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Submission
Murray-Darling Basin Plan: Implementation Review 2023

Introduction

The Inland Rivers Network ("IRN") is a coalition of environment groups and individuals concerned about the degradation of the rivers, wetlands and groundwaters of the Murray-Darling Basin. It has been advocating for the conservation of rivers, wetlands and groundwater in the Murray-Darling Basin since 1991.

Member groups include the Australian Conservation Foundation; the Nature Conservation Council of NSW; the National Parks Association of NSW; Wilderness Australia; Friends of the Earth; Central West Environment Council; and Healthy Rivers Dubbo.

IRN has followed the development and implementation of the Basin Plan since the enactment of the *Water Act 2007* (Cth), including the negotiations that resulted in its bilateral adoption in 2012. We consider that the negotiated outcomes resulted in a significant compromise that failed to deliver the required environmental outcomes, especially for the Darling/Baaka River.

The additional negotiations to adopt the Sustainable Diversion Limit Adjustment Mechanism (SDLAM) in 2017 included the adoption of the Northern Basin Review and subsequent removal of 70 GL for environmental improvement. The failure to consider good science in these decisions has caused ongoing degradation of river systems in the Basin.

The slow progress on implementation of this highly compromised outcome has demonstrated the inability of the Australian Government and State jurisdictions to manage the Basin to achieve long term ecological health of river systems.

This will have significant economic, social, cultural and environmental impacts over time, particularly with the very evident on set of climate change extremes.

We note that the previous review of the Basin Plan conducted by the Productivity Commission in 2018 produced 38 key recommendations – not all have been met or adopted.

The current review of the Basin Plan implementation must take into account the political interference, lack of good science, poor economic value and poor process. The investment of public money must require improved transparency and regulation.

Response to Review Questions

Question 1

1. What needs to change to ensure water recovery targets are met and that supply and efficiency measures are delivered? What lessons can be learnt from past experiences?

IRN strongly supports that the best way to ensure that water recovery targets are met is through water purchase from willing sellers. Tenders need to focus on areas in the Southern Basin that will provide the most secure licences and water deliverability to environmental assets including the Murray mouth.

The 70 GL returned for extraction in the unscientific Northern Basin Review has prevented any real improvement in the health of the Darling/Baaka, as demonstrated through ongoing disastrous fish kills and poor water quality. This volume of water must be returned to the environment through water purchases from willing sellers, preferably with high security licences.

Targeted water purchases need to be combined with regional restructure packages that support economic diversification. This will assist communities overly dependent on the irrigation industry to have improved resilience during drought and extreme weather events triggered by climate change.

It is imperative that the legislated cap of 1500 GL on water purchases for environmental benefit is removed.

1.1 Supply Measures

The process of adopting the suite of supply measures through the SDLAM was politically influenced and not based on good science. There was little or no information provided on each project at the time of adoption. The Menindee Lakes project being a case in point.

The community consultation on the projects prior to their adoption was highly inadequate while the 605 GL 'savings' remained available for extraction before any outcomes have been achieved. The modelling through the Ecological Elements method's scoring was based on all projects being in place. This has not occurred and any volumes attributed to completed projects is not based on the process established to achieve equivalent or improved ecological outcomes.

The technical reports that analysed the draft supply measures projects identified some key problems in regard to meeting ecological outcomes. These included:

- High level of uncertainty and limitations in modelling process to arrive at 605 GL
- Independent expert panel report identified '*considerable uncertainty in the representation of real changes in ecological condition when using the Ecological Elements method's scoring.*'

- Six locations across the Basin will breach the limits of change therefore failing to meet the requirement to demonstrate equivalent or improved environmental outcomes.
- Modelling indicated adverse changes to the hydrological regime - volume, timing, duration and frequency of surface water flows to Ramsar sites.

The modelling for the supply measures was based on constraints being lifted and pre-requisite policy measures (PPMs – shepherding & piggybacking environmental water) being in place. The Wentworth Group of Independent Scientists analysis showed that only 1 of 37 projects included in the modelling met the criteria.

IRN strongly recommends that the remaining supply infrastructure measures not be completed because of environmental harm. The Menindee Lakes, Yanco Creek and the Victorian Murray Floodplain Restoration projects must be withdrawn ahead of the 31 December deadline for reconciliation in 2024 and replaced with water recovery and constraints management.

1.1.1 Constraints measures

It is imperative that the constraints measures are removed from the supply measure program and expedited by the Federal Government as quickly as possible. The relaxation of constraints will provide better ecosystem services on floodplains than the proposed SDLAM infrastructure projects that have too many ecological trade-offs.

All sides of Government agree that constraints must be relaxed to enable the full benefit of water recovery to be achieved. The investment in purchasing easements and raising access across impacted floodplains will have an economic benefit through improved social conditions during natural flood events.

Investment of public money into constraints management should be included in the consideration of regional development packages to mitigate water recovery impacts on local communities.

1.2 Efficiency measures

The efficiency measures to date have provided more benefit to the irrigation industry than to the environment. Examples:

The Trangie-Nevertire water efficiency scheme, featured at the recent MDBA River Reflections Conference in Narrabri, returned 29,620 ML to environment at about $3,882 per ML. The scheme members achieved vastly improved water security. Licences can now be accessed when water availability from Burrendong Dam is at 6% where previously access was only available at 20%.

The Murrumbidgee Irrigation Automation Finalisation Project claimed to save 6,282 ML to return to the environment at a cost of $19,739 per ML. There was little or no transparent reporting on how the stated water savings would be achieved. The project included a new dam that would increase consumptive use and potentially expand the irrigation footprint by capturing flood flows, other unregulated flows and ‘operational losses’ that previously provided environmental benefit by remaining in the river.

The efficiency measures have not been cost effective and have mostly failed to recover water for the environment in a timely manner nor at the volumes required.

There is no time left to continue throwing public money at projects that provide greater benefit to the irrigation industry rather than to the long term health of rivers in the Basin, as intended. The socio-economic test put in place to prevent further efficiency measures demonstrates the broad lack of support for this approach.

The remainder of the outstanding 450 GL of water recovery is best gained through direct water purchases from the open trading market. The money saved can be better invested in targeted regional development programs to assist communities most demonstrably impacted by water recovery purchases.

1.3 Water purchases

Targeted water purchases from the open trading market is the quickest, simplest and best economic value method of achieving the necessary water recovery in a timely manner.

There needs to be an analysis of the social and economic impact of water trading between extractive industries on local and regional communities. This analysis should then be compared with the impact and benefits of water recovery for environmental purposes and the public good.

The increased sale of water to the almond industry, is a case in point where water is leaving one community and being transferred to another. The transfer of water to the Commonwealth Environmental Water Holder (CEWH) has a broader public benefit that must be recognised. It is critical that socio-economic impacts of water recovery on local communities in the Basin is separated out from the socio-economic impacts of water trade out of that community to other regions. The impact of water recovery must be mitigated by targeted investment packages to affected communities to diversify their economy.

Previous funding programs aimed at assisting impacted communities have been very poorly targeted with no transparency or reporting on benefits of the investment. Many were treated as pork-barrelling exercises and did not go to the areas that needed the most support.

The suite of licences currently held by the CEWH have a range of reliability that will not provide the best environmental outcomes. There needs to be an improved process for recovering high security water licences.

One third of the current CEWH portfolio has less reliability than General Security licences.

Question 2

2. Are the current arrangements for implementing the Murray-Darling Basin Plan operating effectively? How could the arrangements be improved?

IRN is particularly concerned about the influence of state jurisdictions on the implementation of the Basin Plan. The lack of co-operation from the Victorian Government on progressing the constraints measures is a case in point. The failure of the NSW Government to develop accreditable Water Resource Plans (WRPs) in a timely manner has been a major impediment to the implementation process.

Stronger regulation of implementation procedure is required at the federal level. Sanctions or penalties for States could be imposed for failing to meet deadlines and failing to operate in the spirit of the many agreements made over time to reform water management.

2.1 WRPs

There needs to be a template designed so that all WRPS have the same format and are user friendly. The current range of versions accredited across the state jurisdictions are unwieldy, too complex and impossible to identify how they meet the Basin Plan outcomes.

WRPs must demonstrate connectivity between catchments through end-of-system flow rules. The protection of environmental water between catchments through the shepherding PPM must be clearly regarded in WRPs.

The SDLs for each Basin surface water catchment was based on Site Specific Flow Indicators (SFIs). There is no clear reference to these in WRPS and no apparent requirement to report on the success of achieving SFIs or their long-term suitability for determining an SDL in the first instance.

The process of developing and accrediting WRPs must be more transparent at both the state and federal levels.

2.2 Water quality

While very detailed water quality reports have been submitted as part of the WRP process, there is no clarity around how water quality will be improved through particular rules and operations across the Basin.

The ongoing poor water quality in the Darling/Baaka is a demonstration of the failure of Basin Plan implementation. The management of poor water quality that causes ecological stress must be more clearly delineated in WRPs and through rules in Water Sharing Plans.

2.3 Critical human needs

The provision of adequate water in major storages to address critical human needs in extreme drought must be addressed through policies determining annual available water access. The poor process in NSW caused threat to major cities during the 2018 – 2020 drought that caused environmental water licences to be co-opted for critical human needs.

The definition of critical human needs must be standardised across the Basin. IRN does not support that critical industries be included in the definition, particularly high water users such as golf courses.

2.4 Environmental Water planning & management

IRN supports the level of community engagement in environmental water planning, as exercised in NSW through Environmental Water Advisory Groups (EWAGs). Having the CEWH and state environmental water holders and other water related agencies making combined decisions with community onground knowledge is a good model that needs to be replicated.

IRN has concerns that in river operations environmental water demand is not given equivalent priority to irrigation water demand. This is evident in many rules for channel capacity sharing, dam operations and rules in water sharing plans. Environmental water is needed to enhance seasonal variability, respond to ecosystem triggers and improve resilience between extreme climate events.

It is imperative that all impediments to effective environmental water management are identified and resolved.

The relaxation of constraints on the Murray, Goulburn and Murrumbidgee Rivers must have high priority for improved environmental water management. Overbank flows are critical for the health of wetlands and floodplains and essential for lateral connectivity to improve ecosystem function.

Reporting on the achievement of targets in Long-Term Watering Plans and the success of the Basin Plan Environmental Water Strategy is key to determining a future approach to addressing the key purpose of the Basin Plan: to address over-allocation.

Question 5

How well is the Plan addressing the interests of Aboriginal people?

The independence and views of the numerous First Nations groups with a connection to the Basin and its water should not be compromised. Water carries great cultural, spiritual, environmental, social and economic significance to these people.

Despite the National Native Title Council (2014) stating it believed the Water Act was failing in its management objectives for Aboriginal people some ten years ago, not much has changed. Back then the NNTC recommended there should be amendments to ensure:

- there is a framework which ensures the allocation and licensing of water rights for Aboriginal people; and
- Indigenous communities participate fully in water planning and management.

Yet it is clear Indigenous needs for water in over-allocated catchments are still not accounted for in water planning by the states, and a gaps remains in the actual provision of water to Indigenous people to be managed by them.

The evidence to support this assertion includes:

- Many of the Water resource plans created by the states only give scant reference to Indigenous peoples' water. The introductory section to many of these plans also clearly shows several of the States have given inadequate provision (time, breadth and resources) to ensure consistent engagement with Indigenous people.
- Research by Hartwig, Jackson and Osborne (2020) found that Aboriginal entities hold just 0.2 % of all available surface water in the NSW Murray Darling Basin, yet they make up 9.3% of the population.
- In 2018, the Federal government committed $40 million for water for First Nations people for economic and cultural purposes. No water has been bought with this money so far (MILDRIN 2020).

Yet the Echuca Declaration states *'Cultural Flows' are water entitlements that are legally and beneficially owned by the Indigenous Nations of a sufficient and adequate quantity and quality to improve the spiritual, cultural, environmental, social and economic conditions of those Indigenous Nations. This is our inherent right"*. So clearly there is an aspiration amongst the indigenous community to have greater water rights.

What might be the cause of the discrepancy? Hartwig, Jackson and Osborne (2020) also found water holdings by indigenous groups declined by at least 17.2 %, coinciding with water market expansion and that Aboriginal water holdings remain vulnerable to neoliberal policies. It seems a number of Aboriginal- held licences had short lifespans which is unlike most NSW statutory licenses which are treated effectively as perpetual entitlements. Another factor was forced water sales that occurred via liquidation and insolvency processes. The

insolvency being attributable to poor organisational management. This, in turn, may indicate the need for some of the Commonwealth's financial resources devoted to securing water not only focus on purchasing the water as an entity put also that healthy local community governance structures to enable ongoing water management also need support.

All of the above indicates there has been an absence of government commitment to genuinely restore water rights to Indigenous communities. Government decision making still does not fully consider how important water is for indigenous people and their Country (MILDRIN 2020). The separation of land and water rights has precipitated a dispossession of the idea of 'country' as a 'whole'. It is therefore imperative that governments:

i) take account of the needs of the indigenous populations: listen to and learn from the ways they wish to manage water;
ii) provide a framework for indigenous people that de-constructs the imperialistic neo-liberal perspective that further segregates water licences (such as cultural' purposes precluding economic activity), and
iii) recognise that the security of long term indigenous water management may require some form of support to ensure the governance mechanisms around indigenous water use remain healthy and vibrant.

IRN considers that First Nation interests have been poorly considered and the proposed roadmap to Basin Plan 2 developed by the MDBA identifies areas that should have already been met during the period of the current Basin Plan.

The program being established by the DCCEEW to manage cultural water is paternalistic and an insult to First Nations communities.

3. Other topics

3.1 Consultation

The focus on consulting only with Basin communities has caused a bias in information being received by the various agencies involved in Basin Plan implementation.

The broader community has an interest in achieving the best outcomes from public investment aimed at resolving over-allocation of water resources in the Basin and redressing the long period of environmental degradation.

3.2 Programs aimed at helping communities adjust to the Plan

Community assist/restructure packages must be conducted by independent organisations that identify the key impacts attributable to water recovery and apply the best outcomes to diversify local economies. Investment in improved services is a key to building regional community resilience.

3.3 Best available scientific knowledge

IRN has deep concerns about the research projects and the development of the Basin Outlook towards the Basin Plan Review and development of Basin Plan 2. The focus on socio-economic impacts to the detriment of improved understanding of environmental requirements is a key failure in the Basin Plan implementation process.

In conclusion, IRN appreciates the opportunity to provide this basic outline of issues with Basin Plan implementation. We recognise that water recovered for the environment to date has been very necessary in maintaining some important environmental assets across the Basin. The provision of medium and low flows at critical times is still a challenge that needs to be met.

Yours sincerely

B. Smiles

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President

References:

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