

Smartrivers

16 February 2017

Mr Phillip Glyde
Chief Executive Officer
Murray – Darling Basin Authority
GPO Box 2256
CANBERRA ACT 2601

Dear Mr Glyde,

RE: BASIN PLAN AMENDMENT SUBMISSION

Smartrivers wish to thank the Murray Darling Basin Authority for allowing communities to make submission on the proposed amendments to the Basin Plan.

Smartrivers considers this submission as critical input into the public consultation process and asks the Murray Darling Basin Authority to diligently read our submission before finalising the proposed amendments.

Yours sincerely,

Frank Deshon

President

Introduction

Irrigated agriculture in the Balonne Shire clearly underpins the community's social and economic existence. This industry is an extremely vital part to the financial support of various services provided by Governments and the Balonne Shire.

This ongoing support from the irrigation industry enables regional communities to remain buoyant particularly through employment opportunities.

On many times over recent years Smartrivers has promoted the highly critical need for the MDBA to deliver a 'triple bottom line' outcome when considering everyone who needs access to the water resource in the Murray Darling Basin.

We have learnt over recent months that the MDBA's own social and economic evaluation has reconfirmed our communities concerns and that water acquisition to date has had a detrimental impact on the community's well-being.

Our community cannot sustain any further buyback of entitlement as it is a reckless approach when considering the communities viability. The 'just add water' approach clearly cannot deliver all necessary goals as set out by our politicians.

Our community's confidence in achieving a Basin Plan result is at rock bottom, but most concerning is the mental health of many in our community. Particularly when dealing with ongoing, unfair uncertainty in relation to the Basin Plan.

In determining the proposed amendment to the Basin Plan, it is critical that the key focus is on restoring, preserving and enhancing productive capacity and economic activity across the Northern Basin in the form of industry growth and opportunity for jobs and skills training.

This outcome can be achieved through Government partnerships with willing communities who have a desire for Regional Australia to survive.

Smartrivers is committed to a healthy working Basin however in line with the objectives of the basin plan and the commitment of previous Ministers this must be achieved in a consultative and open manner with a real regard for the people and businesses that live and operate in the Basin.

Smartrivers comments on relevant MDBA recommendations

- **MDBA Recommendation 1:** *The Authority recommends the water recovery target for northern Basin catchments be amended to 320 GL on the basis that the Australian, Queensland and New South Wales governments agree to implement a number of so-called 'toolkit measures' designed to improve water management.*

Smartrivers recommends a reduction in the target, taking into consideration modelling of environmental outcomes from the toolkit measures. There is enough evidence to suggest it is absolutely critical that genuine effort needs to be made in determining what possibilities can be achieved through adaptive management and complementary measures.

- **MDBA Recommendation 2:** *The Authority recommends the targeted recovery of water, both in terms of geographic location and the class of entitlement, to improve environmental benefits.*

Smartrivers only support targeted recovery of water on the basis of mitigating social and economic impacts. Our community is already paying a significant price for the reckless 'just add water' targeted approach.

- **MDBA Recommendation 3:** *The Authority recommends improvements to state water management arrangements to safeguard low flows across the north (particularly in the Condamine–Balonne and Barwon–Darling).*

Smartrivers supports a non-negotiable protection of current provisions as outlined in the Water Plan (Condamine and Balonne) 2004 and cannot accept rule changes that further impacts irrigation entitlements.

- **MDBA Recommendation 4:** *The Authority recommends the proposed infrastructure measure at the Gwydir wetlands be implemented.*

No comment by Smartrivers.

- **MDBA Recommendation 5:** *The Authority recommends works to promote native fish health through improving their ability to move through the river system and access habitat in the northern Basin.*

Smartrivers supports further investigation for promotion of native fish health particularly further acknowledging and investigating Government storages and reservoirs.

- **MDBA Recommendation 6:** *The Authority recommends there be a preference for water recovery based on irrigation infrastructure improvements rather than through water entitlement purchasing.*

Smartrivers strongly supports an ongoing water recovery based on irrigation infrastructure improvements rather than whole of farm water entitlement purchasing.

- ***MDBA Recommendation 7.*** *The Authority recommends that governments consider support for the following measures, to address the concerns of Aboriginal people in the Northern Basin:*
 - *Ensuring Aboriginal access to waterways*
 - *Replacing or refurbishing weir pools at certain locations, such as Wilcannia and Cunnamulla*
 - *Continuing to improve the capacity of Aboriginal people to engage in water planning and decision-making, in order to factor in their social and cultural imperatives.*

Smartrivers supports engagement from all community members through consultation processes across the Basin.

- ***MDBA Recommendation 8.*** *The Authority recommends that governments consider further support, particularly for Dirranbandi and Warren.*

Smartrivers endorses the importance to further consider government support for communities impacted by the Basin Plan, particularly where Government and the Community can work in partnership.

Economic impacts

MDBA's own modellings shows impacts on full-time employment in some communities of 15-35% (Warren, Collarenebri & Dirranbandi).

The Dirranbandi-Hebel community has felt the overnight 20% reduction in available water for irrigation during 2011-12. At Current levels of water recovery, significant employment impacts have already been felt through the communities.

Direct impacts on businesses are quite obvious, like that on an Aerial operator in Dirranbandi losing 25% of their business overnight when they were informed of the sale of all water off a particular property which immediately affected 4 full time positions.

Evidence showing flow on impact on real estate values in our region, quotation from local agent, Steve Burnett from Dirranbandi, 3 years ago never sold a house for less than \$100,000 on a monthly basis however now selling 1 house per 6 months at a value range of \$35,000 to \$50,000. This is no doubt mirrored in other small regional communities.

Support industry businesses that aren't sustainable will leave the region therefore placing pressure on remaining businesses or greater impact imposed by way of businesses moving from the district.

Governments should be encouraging and supporting economic activity instead of destabilising regional economic viability. Expert information provided to our community has indicated a further substantial decline from the current position.

Smartrivers questions the Government's policy approach with the knowledge of questionable regional community viability as an outcome.

Social impacts

There is a compounded impact on a group of people who are already reeling from the loss of employment opportunities as a result of technology adoption in cotton production such as round bale pickers and GM cotton technology. Many of these people are not transient and will not tend to move elsewhere looking for employment.

The community has been faced with general uncertainty of the community's social and economic well-being. This circumstance has been clearly reflected by a major reduction of school enrolments, sporting clubs folding and the reducing number of organised community events.

The cost to the community without community support will be devastating and Government needs to acknowledge responsibility for this outcome.

Critically families are splitting the family unit and leaving the community to make other living and schooling arrangements primarily due to community services being reduced on the back of reckless water buybacks.

Smartrivers are extremely concerned with mental health issues along with drug and alcohol concerns arising from family and community disorder and for those unemployed.

It is critical that the key focus is on restoring, preserving and enhancing productive capacity and economic activity across the Northern Basin in the form of industry growth and opportunity for jobs and skills training.

Environmental Outcomes

The MDBA's Environmental Outcomes report indicates that even at a 415 GL recovery target at least 19 of the 43 flow indicators are not met, including base flow and small freshes in the Lower Balonne. Thus environmental risks in the Northern Basin will continue to exist even at high levels of recovery, however the Authority has identified that the severity of these environmental risks can be reduced through the use of 'toolkit' or complementary non-flow measure.

There is further evidence to suggest that the 'just add water' result has shown little to no environmental benefits to date while occurring insurmountable social and economic impact on our community.

Complementary measures

Over the past years our members have requested on numerous occasions that modelling of environmental potential outcomes be undertaken by being creative with water volume the Government has already purchased, unfortunately with no results tabled to show potential opportunities.

The benefits of non-flow related options require urgent consideration so that real environmental outcomes can be achieved as well as satisfying environmental aspects in the Basin Plan.

The following complimentary measure options require urgent attention;

1. Environmental water should be stored in private storages and later released to better manage environmental outcomes.

2. Real time decision making in collaboration with Governments will allow for maximum environmental benefits on a flow by flow basis.
3. Temporary tradability of entitlements between the irrigator and the Government has the potential to increase flow circumstance and deliver on real outcomes.
4. Modification to current bifurcation structures will allow for more precise utilisation of environmental flows.

A strategic approach of complementary measures requires urgent implementation so that short and long term environmental benefits can be achieved. This will not be delivered in Canberra.

Conclusion

Governments have for decades encouraged rural community resilience, yet this is an unrealistic notion when water recovery as a result of government policy, is causing industry downturn and loss of jobs in affected communities. Continuation of the current approach, with the knowledge of the damage that has occurred as a direct result, is an irresponsible and reckless policy approach.

The proposed change of recovery for the Lower Balonne to a targeted recovery approach of 100GLs will do nothing more than decimate townships in the Balonne Shire while not achieving environmental outcomes as determined within the Northern Basin Review.

It is critical that the key focus is on restoring, preserving and enhancing productive capacity and economic activity across the Northern Basin in the form of industry growth and opportunity for jobs and skills training.

We must be exhaustive in our investigation of means of achieving desired environmental outcomes without further eroding productive capacity, economic activity and social well-being in the region.

Smartrivers is committed to a healthy working Basin however in line with the objectives of the basin plan and the commitment of previous Ministers this must be achieved in a consultative and open manner with a real regard for the people and businesses that live and operate in the Basin.