

Productivity Commission

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## **Murrumbidgee Irrigation Ltd (MI) submission to the Productivity Commission: Murray Darling Basin Plan (Interim Report) 2023**

Murrumbidgee Irrigation is a member of the National Irrigators' Council and supports their more fulsome submission to the Productivity Commission's interim report. With respect to the report, we would like to highlight the following key points:

- We agree and support the Commission's recommendation that Finalising "Bridging the Gap" must happen before any focus on the 450, to reduce community angst and uncertainty as well as to mitigate market impacts.
- We maintain that retaining the legislated 1500GL cap on buy back (at least until SDLAM projects are reconciled) provides an appropriate and necessary incentive to governments to focus on maximising SDLAM project outcomes. With over 220GL remaining under the cap, targeted and strategic purchase is not precluded under this approach.
- We note and agree with the Commission's caution around water purchase. In particular, the scale and rate of purchase has the greatest impact on communities. We support the Commission's recommendation that any water purchase should not conflict with supply and constraints measure implementation; and that minimising socio-economic impact must remain a key consideration in all water recovery considerations.
- We note and support the Commission's recommendation for a dedicated focus and additional funding for constraints. Addressing constraints is critical to achieving the full environmental benefit of the Basin Plan. Separating constraints from other supply measures is one way of achieving this focus provided this does not negatively impact SDLAM accounting.
- As part of the renewed approach to water recovery, non-entitlement options must be included as part of the contribution to 450GL of additional outcomes for the environment. Such options include leasing or options contracts and/or complimentary measures.
- We support the creation of an arm's length Commonwealth entity under a "Water for Rivers" style model to bring a commercial approach to implementing projects under "Bridging the Gap". Amongst the entity's guiding principles should be the requirement to achieve multiple benefits (cultural, social, environmental and economic) from supply and constraints projects. The One Basin CRC is an established body that could effectively "hit the ground running" in this space.
- In parallel to this arm's length delivery model, enhanced program guidelines are urgently required to immediately enable a more timely and efficient process for project approval. Consideration should be given to fast tracking feasibility studies, a preferred provider model for experienced project partners, and enhanced funding delegation enabling fast tracked state government approval for projects already under review.

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