



24 July 2023

Murray-Darling Basin Plan: Implementation Review 2023
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Commissioner,

MURRAY-DARLING BASIN PLAN: IMPLEMENTATION REVIEW 2023

Thank you for the opportunity to provide a submission to the Murray-Darling Basin Plan: Implementation Review 2023. Council offers the following commentary in relation to several of the "Key Questions".

1. *What needs to change to ensure water recovery targets are met and that supply and efficiency measures are delivered? What lessons can be learnt from past experiences?*

There has never been a more critical time for all levels of Government to demonstrate Leadership to ensure a sustainable future for the Murray Darling Basin.

"Bridging the Gap" Target

It is acknowledged that some outcomes as determined in the Plan are behind schedule. For example, several Water Resource Plans are still to be finalised in NSW and until these Plans are accredited by the Commonwealth Minister, the "bridging the gap" target in NSW is subject to change. The current deadline of 30 June 2024 for the implementation of non-purchase based projects must be extended. The consequences for the lack of action by the NSW Government in finalising these projects should not fall on the shoulders of regional communities.

More time (i.e. 3 years) is required to ensure that water recovery targets are met by the respective parties (States) to the Murray Darling Basin Plan. The recovery target date should be adjusted from June 2024 to June 2027. This extension of time should include clear KPIs set for each jurisdiction (i.e. State) and these KPIs assessed, reported and published every 6 months.

The Australian Government alternative to the extension of time as proposed above is a "voluntary tender process". Individual licence holders are often under great financial stress and what might be referred to as voluntary participation is not the reality. Licence holders will sell under duress and this will negatively impact the broader community.

Council proposes that the current deadline for the accreditation by the Commonwealth Minister of Water Resource Plans proposed by the respective States be extended from June 2024 to June 2027.

2. *Are the current arrangements for implementing the Murray-Darling Basin Plan operating effectively? How could the arrangements be improved? The Commission is particularly interested in the effectiveness of the arrangements for:*

- *developing, accrediting and reporting on water resource plans*
- *water quality*
- *critical human water needs*
- *environmental water planning and management.*

Unregulated Flows – Benefit to the Environment

The Murray Darling Basin Plan does not account for Unregulated Flows. It is acknowledged that during wet periods unregulated flows can be diverted by water entitlement owners after they have been declared by the relevant authorities and environmental water holders in each of the States are afforded the same opportunities. It has been claimed that there is a point that adding extra water isn't beneficial in urban, agricultural and environmental landscapes and becomes excess to everyone's needs.

This situation seems equitable on "first brush". The reality is that during wet periods, the soil profile of consumptive users (Primary producers) is saturated and does not require additional water. While some consumptive users have storage infrastructure to draw on the unregulated flow for later use, the majority do not have these facilities. Consequently, the vast majority of the volume of unregulated water flows remain in the river network. The water that remains in the network provides a net positive benefit for the environment such as flushing sediments and salt from the inland river system.

Council proposes that a methodology should be developed to measure and monitor the net quantity of unregulated water flow that remains in the river network and the environmental account be credited for that flow.

3. *How well has community consultation and engagement been conducted? How can this be improved?*

Community Consultation

The Community is suffering from "consultation fatigue". Further, many express frustration that environmental priorities have been considered as more important than the people who live a work in the Basin.

The "socio-economic neutrality test" in relation to the recovery of the 450GL Efficiency Measures or "Up Water" component has not been clearly defined. The test must be applied at the local level not at a macro level or across the Basin. More time is required, beyond June 2024 in order to achieve the recovery of this water through efficiency measures.

Council requests that a longer time frame be adopted for the achievement of the outcomes as defined in the Murray Darling Basin Plan

4. *Are there any other issues with Plan implementation that you wish to raise?*

Water Trading

Council is concerned that the water trading market has been distorted by the intervention of speculators. Council supports the principle that the market should be allowed to find the highest and best value use for water. Council does not support, however, trading between speculators akin to trading of shares via the stock exchange.

Council proposes the reform of water trading rules to restrict trading of water between productive consumptive users only.

Yours sincerely,

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GENERAL MANAGER