

# National Water Reform 2024

## Berrigan Shire Council Submission





## Water Reform Inquiry – Berrigan Shire Council Response

Our Berrigan Shire community believes strongly that our voices have been ignored in the ongoing water reform debate. Our towns rely on agriculture and tourism and the Murray Darling Basin Authority appear to be doing their best to ruin both of those activities in Berrigan Shire.

The short timeframe for submissions to this Inquiry reinforces our belief that consultation on these matters is disingenuous.

### Have the Objectives and Outcomes of the National Water Initiative been Achieved?

No.

To date the Berrigan Shire Council believes the sole focus of decisions relating to the water agenda has been on environmental value, with little consideration or science apparently applied to those decisions, other than considerably simplified mathematical equations that do not stack up in the real world (Grafton & Wheeler, 2018). Significantly the effect on productivity and social objectives of water reform have been largely ignored (White et al., 2020) and certainly under studied. This even though, the Intergovernmental Agreement on a National Water Initiative (NWI) foreshadows that: “Water may be viewed as part of Australia’s natural capital, serving a number of important productive, environmental and social objectives” (*Intergovernmental Agreement on a National Water Initiative*, 2004).

In 2018, 10 years after the initial implementation of the water reform agenda, the Grafton Report noted “more than a decade after water recovery began, there is no observable basin-wide relationships between volumes of water recovered and flow at the mouth of the River Murray” (Grafton & Wheeler, 2018). We still find there is no evidence that the water recovered from the system is having the promised effects. The same report noted the amount of recovered water was not being seen in terms of stream flows and those flows were much less than claimed by the Australian government (Grafton & Wheeler, 2018). These types of reports underpin the mistrust our community experiences in the measures the government are using as they firmly believe there is little to no science behind them. 450GL into the system, does not mean 450GL will make it to the mouth of the Murray, nor does it account appropriately for the transmission losses experienced across the entire system due to normal climatic conditions.



More recently, and as quoted in the Murray-Darling Basin Plan: Implementation review 2023, the Chief Executive of the Murray Darling Basin Authority is reported as stating at the National and Rural Press Club:

...Everyone shares a passion for the health of our rivers and importantly, no-one I have come across wants to do away this the Plan. Hand on heart, literally no-one has said..."throw it out". (Chong & Guest, 2023)

This statement is blatantly incorrect. That same Chief Executive (CE) sat with Berrigan Shire Council in our council chambers and was told by our Deputy Mayor, Cr Carly Marriott, that the Berrigan Shire community were not happy with the effects the Murray Darling Basin Plan (the Plan) was having on our community. Cr Marriott could not have been more clear that our community does in fact want the Plan "thrown out", or at minimum significantly rethought, as the effects on rural communities such as ours have not at any time been factored into the water reform agenda. The social and economic outcomes experienced on ground are clearly not part of the considerations of the water reform agenda. That same CE would have driven past a number of signs in our community stating: "Can the Plan", "Pause the Plan" and "Ban the Plan".

The first objective of the NWI reads:

Full implementation of this Agreement will result in a nationally compatible market, regulatory and planning based system of managing surface and groundwater resources for rural and urban use that optimises economic, social and environmental outcomes by achieving the following:

- i) Clear and nationally compatible characteristics for secure water access entitlements;
- ii) Transparent, statutory-based water planning....(*Intergovernmental Agreement on a National Water Initiative, 2004*)

The Berrigan Shire Council would strongly argue this objective has also completely been forgotten. It is important to note the words "economic" and "social" come before "environmental" and yet the only focus to date, for our rural communities, has been that of the environment. There are no nationally compatible characteristics of secure water access entitlements and there is certainly not a transparent statutory-based water planning framework.

There are no nationally compatible characteristics for secure water access entitlements because, in our state at least, the NSW government has never completed any of the 13 Water Resource Plans they committed to through the NWI (Chong & Guest, 2023). How can there be "nationally compatible characteristic of secure water access entitlements" when a state as



significantly affected by water reform as NSW, is not adhering to the most basic principles of the agreement in the first place? There are no consequences for the lack of action from the NSW Government, nor are their consequences for the lack of accountability demonstrated by the Murray Darling Basin Authority (MDBA) in their lack of adherence to these principles (discussed below).

Further the Plan aims to deliver a healthy, working Basin to benefit the environment and Basin communities now and into the future (Chong & Guest, 2023). The Plan agreed to recover 2,750GL/y of water for the environment and an additional 450GL/y **through efficiency measures** (Chong & Guest, 2023). However, instead of investing in those efficiency measures, the Federal Government has forced buy backs through the *Water Amendment (Restoring Our Rivers) Act 2023*.

#### Social and Economic Effects of Buy Backs

Berrigan Shire Council understands that, from a policy point of view, buy backs are the simplest, cheapest and most expedient way to recover the agreed 450GL/y. The buy back concept completely ignores the commitment to attain the 450GL through efficiencies. Buy backs do not consider in any way the social and economic impacts on communities such as ours. In fact, no regulatory impact statement was prepared to accompany the presented Bill (*Coalition Senators' Dissenting Report: Delivering Healthy, Working Rivers in the Murray-Darling Basin, 2023*) as should have been required under normal parliamentary process. Buy backs certainly do not provide long term solutions that will assist our communities as they try to manage climate change (including increased drought periods) into the future.

Berrigan Shire Council has just completed its draft, Southern Riverina Drought Resilience Plan, alongside Edward River, Murray River and Federation Councils. The message of that plan is clear. Our communities cannot be drought resilient when they do not have access to secure water sources (*Draft Southern Riverina Drought Resilience Plan, 2023*). They cannot have secure water when buy backs appear to be the only option considered under the nation's water reform agenda.

The reduction in the consumptive pool increases the price of water, reduces local spend, reduces local employment and public services (Grafton & Wheeler, 2018) and increases the price of food, adding to cost of living pressures. Those outcomes happen because water is diverted away from the rural communities whose livelihoods depend on that very resource and as a result affect every household in Australian. This is the nation's food bowl. What affects us, affects the nation.



It is clear those in rural NSW who reside in the Basin areas do not support the current direction of the Federal Government's water reform agenda. The Coalition Senators' Dissenting Report in response to the *Water Amendment (Restoring our Rivers) Bill 2023* notes:

- 61% of submissions overall do not support the Bill, rising to 79% of submissions from within the Basin,
- 56% do not support water buyback, rising to 76% of submissions from within the Basin,
- 68% of submissions support socioeconomic impact conditions on water buyback, rising to 84% of submissions from within the Basin,
- 100% of Murray Darling Basin local government submissions oppose the Bill without amendment and
- Most submissions support complementary measures to fix river health (*Coalition Senators' Dissenting Report: Delivering Healthy, Working Rivers in the Murray-Darling Basin, 2023*)

It is clear our communities feel duped, unheard, under-represented and invisible. The statistics demonstrate this clearly and yet buybacks are the only option seen pursued by this government.

Across many reports and inquiries, the social and economic impacts on our communities have been noted as being unconsidered and under represented (*Coalition Senators' Dissenting Report: Delivering Healthy, Working Rivers in the Murray-Darling Basin, 2023*), (*National Water Reform 2020: Findings, recommendations and renewal advice, 2021*), (Grafton & Wheeler, 2018), (Sefton, 2020), (White et al., 2020). No studies, no impact statements, no research has been commissioned to understand the quantum of the impacts buy backs have, and will have, on the social and economic outcomes for rural and regional communities (Sefton, 2020). One can only imagine this is because the government (State or Federal) do not want to know. Water is worth money, and that money is apparently worth more than the lives of the people who live here and provide food to the nation.

Berrigan Shire Council agrees that the onus must be on the Federal and State Governments to ensure there are no negative impacts due to the single minded pursuit of the buyback of 450GL from production (*Coalition Senators' Dissenting Report: Delivering Healthy, Working Rivers in the Murray-Darling Basin, 2023*). They must develop mechanisms to monitor and assess social and economic conditions across the Basin and they must provide financial support to replace the lost productivity our regions are now facing due to the poorly informed and conceived action to implement buybacks against damning evidence they should be a last resort and against their own promise to achieve the 450GL through efficiencies only.



## Lack of Meaningful Consultation and Accountability

Lack of meaningful consultation has been a key theme since the development of the Plan (Sefton, 2020). Communities, including ours, have continuously complained they have been over consulted, under represented and completely unheard, in all consultation efforts. Further they have claimed loudly that the consultation provided is tokenistic. Online surveys and webinars, in areas where connectivity is at best questionable and invite only meetings where attendees have to travel, at times hundreds of kilometres, demonstrate how poorly those in Canberra and Sydney understand the people of our communities and the barriers they face. The form and lack of commitment to meaningful consultation also demonstrate the sheer unwillingness of those in power to actually communicate with those their decisions will affect.

During the engagement sessions for the latest review of the Plan by the Productivity Commission they noted the frustration and fatigue felt by many, particularly given the lack of progress on implementation and any meaningful, scientifically based reporting mechanisms (Chong & Guest, 2023). The Productivity Commission also noted the communities' frustration with the Murray Darling Basin Authority (MDBA) and their lack of accountability to Basin communities (Chong & Guest, 2023).

Water system managers, such as the MDBA, should be obligated to ensure their decisions, as far as practicable, protect third party interests (*National Water Reform 2020: Findings, recommendations and renewal advice*, 2021) such as Basin communities. Prior to the 2022 flooding events, the MDBA held back releasing water until the last possible moment, even though they knew considerable water from flooding in Queensland was already affecting many northern Basin communities. Instead, they flooded and continued to flood, Murray River communities, including ours for six months prior to the actual flooding event. Their prolonged "high water event" ensured management of the La Nina event was impossible for small rural Councils such as ours and their response to our questions regarding the decision making surrounding the "high water event" was to mute our CEO regularly during online information sessions. There was no science to support this decision and no consideration of the ramifications the decision would have.

The impact of that "high water event" was incredibly detrimental. Just as our communities were hoping to commence the recovery from Covid, flooded waterways and beaches took another tourism season away from them. Flooded houses and businesses (some for as much as a full six months) only added to the negative mental health outcomes experienced by those exposed to long term stressors such as isolation, fear of continued uncertainty and loss of income. The MDBA has never been held to account for those decisions and have never provided our communities with any reasons, nor learnings for, or resultant of, the outcomes they caused. Indeed, they continue to release water in a haphazard manner meaning that



our water levels are often too high or too low for tourism. The long term result is that tourists will choose to visit destinations where their holiday plans will not be thwarted by unreliable river levels.

Berrigan Shire Council supports the recommendations made by the Riverina and Murray Joint Organisation (RAMJO) in their Water Position Paper. Those recommendations are recorded below. We believe without these recommendations being duly considered in the pursuit of a workable national water reform agenda, our community will continue to feel and be, invisible in the national debate and that is not as it should be.

While advances in the evolution of the Murray Darling Basin Project (MDBP) have been achieved in recent years... aspects in the water space continue to show the need for improvement. Among these, RAMJO considers the following worthy of urgent attention:

1. Greater transparency and accessibility for producers of water trading structures and processes.
2. Evaluation of mechanisms whereby water ownership is limited to those that have a valid use for such water, other than the realisation of profit through its purchase and sale.
3. Recognition of an existing and growing need for robust planning for a transformation of agriculture in the Basin as water availability decreases and water prices rise.
4. The emerging inequity between South Australia's minimum volume entitlement and the other Basin states' allocations.
5. Basin wide enforceable, consistent compliance and penalty regime.
6. More comprehensive frameworks for measuring the value of water including, but not limited to, social benefit and spill events.

All these and other issues have a common denominator: the necessity for greater national leadership in the achievement of a healthy, productive, sustainable Basin. There exists a gap between what the Murray Darling Basin Authority (MDBA) is legislatively able to achieve and that which needs to be done. (Bilkey, 2020)



## Conclusion

In summary the Plan and the Federal Government's current water reform agenda are not delivering on their intent, objectives or promises. There is little political will to do so and there are no consequences for state government who do not uphold the conditions of those agreements. A lack of governance structure and underpinning science, and no consideration of socio-economic outcomes, means there is little trust in the Plan or the government's water reform agenda in Basin communities such as ours. There is significant work for federal and state governments to do before these communities will accept the current water reform agenda is providing the value it was originally slated to achieve.

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