

**Submission to the
Select Committee on the
Murray-Darling Basin Plan**

to the
Committee Secretariat

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**Murray Darling Association Inc
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The Murray Darling Association

Seeks to ensure the environmental, social and economic sustainability of the Murray-Darling Basin is conserved and protected.

Ensures that voice of Local Government and community is heard and considered in decision making processes within the Basin.

Encourages the management of our Basin resources to support sustainable rural communities.

Fosters the involvement of Local Government in natural resource management and decision making processes within the Basin

Supports integrated catchment management

Provides leadership through informed decision making; the sharing of current, relevant and accurate information, and constructive collaboration.

Murray Darling Association Inc.

The Murray Darling Association provides a focus for local government and community participation in relation to natural resource management in the Murray Darling Basin, and has done so since 1944.

We provide information, facilitate debate, and aim to support communities to promote the right balance between consumptive use and water for the environment. We stand for balanced management of the Basin's resources.

We engage in local partnerships, support and deliver educational initiatives, and undertake projects that promote and develop effective natural resource management within the basin.

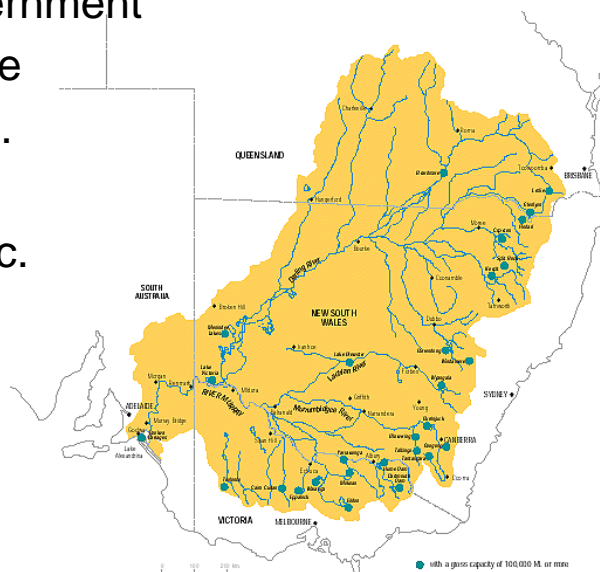
The MDA recognizes and supports the unique role of local government in natural resource management and decision making processes within the basin.

The basin encompasses over 165 local government authorities, and incorporates a further 35 member councils who rely upon the resources within the basin. The Association is not party political, it crosses state boundaries and represents the views and concerns of our membership. .

Over the last 70 years the Murray Darling Association has proven itself to be a strong and effective voice, on behalf of our membership, in social, economic and environmental issues facing communities that depend on the land and water resources of the Murray-Darling Basin.

There are over 165 local government Organisations, and many more Associations across the basin.

Murray Darling Association Inc. has a rapidly growing membership of over 100 Councils, organisations, and individuals.



TERMS OF REFERENCE

That a select committee, to be known as the Select Committee on the Murray-Darling Basin Plan be established to inquire into and report, on or before 26 February 2016, on the positive and negative impacts of the Murray-Darling Basin Plan and associated Commonwealth programs on regional communities, with particular reference to:

the implementation of the plan, including:

- its progress,
- its costs, especially those related to further implementation,
- its direct and indirect effects on agricultural industries, local businesses and community wellbeing, and
- any evidence of environmental changes to date;

the effectiveness and appropriateness of the plan's Constraints Management Strategy, including:

- the progress of identifying constraints and options to mitigate the identified risks, and
- environmental water flows and river channel capacity;
- the management of the Coorong, Lower Lakes and Murray mouth, including the environmental impact of the locks, weirs and barrages of the Murray River; and any related matter.

INTRODUCTION

The Murray Darling Association welcomes the opportunity to submit to the Committee on the impacts of the Basin Plan on regional communities.

The Murray Darling Association is a membership based association representing the interests of local government municipalities, community groups, businesses, individuals and agencies in New South Wales, Queensland, South Australia, and Victoria with an interest in ensuring that the Murray Darling Basin remains a valued and valuable asset for all Australians.

We provide a forum for Local Government and community participation in major natural resource and policy issues affecting the Murray-Darling Basin. Organised into twelve distinct regions aligned according to the communities of interest and spanning the entirety of the Basin, the MDA draws on local knowledge, the highest expertise, and valid information to strive for solutions to local and regional issues, that benefit the whole of Basin. Working closely with state and federal governments, the MDA ensures that local communities retain a strong voice at the table at all decision making levels (on basin related matters).

Sustainable and resilient communities are imperative to maintaining a healthy working basin, the future of rural and regional Australia and our nation's food and fibre production.

The implementation of the Basin Plan has had a range of impacts, some positive, some adverse on regional communities across the Basin.

Generally, the Basin Plan is a piece of legislation that regional communities, local government, businesses, farmers and community groups accept as a necessary, and ideally beneficial instrument to manage the Basin resources for interrelated social, economic and environmental benefit and sustainability.

It is generally accepted that the Basin Plan contains sound objectives, and that it is in the implementation that the challenges arise. It is a Plan which is accepted as workable, if there is an adjustment to ensure balanced implementation, considering equally the importance of social, economic and environmental outcomes.

Submission

1) Balance – Equal weighting to social, economic and environmental impacts.

It has long been argued, and it remains the view of the MDA that within the instrument, the Basin Plan 2012 lacks the weight of obligation to meaningfully monitor, evaluate, review, manage and plan for social and economic impacts.

Section 3 of The Water Act 2007 (the Act) has a requirement:

(c) ...to promote the use and management of the Basin water resources in a way that optimises economic, social and environmental outcomes.

however

Section 21 of the Act provides the basis on which Basin Plan was developed.

Section 21 makes only 2 vague references to social (4)(b) and (4)(c)(v), and one to economic (4)(b) considerations. This is where the Act's framework for balanced social, economic and environmental consideration collapses.

The Basin Plan contains insufficient mechanisms of accountability for social and economic impacts. While the Plan sets very specific targets and objectives for environmental outcomes, with instruments and resourcing to achieve these outcomes, there are few if any accountabilities for social and economic impacts.

Of all levels of government, none are more keenly aware of the need to get the balance right in order to manage and maintain sustainable communities than local government. It is at the local government level that the impacts of any imbalance in this trichotomy are most keenly felt.

Failure to provide equal weighting the social and economic impacts of the implementation of the plan has, for example, expressly precluded any consideration for impacts on tourism and recreational use of the river systems in any other than environmental areas.

While the Department of Environment have been made aware of the devastating social and economic impacts that can be visited on communities reliant on tourism, and have endeavoured to accommodate multiple outcomes in the delivery of water where possible - it remains a risk to Basin communities until the legislation is amended to give equal weighting to social and economic outcomes in the implementation of the plan.

Recommendation 1: The Basin Plan must be amended to require effective delivery on specific objectives to provide equal balance to the triple bottom line objectives.

2) Planning and Reporting - The need for triple bottom line outcomes to be planned for, monitored and reported against.

Independent, evidence based monitoring, evaluation and review (MER) is required to assess the effectiveness of achieving the social, economic and environmental objectives of the plan. The Basin Plan must be required to identify, plan for and mitigate against adverse social and economic impacts of decisions taken under the implementation of the Plan.

The Basin Plan requires that the Authority monitor and report on the social and economic impacts of the implementation of the plan. However there is a lack of meaningful data, benchmarking or evaluative reporting on the social and economic impacts of the implementation of the Basin Plan.

This leaves much of the analysis open to anecdotal evidence, which can be both subjective, emotional, often powerful, but not always constructive or solutions focused.

The Murray Darling Association was pleased to partner with the MDBA in 2014/15 to undertake a project to assess the suitability of data already held by Local Government in assessing the social and economic impacts of the implementation of the plan.

The project largely found that local government is not currently equipped to track social and economic variances across their communities to such a refined level. Insert here a link to the report, and paste a recommendation.

Recommendation 2: Strengthen the Basin Plan to deliver on planning, monitoring, evaluation and reporting in social and economic impacts under the implementation of the plan.

3) Constraints Management Strategy

One of the most significant impacts of the implementation of the Basin Plan has been and remains the undermining of confidence, and lack of certainty in rural and regional communities, contributed to by both general conditions, such as occurs in a complex and highly regulated system, such as water management; and by specific elements of the implementation of the Plan, such as the Constraints Management Strategy.

There are few bodies of work, since the introduction of the Basin Plan itself that have contributed to the undermining of confidence in rural communities that the Constraints Management Strategy.

The MDA argues that there is an obligation that the Constraints Management Strategy must demonstrate that the 2750GL of environmental water to be recovered under the plan can be efficiently, effectively and safely delivered, and will achieve the intended outcomes.

The Constraints Management Strategy has been criticised by many stakeholders as not reflective of the community consultations and concerns held about the ability to safely deliver larger volumes of water.

Private property and business impacts including elevated risks of flooding caused by the proposed high level environmental flows must be assessed as part of the constraints management strategy.

Investments in environmental efficiencies achieved through Sustainable Diversion Limits (SDL*) offset projects can help reduce the social and economic impacts on affected landholders and tourism. Such projects would allow 650GL of the Basin Plan's 2750GL recovery volumes to be achieved through creating efficiencies in river operations and environmental water use.

Supply measures are works, river operations or rule changes that enable the use of less water but still achieve the Plan's environmental outcomes. Ensuring that these measures are devised and delivered in consultation with community to ensure efficiency and effectiveness will benefit the environment and reduce the social and economic impact of water recovery to achieve the Basin Plan's goal.

The recent SDL Adjustment Stocktake Report, (Martin, W and Turner, G. Aug 2015) reported that levels of uncertainty across the measures and within the projects varied considerably, driven primarily by project scope and the quality of the information available. The report assigned a level of confidence to individual projects, based on the level of confidence associated the quality of information available to make the supply contribution

estimates; the likelihood of the project, as presented, being approved and implemented within the Basin Plan timeframes.

Of the projects assessed, there were relatively few of those achieving the highest level of confidence having had their business cases submitted, containing no risks that can't be readily addressed and having been modelled. The other categories of projects progressively contain higher levels of uncertainty either through having not been modelled, not being developed to business case stage or having significant issues which would need to be overcome.

Levels of uncertainty were even higher among projects associated with Constraints Management.

A lack of certainty and confidence can be the single biggest driver of adverse social and economic impact across any community, and will continue to undermine the positive works and achievements under the Plan. For this reason, the MDA does not support a call to 'pause the plan', but rather to make the necessary adjustments and accountabilities required to deliver balanced and effective implementation.

Recommendation 3: That the Constraints Management Strategy be reviewed, and that States be required to provide adequate information to provide certainty that:

- a) the 2750GL of environmental water to be recovered under the plan can be efficiently, effectively and safely delivered, and will achieve the intended outcomes, and*
- b) the works and measures to be undertaken to deliver the water savings can be assessed and completed within the time and budget requirements.*

4) Single point of entry - streamline the water management environment

The benefits and impacts of water used for environmental purposes must be identifiable and transparent and measured via agreed monitoring, evaluation and reporting mechanisms.

It is a common complaint of local government, irrigators and other stakeholders across the breadth of the water resource management sector that the number and diversity of agencies tasked with delivering upon the objectives of the Basin Plan has resulted in a sector that is overly complex and unwieldy.

This has contributed to an environment in which outcomes are uncertain, messaging from authorities is inconsistent if not outright contradictory, community engagement is repetitive and insular, and confidence in reporting and data presented is undermined.

Multiple agencies each report to different authorities, state, and federal governments, each having priorities, obligations and accountability requirements that are not always consistent and are often misaligned. This results in duplication and overlap, and lays open the risk of gaps in accountabilities and deliverables.

The level of complexity in the sector has resulted in difficulty for both agencies and authorities to deliver effective marketing, messaging and communications leading to unnecessary cost and frustration across rural communities and other stakeholders.

Navigating the sector to engage with the right agency to access timely, relevant and accurate information to make effective decisions or to achieve a particular outcome can be a challenge, even for the most experienced.

In a 2014 submission to the Review of the Water Act 2007, the MDA recommended that a body of work be undertaken to facilitate better alignment between the Commonwealth and the States, and state to state and to provide a level of uniformity or consistency across the water management sector. A key priority of the work should be to minimise duplication and overlap, and to provide greater accountability, and clarity for stakeholders.

Recommendation 4: That

a) the MDBA establish a 'single point of entry' website to assist water authorities, stakeholders and communities to navigate the water management environment and to access timely and accurate information, referrals and other assistance, and

b) the MDBA conduct a review, in collaboration with the Dept of Agriculture, the Department of Environment and the State water authorities, to explore opportunities to streamline the water management authorities for greater synergy and to reduce overlap, duplication and gaps in responsibilities.

5) Management of the Coorong, Lower Lakes and Murray Mouth

It is disappointing that the management of the Coorong, Lower Lakes and Murray mouth, including the environmental impact of the locks, weirs and barrages of the Murray River remains an issue of division and disunity across the Basin.

There is a wealth of options, and opportunities for shared solutions in the management of the end of system.

The commitment from the Commonwealth Minister to keep the Murray mouth open nine out of ten years utilising fresh water environmental flows has been divisive, lacks the full support of even the Lower Lakes communities, and contributes to an environment of uncertainty for communities advocating for environmental, economic and agricultural outcomes.

The Lower Murray and Coorong are the areas most impacted by any decisions made upstream. However, this is also the area that drives much of the demand for environmental water recovery which in turn impacts upstream food producing regions and communities.

This region is undoubtedly the gateway to a shared solution to balanced and sustainable management of the Basin system. However, the key to achieving that solution is in de-politicising the options and working closely with local communities, incorporating perspectives of all communities from across the Basin, and seeking a shared solution.

Local views and solutions are not insurmountably at odds with upstream states and communities.

Recommendation 5: That the MDBA partner with the Regions of the MDA in a project to explore solutions for the sustainable management of the Murray Mouth, in which the Basin community has ownership.



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