

20 November 2023

Joanne Chong
Commissioner - Basin Plan Implementation Review
Productivity Commission
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Dear Commissioner,

On behalf of Watertrust Australia Ltd (Watertrust), I am pleased to include the following submission to the Productivity Commission's *Murray-Darling Basin Plan: Implementation Review 2023 - Interim Report*. Our submission is focused on improved decision-making processes, rather than outcomes related to specific values of the Murray-Darling Basin (MDB).

The Productivity Commission's final report should recommend that relevant government agencies investigate, test and apply new approaches for involving MDB stakeholders in decision-making. To support this, Watertrust senior management is available to brief you and members of your team on insights gained on inclusive decision-making approaches through our work to-date.

Watertrust's mission is to improve how water policy decisions are made in Australia. We are an independent not-for-profit organisation, funded by a coalition of philanthropies. Recognising the highly contested nature of water policy decisions across Australia, we build trust and bring differing perspectives together to co-design new approaches to Australia's water challenges. In doing so, we aim to facilitate the development of water policies that are supported by stakeholders, such that they are implemented and enduring to improve outcomes for all.

We agree with the Interim Report's statement that effective engagement with the community is a core principle of good water governance, but suggest that effective engagement is a critical part of good water governance. This is reflected in the Organisation for Economic Co-operation and Development's definition of water governance: "*The range of political, institutional and administrative rules, practices and processes (formal and informal) through which decisions are taken and implemented, stakeholders can articulate their interests and have their concerns considered, and decision makers are held accountable for water management*".

We also welcome the Interim Report's recommendation to strengthen the community voice in MDB decision-making (Interim Recommendation 9.3) and concluding reflections regarding governments working collaboratively with communities. These are consistent with recommendations of the Pro-

ductivity Commission's *National Water Reform Inquiry Report (2020)*, with this challenge not limited to the MDB. It also highlights the issues that you and others (e.g. Independent assessment of the social and economic conditions in the Basin) have identified regarding MDB stakeholders being 'over consulted, under listened to', contributing to current policy deadlocks.

With more than 2.3 million people living in the MDB and the many important and diverse values underpinned by finite water resources, we are acutely aware of the challenges of engaging stakeholders in decision-making and building widespread agreement for contentious policy decisions. Recognising these challenges, more detailed guidance on approaches to strengthen stakeholder voices in decision-making is critical for governments to progress recommendations related to improving engagement and overcoming and avoiding policy deadlocks. This should include guidance on different approaches that are available, along with why, how and in what policy contexts they should be deployed. We recommend your final report include a recommendation to investigate, test and apply new approaches for involving MDB stakeholders in decision-making.

In establishing Watertrust, considerable research was undertaken on inclusive decision-making approaches for different sectors around the world. In the first two years since establishment, our initial projects across Australia are providing important insights on the value of different approaches within the Australian water context. These provide valuable sources of information for the Productivity Commission and MDB stakeholders more broadly in exploring future inclusive decision-making approaches. They may also provide insights for the Productivity Commission's inquiry into philanthropy in Australia regarding the important, independent role that philanthropy can play for public good outcomes.

We welcome the opportunity to meet with you and provide a briefing on our insights and look forward to the findings of your final report.

Yours sincerely,

Dr Kane Aldridge
Interim Chief Executive Officer

References

OECD, 2015. OECD Principles on Water Governance, www.oecd.org/governance/oecd-principles-onwater-governance.htm, OECD Publishing, Paris.

Productivity Commission, 2021. National Water Reform 2020, Inquiry Report no. 96, Canberra.

Sefton R, Woods R, Kassebaum A, McKenzie D, Peterson D, Ramsay M and Simpson B, 2020. Independent assessment of social and economic conditions in the Murray–Darling Basin.