

HPE-MDBA

Murray-Darling Basin Social and Economic Assessment Panel

Friday 3 April 2020

Dear Assessment Panel Members,

RE: Submission summary in response to Draft Report: Independent assessment of social and economic conditions of the basin

On behalf of MIL we congratulate you on your draft report. An enormous amount of effort has gone into this document and it is a comprehensive record of how the Basin Plan communities are coping; it offers a range of meaningful solutions. The report comes at a critical time when Australia is re-evaluating its priorities from a food security and economic perspective and we see your report as an opportunity to reset the Basin Plan to support dependent communities, the environment and consumptive use of water.

It is our view the initial development of the Basin plan took a greenfields-type approach to determining the needs of the environment; we suggest the same methodology was not afforded or applied to the needs of agriculture and the associated regional communities. This has been to the detriment of those Basin communities where large volumes of water recovery has occurred.

Our submission to this draft document has been made on-line in response to each of the key topics with a summary of additional suggestions outlined in this letter. Our three key suggestions are outlined as follows:

1. A single Basin Level Body for Strategic Oversight

At a time of such great change Australian governments should create a single Basin-level body for strategic oversight, analysis and planning of the connected Murray-Darling Basin from Queensland to South Australia. No such body exists at the moment despite the best efforts of existing institutions; we would see the first task of this body as developing reform to meet the strategic, holistic needs of Australia. The body could report to the so-called 'national cabinet' of Prime Minister and Premiers and that its scope should include:

- Vision for the Basin as a sustainable resource based on scientific forecasts;
- National objectives for the Basin for environment and food production;
- Strategic planning of water use and deliverability from river sources to end of river system within constraints of real capacity and of vision;
- Independent option development and recommendations, including work on the tension between market forces and a sustainable river; and
- Regulation and reporting of river operations and particularly losses and efficiency.

2. Regional Development Corporations

We welcome the Panel's conclusions about the need for positive change in irrigation areas to restore growth and community – we suggest the creation of unitary, legislated Regional Development Corporations to deliver this change across existing, overlapping institutional arrangements. Core functions of these corporations could include:

- Task-focus to turn around damaged regions with hard objectives for growth;
- Commitment of long-term funding for economic stimulus to stop regions in recession moving into depression;
- Funding to enhance environmental values near impacted communities, including First Nations, to contribute to the rejuvenation of those communities;
- Funding coordinated efforts to monitor environmental efforts and research and innovation on farming systems as outlined in recommendations 14 and 15;
- Assisting impacted Irrigation Infrastructure Operators recover from the effects of water reform to date.

3. A focus on achieving outcomes

The concept of further recovering productive water to achieve remaining basin plan targets must be modified and replaced by a more sophisticated approach. Further water buybacks could end irrigation in some parts of the Southern Basin with corresponding damage to communities and the ability of Australia to grow its own food.

The definition and management of environmental and productive water needs reassessment noting water is frequently dual-purpose with benefits to both environment and production. Fresh thinking is needed which would also increase the range of benefits being delivered by the same water. Farmers are environmentalists and support the objectives of 'running the river' and environmental programs.

Accordingly we believe Australian governments need to modify or replace the SDL program and related commitments and focus on maximising environmental outcomes with the large parcels of water acquired to date. This will mean impacted communities will no longer be clouded by "the threat" of further water recovery, boost their investment confidence and move forward for proactive thinking on projects to maximise environmental outcomes on assets that are often near where they live.

In the Murray Irrigation Area of Operations there are enormous opportunities for dual-purpose projects of this type. The company has a proven history of implementing and successfully achieving very large, integrated environmental programs and these would represent a new and positive turning point for our local communities.

In conclusion we note and agree with the Panel's view that there is a need for unity and action following a series of high-level reviews into the Basin and it is important that politics and ideology do not get in the way of practical solutions and outcome-based approaches.

We would welcome the opportunity for further discussions on our submission and are excited by the prospect of a reset for the Murray-Darling Basin.

Yours Sincerely,



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Chair
Murray Irrigation Limited



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