

## **CENTRAL IRRIGATION TRUST**

Trustee: Central Irrigation Pty. Ltd. ACN 075 446 810  
4 Fowles Street PO Box 34  
Barmera SA 5345  
Telephone 08 8580 7100  
Fax 08 8588 2001



29 July 2023

MDB Plan - Implementation review  
Productivity Commission 2023  
Department for Energy and Mining,  
GPO Box 320, Adelaide SA 5001.  
Via online portal

### **SUBMISSION FOR THE MDB PLAN – IMPLEMENTATION REVIEW 2023**

Dear Commissioner,

Thank you for the opportunity to make a submission on the 2023 Murray-Darling Basin Plan Implementation review being undertaken by the Productivity Commission.

Central Irrigation Trust (CIT) manages 12 member-owned irrigation networks on the River Murray in SA supplying 1,500 family and corporate farming enterprises, irrigating 14,000 hectares of intensive, predominantly permanent horticulture, as well as supporting water needs for 3500 homes, industries, and community assets. Our members and customers are acutely aware of and reliant on a healthy and functioning river system, with this directly supporting their livelihoods, their lifestyle, and their community.

CIT has reviewed the issues paper and FAQ documentation and provide the following comments to the Productivity Commission to consider in their review of the implementation of the Murray Darling Basin Plan.

Collectively the Basin States, Federal Government, and associated communities “signed up” to the Basin Plan in 2012. The agreed Plan was a compromise by all parties and was collectively thought to be the best outcome to balance the economic, social, environmental, and cultural needs of all. The implementation of the Plan can only be achieved through the continued collaboration of all Basin State Governments, the Federal Government, and the impacted communities throughout the Basin.

Significant and meaningful progress towards achieving the outcomes of the Plan has already been delivered. It must be acknowledged that water users have delivered on their commitments to the Basin Plan and have invested and made significant water market and business decisions based on the understanding that the Commonwealth and States would deliver on their commitments. It is now up to them to deliver on those commitments.

The States agreed to deliver supply and efficiency measures that would deliver the water recovery targets of Basin Plan without more water being directly removed from the consumptive pool. The States have yet to deliver on these many of these commitments.

CIT strongly supports an extension to the implementation deadlines for the water supply and efficiency measures. The implementation of supply and efficiency measures is the only equitable way to finalise the current Basin Plan. The alternative, water buy backs or SDL adjustment, is a blunt tool that does not allow for the nuance required to manage or avoid the significant social and economic impacts that would be impacted on Basin communities and the negative impacts on food and fibre production<sup>1</sup>.

However, any extension to the deadlines must be coupled with an increased level of accountability for the finalisation of projects. A learning from the current model is that the current governance and accountability framework has not proven sufficient to hold state governments accountable for the delivery of what they signed up for. For irrigation communities who have done what has been asked of them, the lack of action, particularly from NSW, is creating an unjust scenario where buybacks are considered a viable fix.

CIT also supports that any actions related to recovery of the 450 GL remain subject to neutral or positive socio-economic outcomes for local communities that was agreed to by all parties in including this additional target.

To buy water back at a specific moment in time has the real potential to make collaborative irrigation schemes, or parts thereof, unmanageable, and unsustainable. This would then directly impact farmers that had no intention of exiting the area and/or irrigation industry through reduced access to water at an economically viable value. The snowball effect is that when farmers exit an irrigation scheme due the remaining farmers are left to shoulder increasing portions of the fixed infrastructure costs. These costs will eventually become too great for those seeking to remain forcing them out too.

Sustained and significant funding commitments from both the federal and state governments to support the implementation of the supply and efficiency measures is also essential. Adequate financial resources are crucial for achieving the water recovery targets, investing in infrastructure upgrades, supporting water efficiency programs, and monitoring progress effectively.

Programs that aim to help communities adjust to the Plan are also essential for the ongoing success of the Basin Plan. A lesson from previous structural adjustment programs is that irrigation districts running collaborative schemes, such as those run by Irrigation Infrastructure Operators, have limited options to adjust. This is in stark contrast to other areas in the Basin that could change to other forms of less water dependant farming. The irrigation districts of the Riverland have developed in a pre-determined footprint around the design and capacity of the piped irrigation delivery systems with small property sizes. These differences reflect the need for differences in adjustment programs throughout the Basin.

1 - [https://www.water.vic.gov.au/data/assets/pdf\\_file/0023/600719/Fact-sheet-Socio-economic-impacts-of-Basin-Plan-water-recovery-in-Victoria.pdf](https://www.water.vic.gov.au/data/assets/pdf_file/0023/600719/Fact-sheet-Socio-economic-impacts-of-Basin-Plan-water-recovery-in-Victoria.pdf)

Adjustment programs also need to factor in the changing prospects of communities and commodities. Learnings must come from the 2009-10 small block exit program in the Riverland. The program, while designed as an incentive-based program, was a flawed adjustment model that was detrimental to the Riverland region leaving stranded land and infrastructure. Adjustment programs must be designed to support communities going forward rather than taking opportunities away or placing restrictions on how assets are used.

The irrigated agriculture sector has long advocated for the need for complementary measures to improve connectivity and habitat for native fish, concerted action on terrestrial and aquatic animal and plant pest species, and to address cold water pollution. Without complementary measures, the water reserved for the river and the environment will not deliver the desired environmental outcomes and the expectations of communities.

Moving forward the focus must be on delivering the outcomes that were agreed to as part of the Basin Plan negotiations. Collectively we must look for all opportunities to deliver the outcomes of the Plan without the irrigated agriculture sector being disproportionately impacted. It is imperative that all levels of Government look beyond the numbers in the plan, and work together to deliver the agreed outcomes in alternative and innovative ways.

Yours sincerely,

Greg McCarron  
**Chief Executive Officer**  
**Central Irrigation Trust**