

Friday 27 November 2020

Investigation into complaints of corruption in the management of water in NSW and systemic non-compliance with the *Water Management Act 2000 (WMA)*

ICAC FINDINGS

The ICAC was not satisfied in relation to any of the matters it investigated that the evidence established that any person had engaged in corrupt conduct for the purposes of the *Independent Commission Against Corruption Act 1988*.

ICAC RECOMMENDATIONS

The Commission seeks the advice of the Director of Public Prosecutions (DPP) on whether any prosecution should be commenced. The DPP determines whether any criminal charges can be laid, and conducts all prosecutions. The ICAC is not of the opinion that the advice of the DPP should be obtained with respect to the prosecution of any individual.

CORRUPTION PREVENTION

The Commission's investigation found that, at a policy level, the development and implementation of the 2012 Barwon-Darling Water Sharing Plan represented a failure to adhere to the priorities set out in the WMA. The Commission makes [15 corruption prevention recommendations](#) to help address the corruption risks identified during its investigation and to promote the integrity and good repute of public administration in relation to water management.

BACKGROUND

Between August 2017 and March 2020, the ICAC conducted two related investigations into complaints about water management in NSW: Operation Avon and Operation Mezzo. Operation Avon concerned diverse and wide-ranging matters covering a significant period of water management in NSW, with allegations of possible corrupt conduct occurring as far back as 2003. They involved complex, technical and cross-jurisdictional matters of natural resource law. These matters were referred to the Commission from a number of sources following the airing on 24 July 2017 of the ABC's *Four Corners* program "Pumped: Who is benefitting from the billions spent on the Murray-Darling?" Operation Mezzo concerned alleged involvement of NSW public officials in the controversial purchase of water entitlements in the state by the Commonwealth Government in mid-2017. Although referred to the ICAC later, it concerned many of the same factual matters, legal and technical issues, and personnel as Operation Avon, and was therefore investigated concurrently.

Certain aspects of the matters brought to the Commission's attention in the complaints could constitute corrupt conduct within the meaning of the ICAC Act. The Commission was concerned that the alleged conduct towards irrigators and industry on the part of those public officials tasked with managing the state's water resources and administering the state's water law equitably, transparently and in the public interest.

During the course of the investigation, the Commission conducted 13 compulsory examinations and interviewed and/or obtained statements from 75 individuals including public officials and irrigators. Ultimately the Commission was not satisfied in relation to any of the matters it investigated that the evidence established that any person had engaged in corrupt conduct for the purposes of the ICAC Act; however, it did form an opinion that in many of the matters it investigated the evidence established that certain decisions and approaches taken by NSW Government departments with responsibility for water management over the last decade were inconsistent with the object, principles and duties of the WMA and failed to give effect to legislated priorities for water sharing. Read the full report [here](#).

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