a Board Landholder update in which I said the Board was seeking to improve its accountability and behaviour. The exact wording of that advisory was:

"The Board of Murray Irrigation are your representatives, and in looking after your interests, need to conduct themselves professionally, and in accordance with both the codes of conduct of the company and the fiduciary duties required of directors under corporations law. There are some specific issues around the code of conduct that the Board is currently dealing with."

In the intervening months, the Board took the unanimous decision to implement a series of measures to address the issues raised and one of these was to conduct an external review of the governance of the organisation.

Matters uncovered in that governance review have led to some decisions being taken to resolve the issues raised and the fallout from those decisions has now entered the public domain and there is likely more to follow. Regrettable agreed, but unavoidable.

... negotiations and submissions

In the last month directors and/or staff have met with government, with the Murray Darling Basin Authority and with advocacy groups. We've made submissions to the Senate Inquiry into the Four Corners allegations, and the Snowy Water Licence Review and we've met with the Premier and the NSW Water Minister.

In the next few weeks we'll continue to negotiate the use of Mulwala Canal with WaterNSW and MDBA, and we'll provide the NSW Water Minister with our views on the findings of the Matthews' review into the NSW Water Management and Compliance.

... meanwhile, all systems go

The purpose of this landholder update is to assure our customers that the issues being played out at board level have no impact whatsoever on the company's operations that is, to *deliver water on time, in full, at a price that contributes to customer profit margins and which is sustainable for the company.*

PIIOP Round 2 is being finalised on time and on the budget approved in June 2014. And, while we're transitioning to automation we have maintained an adequate workforce to handle the anticipated commissioning and start-up challenges of a \$206 million investment in your outlets.

Like each and every season, individual success is at the mercy of the elements but notwithstanding what nature has in store, the company expects to deliver 800GL and we hope that each and every drop contributes to our customers' prosperity.

A handwritten signature in black ink, appearing to read "Bruce Simpson".

Bruce Simpson
Chairman