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10 October 2018

**AUSTRALIAN GOVERNMENT PRODUCTIVITY COMMISSION
LOCKED BAG 2
COLLINS STREET EAST
MELBOURNE VIC 8003**

Dear Commissioner Doolan,

Re: MURRAY DARLING BASIN PLAN – FIVE YEAR ASSESSMENT DRAFT REPORT

Murray Darling Association Region 6 (MDA-R6) welcomes the opportunity to comment on the Productivity Commission's Draft Report.

This submission represents the views of the MDA-R6 Executive – and thus our three major member councils being Alexandrina Council, Coorong District Council and Rural City of Murray Bridge - and will be presented to the broader membership of MDA-R6 for endorsement at our upcoming meeting on 19 October 2018.

This submission should be read in conjunction with our original submission to the inquiry provided under cover of letter dated 27 April 2018. We also note and (subject to the additional comments provided below) support the post-report submission of our parent organisation, the Murray Darling Association, dated 3 October 2018.

- We absolutely welcome the Commission's focus on Basin Governments taking joint responsibility for implementing the Basin Plan. There is a desperate need for genuine commitment on the part of Basin Governments to collaborative implementation. This is particularly essential in the political environment that will inevitably precede the forthcoming Victorian, New South Wales and Federal elections. Basin States must commit the resources necessary to make up for the identified delays in progress i.e. towards accreditation of Water Resource Plans. There must be no more threats to walk away from the Plan or to only support certain key elements and not others where it is considered politically expedient to do so.
- With respect to recovery of the 450GL, we welcome the emphasis on ensuring that associated water recovery programs are targeted to ensure that they can and will contribute

to the achievement of enhanced environmental outcomes in the southern Basin. This approach is consistent with the general principal contained in Draft Recommendation 3.2. We also support the concept of program design incorporating greater consideration of socio-economic impacts as described in the MDA submission. We do however remain cautious about the increasing number of limitations being placed upon recovery of the 450GL and the attempts by some to set the bar for neutral socio-economic outcomes so high that it effectively becomes impossible to jump over. We also note Draft Finding 5.1 regarding stakeholder concerns about impacts of additional water recovery on regional communities. In response it is incumbent upon us to reiterate the devastating social, economic, cultural and environmental impacts the Millennium Drought had on our region. Let us not forget that failure to recover sufficient environmental water will inversely have negative impacts on regional communities such as ours.

- With respect to the 605GL supply projects, our key concern is that the river ultimately be returned to a sustainable level of take. As detailed in our original submission, MDA-R6 is of the understanding that current recovery targets represent the bare minimum needed to restore and maintain river health. If further investigations reveal that the proposed supply projects are unable to deliver equivalent environmental outcomes as intended, that water will still need to be recovered by other means – refer page 105 of the Full Report. Should this situation come to pass, the reality is that further consideration of water buybacks may be required in order to “make good” on water recovery targets. We submit that progress toward a political compact for “make good” arrangements (as per Draft Recommendation 4.3) is required sooner rather than later to protect against a lack of political will for further water recovery come 2024 or beyond should any of the 605GL supply projects fail to meet expectations.
- We acknowledge that good reasons exist for extending timelines with respect to Water Resource Plans, supply projects and efficiency measures. Nonetheless, in these dry times, the prospect of delayed environmental outcomes inevitably raises concerns for those of us situated at the very end of the river system. We support the Commission’s recommendation that if such extensions are to be given, this should be only be done where there is sufficient assurance that an extension would facilitate desired benefits, there is a clear pathway for successful delivery and the proposed timeline is credible – refer page 18 of the Overview Report.
- Our original submission placed significant emphasis on the importance of ensuring the Basin Plan is fit-for-purpose in a changing climate. We are thus disappointed to note that the Commission’s Overview Report makes no reference whatsoever to climate change, and the Full Report makes only passing references to this issue predominantly in relation to the provision of water for critical human water needs (CWHN) during dry times. We can only hope that the Water Resource Plan (WRPs) - and the 5-yearly reviews thereof as referenced on pages 155 and 167-8 of the Full Report - engage with the challenges of climate change in a more fulsome way. It will be incumbent upon the MDBA to ensure that WRPs do in fact contain adequate provision for extreme events (as indicated in Box 9.4 on page 202 of the Full Report) prior to accreditation. Of course, environmental outcomes - as well as CHWN - must also be planned and provided for in a warmer, drier climate. As identified on page 221 of the Full Report, one of the main objectives of the Basin Plan is to ensure that water-dependent ecosystems are resilient to climate change. Page 265 of the Full Report seems to indicate that a full and proper consideration of climate change impacts on Basin Plan water availability and management (and thus Sustainable Diversion Limits)

will necessarily need to be delayed until the next scheduled review of the Basin Plan in 2026. In a reform as complex as this an ethos of adaptive management and continuous improvement is of course essential however, by this time, we may be well on our way to CSIRO's prediction of a 13% decline in median river flows by 2030. Please refer to page 3 of our original submission for further comment on SDLs and climate change.

- Our original submission emphasised the importance of achieving end-of-system targets. We agree (as suggested on page 190 of the Full Report) that maintaining water quality which is fit-for-purpose by meeting salinity targets (including for the Lower Lakes at Milang) should be prioritised over meeting the salt export objective. We nonetheless welcome the acknowledgement that water flowing out to the Southern Ocean through the Murray Mouth is the only natural means by which salt can leave the Basin, as referenced on page 187 of the Full Report.
- We support the intent of Recommendation 11.7 regarding the value of non-flow works (such as habitat restoration and pest plant and animal control) to achieving beneficial environmental outcomes throughout the Basin but submit that such works must be treated as complementary to, and not a replacement for, sufficient recovery of environmental water. Adequate Federal funding for regional NRM bodies via the National Landcare Program would go a long way towards ensuring that Basin States are able to adequately resource such activities.

As communicated to the Commission's Lisa Tarzia, MDA-R6 representatives would welcome the opportunity to speak to our submission at the public hearing scheduled to occur on Monday 15 October 2018 at Murray Bridge.

If you require any further information from MDA-R6 in relation to this submission or our request to speak at the public hearing, please do not hesitate to contact the MDA-R6 Executive Officer, Shen Mann,

Yours sincerely

Councillor Barry Featherston

Chair

Murray Darling Association - Region 6