



**Ben Blackburn Racing submission  
on the Productivity Commission's  
Murray-Darling Basin Plan:  
Implementation Review 2023**



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Murray-Darling Basin Plan: Implementation Review 2023  
Productivity Commission  
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To whom it may concern,

### **PUBLIC SUBMISSION**

Ben Blackburn Racing is extremely pleased to provide this public submission on the Productivity Commission's Murray-Darling Basin Plan: Implementation Review 2023.

We note that all initial submissions are due by Monday 31st July 2023.

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 water resource plans for the five-year period ending 19th December 2023.

In undertaking the inquiry, the Commission should assess the progress towards implementing the Basin Plan, including the:

- Extent to which the Basin Plan is on track to be delivered within statutory timeframes;
- The likelihood and extent to which activities and arrangements currently in place will ensure that these provisions and timeframes will be met;
- The effectiveness of reforms to address previous Productivity Commission recommendations, including the Joint Basin government response to the Productivity Commission inquiry report: Murray-Darling Basin Plan: Five-year Assessment (2019), and
- The extent to which the current framework for implementing the Basin Plan, including the framework for monitoring, reporting and evaluation, is likely to be effective in supporting implementation of the Basin Plan.

Ben Blackburn Racing also encourages this inquiry to consult widely with representatives from agriculture, agritourism, irrigators, peak industry groups such as the NSW Irrigators' Council and those involved with regional development, Commonwealth Government agencies, State Government agencies and local government representatives.

## **Water buybacks cost thousands of jobs in rural and regional Australia**

The true extent of job losses attributed to water recovery for the environment is buried in MDBA's community profiles released in 2018 as separate files, but never collated until now.

"The MDBA's own socioeconomic modelling shows less water for farmers means fewer jobs in regional economies," said NSWIC CEO, Claire Miller.

"It's not just the farmer, but the whole community that feels the impact, with the ripple effects flowing down the main street to local businesses and service industries," she said.

The collated data, published in a new report by the NSW Irrigators' Council (NSWIC), shows that 3261, or 30%, of the net 10,801.5 FTE jobs lost from 2001 to 2016 were directly attributed to water recovery for the environment through direct and indirect buybacks.

Across the southern Basin States, 648 lost jobs (21% of FTE jobs losses) in the profiled NSW communities profiled were attributed to water recovery, 1684 (30%) in northern Victoria and 929 (45%) in South Australia, mostly in its Riverland horticultural centres.

"These were not just farm jobs, but jobs lost across these regional economies," said Ms Miller.

"It shows that, contrary to what some decision-makers and others claim, jobs lost due to water recovery are not completely offset by jobs growth in other sectors," she said.

"Many jobs lost due to water recovery were in small communities where every job matters to keep people in town, and keep schools, shops, the pub and sports clubs open," Ms Miller said.

In NSW, for example, Wakool was hit hard with 38% of its FTE job losses attributed to the recovery of 97.9 billion litres (gigalitres, or GL) of water recovery from that area.

The profiles model the impacts of water recovered via buybacks and water efficiency projects that require farmers to transfer entitlement to the Government in return for funding. Most water recovery occurred pre-emptively from 2008 to 2012 during the Basin Plan's development.

"If governments are not careful, we'll end up with ghost towns, and only escalate the serious social issues facing many of these communities," she said.

"There are other ways, beyond more buybacks, to continue to improve the health of the Basin's rivers, wetlands and floodplains," NSWIC CEO Ms Claire Miller said.

## **The vital role of our irrigators**

Irrigators are only allocated water for farming after higher priority water uses are supplied, if any water is leftover. This means town water supplies, environmental river flows, drought reserves, and other critical needs, must have their share before water is allocated to grow crops.

NSWIC is a leader in sustainable and productive water policy solutions, and advocates for and advises on best-practice water management. Its vision is for the secure, sustainable and productive management of water resources in NSW.

***Irrigation provides more than 90% of Australia's fruit, nuts and grapes; more than 76% of vegetables; 100% of rice and more than 50% of dairy and sugar.***

Our irrigators are globally recognised as the world's most water-use efficient, producing more crop per drop than any other nation. Australian rice growers use 50% less water than the global average, and Australian cotton growers are three times more water efficient than the global average.

***Our Australian farmers are also leaders in positive environmental initiatives, ranging from wildlife conservation, carbon management, water efficiency, biodiversity and habitat restoration.***

## **The Murray-Darling Basin Plan**

The Murray-Darling Basin Plan is an environmental policy initiative designed to reduce the volume of water extracted from river and groundwater systems to a sustainable level – the Sustainable Diversion Limit (SDL).

The Basin Plan, in essence, involves the transfer of water from irrigation farmers to the environment. This has resulted in 1 in every 5 litres of water previously available for farming, now being transferred to the environment.

The Commonwealth Environmental Water Holder is now the largest water licence holder in the Basin, holding 28% of water access licenses in the southern Basin, in addition to river flows.

Irrigation farmers support and respect sustainable levels of water use in the working Murray-Darling Basin. The Basin Plan has received global recognition as a world-leading policy mechanism for the management of transboundary river systems. However, it continues to be highly controversial given the impact of water recovery on communities, and implementation challenges.

The Basin Plan is now midway through implementation, commencing in November 2012 and due for completion in 2024. SDLs are now in place, and most direct water recovery is complete, however, critical environmental projects which are required to best use the recovered water are yet to be completed.

NSWIC works to ensure optimal implementation of the Basin Plan to maximise environmental outcomes and minimise adverse impacts on communities and our capacity to produce food and fibre. This involves seeking recognition that the remaining elements of the Plan present significant challenges and require increased flexibility in implementation, and greater adaptive management that acknowledges the issues facing the irrigation sector and Basin communities.

One of the key next steps is the Sustainable Diversion Limit Adjustment Mechanism (SDLAM). The mechanism requires a suite of projects to be implemented to allow Basin Plan environmental outcomes to be achieved with less water. The SDLAM is crucial to minimising the social and economic impacts of the Basin Plan in the Southern Basin, but also to ensure the water bought-back from irrigators to achieve maximum environmental effect.

NSWIC strongly supports well-designed and locally supported SDLAM projects to achieve the equivalent of 650GL of water recovery as the most critical component to future implementation of the Basin Plan, providing the lowest risk to communities, and realising targeted environmental outcomes.

Flexibility and adaptability for new and improved projects are essential to success.

### **The Future – Future Policy Directions**

**Ben Blackburn Racing believes that as Australians – we need healthy rivers, healthy farms and healthy and thriving local communities. The way in which we manage water deeply affects the livelihoods of many people including irrigators and local communities.**

Water is the most precious resource that we have. Everyone and everything relies on water.

It supports our local townships, our irrigators, our industries, our farmers and our natural environment which is critically important.

Water underpins a key component of our future regional health and prosperity between now and 2030 and 2050 and beyond.

**Ben Blackburn Racing encourages the Commonwealth and State Governments to refresh its current policy settings and to re-commit to a long-term strategic policy vision for water along with a new national vision which sets out the future policy aspirations and policy directions and lays out a new path forward to improve our nation’s water security, increase the health of our rivers and water catchments and improves outcomes for irrigators and for local Murray-Darling Basin communities.**

Thank you very much for the opportunity to make a contribution through this Ben Blackburn Racing public submission on the Productivity Commission’s Murray-Darling Basin Plan: Implementation Review 2023.

**Mr Ben Blackburn  
Managing Director  
Ben Blackburn Racing**