



**Speak Up Campaign Inc**

***Submission***

***Productivity Commission***

**5 Year Inquiry into the Murray Darling Basin Plan**

The Speak Up Campaign formed two and a half years ago to become a voice for community concerns regarding the impacts of the Murray Darling Basin Plan (MDBP) on food and fibre producers and the communities dependant on them.

This year Speak Up became incorporated because the impacts of the MDBP on our communities are so profound that the grassroots – farmers, business, concerned citizens, and environmentalists alike - have encouraged our organisation to continue to highlight the negative impacts that this plan is having on our communities from social, economic, and environmental perspectives.

**Summary**

- 83% of the water recovered through the MDBP has come from the Southern Basin, this has come at a huge socio – economic loss to many communities in the Murray and Goulburn Valleys
- The Murray River is expected to deliver these volumes
- There are constraints in the Murray, along with other major rivers and tributaries running into it which prevents delivering these volumes without third party impacts
- The additional 450GL cannot be delivered through the Murray system without relaxed constraints and massive third-party impacts
- The MDBA has not acted within its charter to be truly independent, benchmarking and baseline modelling has used flawed assumptions resulting in the exclusion of citizen science / local knowledge and understanding of local systems.
- We have a Basin Plan that focusses on volumes and not works based on improving quality.
- The Murray cannot solve the problems of the Darling or the Coorong, Lower Lakes and Murray Mouth. In the process of forcing massive volumes of water down the Murray the Basin Plan is causing environmental, social and economic disasters.
- The Lower Lakes are proven to be an estuarine system and this fact must now be incorporated into the adaptive MDBP, which the MDBA Chair claims is adaptive.
- An adaptive approach would allow the inclusion of complementary measures, allowing for a focus on quality not just quantity. This approach would provide the opportunity to maximise environmental outcomes and minimise social and economic impacts.

**Background**

The Murray Valley and Goulburn Valley regions are prime agricultural areas, producing dairy, horticulture, rice, cereals and livestock. The two regions have contributed over half of the 2106 GL of

productive water recovered under the MDBP to date and this does not include water recovery under other water reform such as the Living Murray and others. Alongside this, the region is at greatest risk to private property inundation as the majority of water under the MDBP flow targets are delivered through this complicated section of the Murray with all its rivers, creeks and tributaries. Again, exposing the two regions to even further economic, social and environmental pressure.

Year	Murray Valley NSW – Billion \$		North Central Vic Billion \$		Goulburn – Broken Vic Billion \$		National total Billion \$
2015-2016	0.55	3.7%	0.56	3.7%	1.1	7.3%	15
2014-2015	0.7	4.7%	0.7	4.7%	1.4	9.3%	15
2013-2014	0.63	4.3%	0.66	4.8%	1.1	7.5%	14.6
2012-2013	0.46	3.4%	0.69	5.1%	0.98	7.3%	13.4
2011-2012	0.37	2.7%	0.7	5.1%	0.97	7.2%	13.5
2010-2011	0.33	2.6%	0.53	4.1%	1.0	7.7%	12.9
2009-2010	0.3	2.6%	0.48	4.2%	0.67	5.9%	11.4

***ABS data on the contribution of Gross Value of Irrigated Agriculture per valley and as a percentage of the National production***

Combined these three regions contribute 15% of the Gross Value Irrigated Agricultural Production to the National economy, thereby are significantly important to generating revenue for the nation.

### **Scope of the Inquiry**

In accordance with the provisions of Part 3 of the Water Act, the Commission is to report on the matter of the effectiveness of the implementation of the Basin Plan and the water resource plans for the five year period ending 31 December 2018.

In this submission our organisation aims to highlight some of the impacts and grassroots concerns around the implementation of the MDBP to date.

- *progress towards implementing the actions required under the Plan within legislated timeframes, including:*

Productive water recovered to date has occurred under two methods, buybacks or efficiency programs. In both cases government money has gone directly to the participant, being a farmer or a water delivery company. In both cases it has seen water leave a region with grossly inadequate compensation to the community impacted by its removal. While participants have been

compensated those businesses reliant on the production of that water have not, this is especially true for buybacks. Across the Murray Darling Basin 57% of water recovery has been through buybacks, and in Nth Victoria and Sth NSW buybacks are considerably higher than the Basin average.

Surface Water Recovery To Date	NSW Murray		Vic Murray		Goulburn + Nth Vic	
	Actual (GL)	Target (GL)	Actual (GL)	Target (GL)	Actual (GL)	Target (GL)
<b>Total</b>	353.5	262	396.9	253	403.5	374
<b>Buybacks</b>	219.5	62%	270.9	68%	241.7	60%
<b>On Farm Efficiency</b>	134	38%	95.9	24%	95.4	24%
<b>State Govt Recovery</b>			30.1	8%	66.6	16%

***Water Recovery to date under the Murray Darling Basin Plan***

This table clearly highlights that water recovery across these regions has exceeded the targeted volumes. The tight political legislative time frames of this water recovery have led to over recovery from these regions, which has taken place without a sensible strategy, which would have allowed the retirement of subsystems and /or inefficient systems within these regions. This has lead to many unforeseen consequences such as:

- swiss cheese effect across irrigation districts
  - severely inflated cost to maintain irrigation systems for those left using them
  - increases in temporary water prices that are well above that predicted
  - water leaving these food producing areas to regions further downstream
  - massive socio-economic impacts including – loss of \$550 million per year and 1000 jobs in the GMID<sup>i</sup>, \$197 million / year and 678 jobs<sup>ii</sup> in the MIL footprint.
- *the extent to which the current framework for implementing the Basin Plan, including the framework for monitoring, compliance, reporting and evaluation, is likely to be sufficient:*

As an organisation representing grassroots communities we feel the current framework for implementing the MDPB has totally failed. From the beginning it was rushed and a knee jerk response to a millennium drought. As a result, baseline measurements and benchmarking was flawed and has had a direct impact on the volume of water targeted for recovery under the MDBP. Consequently, we have a plan based on volumes rather than a practical plan, which could have incorporated numerous works and measures, i.e. a multiple measures approach, ensuring that the environmental outcomes were met without increasing the amount of water recovered from food and fibre producers. This has directly had a flow on effect on business reliant on famers and has impacted employment and rural communities.

Blackwater Events - The Murray Valley is home to many national parks and forests, including three of the world's largest red gum forests, which in 2010 had their management practices overturned when the National Parks ruling came into effect. Since 2009 the region has experienced four hypoxic blackwater events, which is unprecedented according to local recollection and records. It would

stand to reason that the assumptions used to model the volumes and frequencies of watering would have also been impacted by the change in the management of the forests. Locals have been requesting monitoring of blackwater events, along with thorough research into these events for a number of years. Findings could provide invaluable data to reassess the quantity of water needed to meet the environmental outcomes in this region.

Carp breeding - New science and research has provided a greater understanding into the ideal breeding conditions for not only native fish, but also introduced species such as carp. Carp compete with native fish for habitat, breeding space and food. They also have a devastating impact on our waterways, causing erosion, damaging native vegetation and causing water turbidity. Recently there has been an increase in carp numbers in the region, which is concerning many local angling and fish experts. Yet the opportunity to assess, monitor and evaluate the hypoxic blackwater event in the wake of the 2016 floods in the Murray Valley did not take place. Worse still the Annual Report released in 2017 by the MDBA failed to report on Murray Cod monitoring, yet reported on yellow belly and silver perch.

The most successful programs and reforms result from engagement and collaboration, utilising local knowledge and understanding of the systems in their footprint. The MDBP has ignored investment in establishing and increasing stakeholder engagement through inclusion in monitoring and reporting. This should be captured in region specific stakeholder engagement plans, none of which have ever been developed and signed off on. The MDBA and the MDBP had the opportunity to establish ongoing partnerships with locals and their communities which would go past engagement with other government agencies. Focusing on landholders and community lead organisations who have generational experience, understanding and knowledge of the region would have allowed for the MDBP to be developed with critically needed localised solutions. Citizen science is an internationally accepted process, and the MDBP has none of it, so excludes the very people it is supposed to serve.

Instead we have a MDBP with environmental targets focused on volume instead of incorporating projects and methods which encompass improving water quality. A focus on quality and not quantity is well supported by leading scientists who are respected at an international level. There are numerous environmental activities that potentially could improve environmental outcomes, but have been ignored –

- Fencing off water ways from stock and installing watering points and pumps to prevent stock from eroding and disturbing banks
- Vegetation and rehabilitation of river banks to improve the structure and integrity of the river banks, such as replanting, resnagging, thus reducing turbidity and increasing quality.
- Physical restoration of key wetland sites such as replanting, and invasive species control including carp, foxes and pigs.
- Fishways and fish habitat restoration

Reporting, evaluation, and communication has been completely inadequate, with large reports being compiled months after watering events, impossible to decipher or get information from in a meaningful way.

A truly independent MDBA would have assessed compliance standards across the different regions and valleys prior to setting volume targets for the MDBP. Enforcing standardised metering and measurement across the entire MDB could have prevented large volumes of water from been recovered from regions along the Murray, which can neither solve the problems of the Darling or the end of system.

In assessing progress towards Basin Plan implementation, the Commission should report on progress towards milestones agreed in the Murray-Darling Basin Ministerial Council's report to the Council of Australian Governments, *Implementing the Basin Plan*. Specifically, the Commission should focus on progress towards a pathway for three key priorities including:

Various organisations within the Murray Valley, including Speak Up have requested to work with NSW DPI to produce SDL projects which communities are comfortable with. However, the SDLAM process has failed communities within the Murray Valley. Not only did NSW DPI fail to incorporate projects which were submitted by organisations within the Murray Valley (projects which were designed with local knowledge and experience), NSW DPI failed to take the opportunity to accept offers from the Murray Valley to identify potential third party risks which may result from the projects which were submitted to MinCo. Additionally the SDLAM process has not allowed for an adaptive and flexible approach, restricting advancements in knowledge and research to include new projects, which could improve ecological outcomes and reduce the impacts on rural communities. This defies a balanced approach to social, economic and environmental outcomes.

Which leaves our communities between a rock and a hard place; if we don't support the SDLAM process then we risk further water being removed from our already depleted consumptive pool, which is having unpredictable impacts on our communities. So we are left to accept projects which we know come with risks to yield and reliability, with risks of project budgetary over runs because they have gone through a process lacking due diligence before being accepted by MinCo and the MDBA.

In 2016 the biggest flood in decades devastated the Murray Valley and beyond, causing hundreds of millions, of dollars in lost production. The volumes of water that poured through the system still did not achieve the flow targets to the South Australian border that are prescribed under the Basin Plan. Even with this unprecedented flooding event and vast volumes of water flowing down the Murray, dredging of the Murray Mouth began in January, three weeks after the flows arrived. This alone indicates that not enough time and care was taken in adequately assessing the problems which the MDBP was to address and the best way to address them. Modelling certainly did not allow for a balance between social, economic and environmental outcomes. It did not recognise that recovering 85% of the water from the Southern Connected Basin and expecting the Murray River to deliver volumes in excess of what is physically possible without third party impacts, would not fix the problems of the Lower Darling and Coorong, Lower Lakes and Murray Mouth.

The Water Amendment (Water for the Environment Special Account) Bill 2012 which provides funding for the acquisition of the 450GL upwater and removal and mitigation of physical constraints specifies that key enhanced environmental benefits would be achieved. However, the 2012 report 'Hydrologic Modelling of the Relaxation of Operational Constraints in the Southern Connected System' states - *"Modelling indicated that relaxing constraints would provide relatively subtle changes to outcomes for the Coorong, Lower Lakes and Murray Mouth.... with some indicators slightly improving, and some indicators slightly worsening."*<sup>iii</sup> In fact, the report stated modelling the 'relaxed constraints' scenario indicated only 'minor scale changes' to the CLLMM environmental indicators.

The 450GL cannot be delivered without massive third party impacts. In addition, the socio-economic impacts have already been far too great with the removal of entitlements from productive use. The impacts on loss of production from delivering the additional 450GL would bring further adverse socio-economic impacts to communities along the main rivers and their tributaries, and as a consequence this directly contravenes the enshrined legislation that it must have “neutral or positive socio-economic effects”. Not to mention the environmental damage that will come from trying to force these volumes of water through the system (damages already being felt from the 2750GL).

Victorian Water Minister Lisa Neville has stated that “Victorian farmers have no more water to give”<sup>11</sup>, and in relation to giving up water in return for on-farm efficiencies, the Minister has stated that the Goulburn Murray Irrigation District “is at tipping point”.<sup>iv</sup>

Communities within the NSW Murray, Vic Murray and Nth Victoria have become the sacrificial lambs in the MDBP process, contributing over half the water recovered from productive use through the implementation of the MDBP. Not only this, the Murray and the rivers, creeks and other tributaries which feed into the Murray are expected to deliver volumes of water which will potentially cause inundation of private and public property. If the 450GL goes ahead then further socio-economic devastation will come with attempting to deliver this volume, not to mention the impacts of recovering further water from productive use.

Speak Up Campaign Inc is a voice for rural communities. We represent the grassroots. We hear the stories of people forced to leave family farms and businesses, leave the job they love. Forced to move on from what they are passionate about and is the driving force getting them out of bed every day. We hear the stories of people who have taken or attempted to take their lives because the implementation of the MDBP has not balanced social, economic and environmental balance. Has been implemented in haste without identifying solutions which can improve the quality of the Darling and end of system. Implemented in haste without adequate adjustment strategies or process in place. Instead good, hard working people have been left to pay the price of a MDBP which is built on false assumptions and flawed modelling.

Yet, the grassroots has endless hope. Hope that there will be someone or an organisation or an inquiry that will step up against the political deals and influence. We continue to develop options and solutions which will ensure that environmental outcomes are achieved while preventing further damage to rural communities. Our document – Balancing the Impacts of the Basin Plan<sup>v</sup> provides options to do just that. These were presented at an Open Water Forum hosted by our organisation on Friday 13<sup>th</sup> April 2018, 300 people attended. Those in attendance overwhelmingly supported these two motions –

- No further acquisition of water in the Southern Basin
- Indisputably Balance the Plan - Prime Minister, Basin State Water Ministers and Premiers to meet with representatives from Speak Up so that our Balanced options can be presented on behalf of the grassroots community, as already outlined

## REFERENCES / FOOTNOTES

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- <sup>i</sup> [Basin Plan Impacts GMID - RMCG](#)
- <sup>ii</sup> [Basin Plan Impacts Murray Valley - RMCG](#)
- <sup>iii</sup> [Hydrologic Modelling Relaxed Constraints October 2012](#)
- <sup>iv</sup> [Border Mail 21st February 2107, Irrigators at tipping point](#)
- <sup>v</sup> [Balancing the Impacts Speak Up April 2018](#)