

Murray Darling Association Region 6:

Submission on Draft Panel Report: Independent assessment of social and economic conditions in the Basin – Draft Report

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About the MDA

The Murray Darling Association (**MDA**) is the peak-representative body representing local government and their communities across the Murray-Darling Basin.

The vision of the MDA is a healthy Murray-Darling Basin which supports thriving communities, economic development and sustainable productivity. The purpose of the MDA is to provide effective representation of local government and communities at a state and federal level in the management of Basin resources by providing information, facilitating debate and seeking to influence government policy.

The MDA comprises 12 regions across Queensland, New South Wales, Australian Capital Territory, Victoria and South Australia. Local governments form the core membership of the MDA but individuals, businesses, not-for-profit and community service organisations can also become associate members.

About MDA Region 6

MDA Region 6 represents the interests of the Coorong, Lower Lakes and Murray Mouth region. Current membership of MDA Region 6 includes Alexandrina Council, Coorong District Council, Rural City of Murray Bridge, City of Victor Harbor, Southern Mallee District Council, and Tatiara District Council along with a number of individual members with long-standing interest and experience in local water resource management issues. In addition MDA Region 6 regularly liaises with the many farming, industry, community and conservation groups in the region whom have an interest in supporting the health and vitality of Basin water resources.

Collectively our six council districts cover an area in excess of 16,360km² and are home to 78,752 people, with a combined Gross Regional Product of \$3.89bn (as at year ending June 2019)¹. Agriculture is the region's largest industry with livestock, cereal crops, vegetables and grapes generating the greatest output in value terms. Wool, dairy and broad-acre crops also make a significant contribution to our agricultural productivity. Despite upstream misconceptions, water reaching the Lower Lakes is productive water, with irrigated agricultural production accounting for approximately 10% of land-use across the region². Tourism is another key driver of our regional economy with food, wine and river based experiences linking Adelaide with Melbourne via the Southern Ocean Drive and linking the Murray Mouth & Fleurieu Peninsula with upstream states via the Mighty Murray Way.

We recognise the Ngarrindjeri people as the traditional custodians of the lands and waters of the Coorong, Lower Lakes and Murray Mouth region and support their right to be involved in Murray Darling Basin decision-making.

General Comments

The Murray River, Lower Lakes and Coorong are central to our region's way of life and we know all too well from lived experience about the direct link between river health and the economic, social and cultural wellbeing of our people.

¹ <https://profile.id.com.au>

² <https://www.mdba.gov.au/publications/mdba-reports/southern-basin-community-profiles>

Prior to adoption of the Basin Plan, the unsustainable use and management of Basin water resources (combined with severe drought) had a devastating impact on our community and local environment. The impacts of the Millennium Drought on our region are well documented elsewhere but included low water levels, elevated salinity, vast exposure of acid sulphate soils and localised acidification of surface waters³, a problem that continues to have long standing environmental impacts on our environment and has needed significant investment from State and Federal Governments to continue to work toward resolving. In addition what lake water there was became either inaccessible or unusable for irrigation, whilst low water levels had a significant impact on tourism and related industries, with associated drops in property values and sales.

Against this backdrop, our region has been a vocal and consistent supporter of the Basin Plan. The councils of MDA Region 6 worked side by side with our community in seeking to ensure the Basin Plan would prioritise return of sufficient water to the system to avoid, as far as possible, a repeat of what we experienced during the Millennium Drought. We recognise that the 2750GL recovery target is a compromise position – in a changing climate we fear that even the higher 3200GL target is not enough to guarantee a healthy river. We've also contributed our fair share of Basin water recovery, with our region experiencing a net reduction in River Murray water available for production of between 10-15% and significant decreases in the number of people in irrigated agriculture and farm employment over the past 15 years⁴.

We acknowledge the Basin Plan isn't perfect but nonetheless, our region has in good faith continued to call for its full and timely implementation; putting our hope in the collective hands of the Basin States, trusting that they are committed to delivering a sustainable water management system which will, on balance, be of benefit not only to our region but to the Basin as a whole. Despite the challenges of implementation, the Basin Plan and associated water reforms are still seen by our community as the best chance we've got to deliver a healthy, working river for all communities - from Queensland through to South Australia – and our community in particular, has a lot to lose should it not be delivered in full.

As recognised by the Panel, successful water management in the Basin can only be achieved through genuine commitment and cooperation amongst Basin States which in turn depends on the support and understanding of local Basin communities. As the closest form of government to the community, local government has an important role to play in sharing community interests and impacts to other levels of government. Our response below predominantly focuses on two key issues which we perceive as being of significant interest and relevance to the communities of the Lower Murray, Lakes and Coorong – namely water recovery and climate change. Whilst we have much in common with other areas of the Basin, our geography means we are uniquely placed, and it is essential that voices from this region are reflected and represented in the final report.

Feedback on questions listed on page 8 of the Draft Report

1. How does the draft report match your community's experience and situation

Page 58 of the report says there is “some evidence” that Basin water reforms and environmental water have improved water quality and ecosystem health, including in the Coorong and Lower Lakes.

Similarly, draft finding 36 states there is “some evidence” that environmental watering delivers social and economic benefits to communities through improved recreational, community liveability and tourism opportunities.

Our experience and situation would suggest there is in fact “strong evidence” of this. In the absence of environmental water recovery achieved and delivered to date, we understand that the ecological (and thus socio-economic) outcomes currently being experienced in our region would much more closely resemble those experienced during the Millennium Drought.

Freshwater flows from the River Murray through the Murray Mouth are crucial to export salt and other pollutants from the entire Murray-Darling Basin, maintain water levels in the Lower Lakes and support a healthy Coorong ecosystem⁵. Without enough fresh water entering the Coorong, evaporation concentrates the amount of salt in the lagoons and they can become too saline for many plants and animals to survive⁶. The Coorong Lagoon waters are furthermore an important feeding, breeding, spawning and nursery area for key commercial fish species and increased salinity will have a commercial impact

³ See for example DEH (2010) *Securing the Future, Long Term Plan for the Coorong, Lower Lakes and Murray Mouth*.

⁴ <https://www.mdba.gov.au/publications/mdba-reports/southern-basin-community-profiles>: Lower Lakes, Murray Bridge, Taillem Bend.

⁵ https://www.environment.sa.gov.au/topics/river-murray/improving-river-health/coorong-lower-lakes-and-murray-mouth/Water_flows_levels

⁶ <https://www.environment.sa.gov.au/topics/river-murray/about-the-river/how-the-river-works>

on fisheries⁷. In the absence of environmental water delivery, our understanding is that water levels in Lakes Alexandrina and Albert would be much lower and releases through the barrages would be minimal to nil – with all the concurrent and previously experienced flow-on effects for agriculture, commercial and recreational fishing, tourism, small business, property values and community wellbeing etc.

We ask that the final report thus more clearly acknowledge the adverse socio-economic impacts which have been avoided as a result of the Basin Plan and associated water reforms.

In relation to evidence of improved ecosystem health – decades of over-extraction and ecological degradation cannot be undone in a few short years. Improving the ecological literacy of Basin communities with respect to the long-term timelines for achieving enhanced ecological outcomes is an important element of improving overall water literacy within the Basin (refer Draft Recommendation 1, Draft Finding 19).

2. Are there any significant gaps? What are we missing?

We are pleased to see the emphasis placed on climate adaptation within in the report, both in the context of what was heard from communities, as well as in the findings and recommendations. Recommendations 3, 5, 7-8, 15 and 20 will be particularly important in supporting the capacity of communities to adapt to the long-term impacts of climate change. We provide further comment in relation to climate change below.

3. To what extent do you agree with the Panel's findings?

Re community confidence and socio-economic conditions, we concur there are significant differences across the Basin, and even within MDA Region 6 itself (refer Draft Findings 1-3). Larger townships such as Murray Bridge, Strathalbyn and Goolwa within close proximity to Adelaide continue to experience population growth which brings cause for optimism and opportunities for economic diversification, whilst many of our smaller dryland farming communities, including those within the Coorong District Council, are in the midst of very difficult dry times. Water prices are having an impact in irrigation districts such as Langhorne Creek. As recognised in the Draft Report, we suggest declining populations in smaller townships is not necessarily a direct impact of less water; it is also due to farm sizes becoming larger and becoming corporates or cooperatives, machinery taking place of labour, and processing and manufacturing facilities moving to larger townships, or overseas.

We welcome the acknowledgement that the fortunes of Basin communities are being changed by many significant external influences (Draft Finding 9). In response, we need collaborative leadership by Basin States which acknowledges the multiplicity of these challenges, as opposed to partisan responses which single out and demonise water reform for political gain.

As above in relation to question 1, we would argue there is strong (rather than some) evidence that enhanced **environmental outcomes** (or avoided adverse outcomes) contribute to better liveability, water quality, human health and wellbeing, and cultural values in the Basin. Our region is a living embodiment of this link as evidenced during the Millennium Drought and subsequent (but still ongoing) recovery. We would like to see stronger acknowledgement of this in the report (refer page 42).

4. To what extent do we agree with the Panel's recommendations?

- **Recommendation 1:** Agree, particularly Basin States working together cooperatively, improving the ecological and water literacy of Basin communities and building local leadership capacity. We note with concern the recent dissolution of the River Murray Advisory Committee here in South Australia, combined with recent NRM boundary reform which splits the Coorong, Lower Lakes and Murray Mouth region into two new landscape regions. These structural changes within our region mean that new ways of engaging with, and building the capacity of, local leaders will need to be found and prioritised. We acknowledge the importance of improved cross-basin water literacy with access to correct, transparent and accurate information delivered by an independent body.

⁷ Bice, C and Ye, Q. (2009). Risk assessment of proposed management scenarios for Lake Alexandrina on the resident fish community. South Australian Research and Development Institute (Aquatic Sciences), Adelaide.

- **Recommendation 2:** Our concerns re slowing the pace of water recovery are discussed further below.
- **Recommendation 3:** Agree, effective and ongoing structural adjustment support which responds to the many demographic, population, technological, climate and policy changes facing rural and regional communities is critical.
- **Recommendations 5, 6:** Strongly agree.
- **Recommendations 7, 8:** MDA Region 6 has championed a number of motions to this effect via the annual MDA National Conference, such that they now form part of the endorsed MDA advocacy agenda. We agree there is much scope to increase the uptake of both alternative water sources such as stormwater and wastewater, as well as “appropriate agriculture” that supports water sensitive growth in agricultural productivity without destroying health of the river. When considering alternative water sources, we should also concurrently consider the ability of the soil to hold water if improved. Agricultural practices historically have diminished our soils ability to hold water, with subsequent run off into the MDB with nutrients and pollution. If we implemented practices that encourage soil water retention, the need for irrigation would reduce. Research suggests that for every 1% we build our soil carbon we retain 10 to 30 tonnes of soil water and increase our agricultural output by 10-30%. Any alternative water sources also need to consider the impact on run-off into the MDB, e.g. construction of dams would not fall under water alternatives as it impacts the overall volume of water flowing into the MDB.
- **Recommendations 9-13:** Agree.
- **Recommendation 14:** Agree, noting however that baseline indicators need to factor in the negative impacts on tourism, recreation, liveability, human health and wellbeing, and cultural values of failing to enact water reforms; i.e. the cost of doing nothing.
- **Recommendation 15:** Agree, noting the proposed One Basin CRC as an excellent example.
- **Recommendations 16, 18-20:** Agree, noting equitable provision of human services and essential infrastructure will likely always be a challenge in a country as large and (outside of major centres) sparsely population as Australia. As acknowledged on page 5 of the Report in relation to socio-economic neutrality criteria, where poor planning and over-allocation have created a legacy of unsustainable industries (now likely to become increasingly unsustainable in a changing climate), difficult decisions will need to be made to help these regions transition to a less water dependent future.

5. *If implemented, do you think our recommendations would make a difference or have a benefit to you and/or your community?*

We anticipate that the majority of recommendations would be of benefit to all communities throughout the Murray Darling Basin.

With respect to Recommendation 2 – the messaging to community associated with any slowing of water recovery would need to be very carefully managed, to avoid feeding into the perception from communities along the entire Basin that the Plan is not working. Ongoing debate in upstream communities regarding the function of the barrages would suggest that water literacy across the Basin with respect to the values and management of the Coorong and Lower Lakes is low; it doesn’t escape our notice that local aspirations for ecologically sustainable management of the Coorong, Lower Lakes and Murray Mouth region are regularly scapegoated as unreasonable by upstream media.

As stated in our introductory comments, our region continues to advocate for full and timely implementation of the Basin Plan – including a continued commitment by all Basin States to continued recovery of the 450GL – whilst acknowledging that Sustainable Diversion Limits will need to be comprehensively reviewed in 2026, with a view to better incorporating best available knowledge regarding the impacts of climate change on system in-flows.

Response to specific issues

Issue 1: Slowing the pace of water recovery (Draft recommendation 2)

Summary

- The recommendation to slow the pace of water recovery will no doubt create a sense of unease and distrust within Lower Murray, Lakes and Coorong communities.
- Our community continues to support full and timely implementation of the Basin Plan, and in particular, the need to recover the full 450GL of upwater and maintain connectivity with the sea via the Murray Mouth.
- If a decision *is* made to slow the pace of water recovery between now and 2024, all Basin governments must recommit to the shared vision of achieving these targets over the longer term.
- Care must be taken with messaging so as not to undermine community confidence and support for the Basin Plan.

Additional Comments

We acknowledge the difficulties of water recovery in a time of drought – when water availability is low, communities are under strain and water prices are high – but on the flip side, we hope the final report will more clearly acknowledge the social, economic and environmental costs of not recovering this water.

The report states on page 3 that “without clear evidence of the environmental, social and working river benefits of achieving the 2024 recovery target, the potential costs imposed on irrigation communities are not justifiable”. Let us not forget the unjustified costs actually imposed on the communities of the Lower Murray, Lakes and Coorong during the Millennium Drought from a basin-wide failure to adequately prioritise river health in the preceding years.

The Millennium Drought resulted in devastated communities, industries and ecosystems and the impacts are still felt today; environmentally, economically and psychologically, as expressed at the MDA Region 6 Stakeholder Symposium that was held in Goolwa in September 2019.

The Symposium - titled *Working together to secure a healthy future for the Lower Murray, Lakes and Coorong* - was well attended with over 50 participants from community groups, agriculture and industry, general public, council staff, elected members, government agencies, and MDA members. Prior to the symposium, an online survey was available to the participants to gauge their level of collaboration, engagement, advocacy priorities and concerns. The results showed that the top three advocacy priorities and/or policy concerns regarding the management of the basin’s water resources were (1) environmental water, (2) management and maintenance of a healthy environment, and (3) water security and water quality. These themes were further explored during the symposium via a series of facilitated workshops, with participants collectively identifying the following priorities: (1) continued implementation of the Basin Plan, with a focus on environmental flows and maintaining connectivity with the sea, (2) improved cross-based understanding and engagement re the importance of environmental water, and (3) drought preparedness and response. We would be happy to provide the Panel with a copy of the Symposium report upon request.

Given the energy expended in our region fighting for the adoption of the current Basin Plan recovery targets, a political decision to slow the pace of water recovery is likely to be met with significant distrust, particularly if not combined with a strong statement of continued political will by all Basin States to recovery of the full 450GL of upwater. Much effort would need to be invested by relevant agencies at our end of the river to explain how slowing the pace of water recovery between now and 2024 might improve the chances of delivering better environmental, economic and social wellbeing outcomes over the long-term (particularly in a warmer, drier climate, as discussed further below).

That said, participants at our September 2019 symposium also expressed a strong desire to engage in conversation and information exchange with upstream communities, to share experiences, and help engender a more unified commitment to a shared Basin vision and action. We would thus welcome efforts by Basin governments and relevant authorities to capitalise upon the willingness of our community to engage in cross-basin engagement initiatives.

Summary:

- Urgent action is needed to help communities understand and prepare for the impacts of climate change on future river flows and on the ecology and prosperity of the entire Murray Darling Basin.
- Sustainable Diversion Limits will need to be comprehensively reviewed in 2026 in a way that incorporates best available knowledge regarding the impacts of climate change on system in-flows.
- MDA Region 6 continues to advocate for investment in a comprehensive climate change adaptation and mitigation pathway for the Coorong, Lower Lakes and Murray Mouth region; with four of the councils within MDA Region 6 have made a climate emergency declaration in the past 12 months.
- Investment and incentives are needed to increase the uptake of alternative water sources such as stormwater and wastewater, as well as “appropriate agriculture” that boosts soil carbon and supports water sensitive growth in agricultural productivity without destroying health of the river.

Additional Comments

MDA Region 6 offers our solidarity to all Basin communities currently experiencing severe drought (noting draft findings 10-12) but submit that long term climate trends make the necessary and difficult task of returning the river to a more sustainable level of take, more, not less urgent.

Page 42 of the report states that “many believe future climate change will worsen [the] cumulative impacts of water recovery”. From an ecological perspective, it can equally be said that many believe future climate change will worsen the cumulative impacts of over-allocation.

We note that current Basin Plan Sustainable Diversion Limits are based on an assessment of historic climate variability over the past century and do not take into account the likely impacts of climate change on future water availability.

We also note the opinion piece published by Phillip Glyde, Chief Executive, Murray Darling Basin Authority on 20 March 2020, titled “World Water Day offers opportunity to reflect on our changed climate” which emphasises that inflows in the River Murray over the past 20 years have nearly halved from their 20th century average of 9,407GL per year to just 4,820GL per year.

The Basin will continue to experience wet and dry periods of course, but the 50% reduction in average inflows experienced over the last 20 years highlights the challenge we have ahead of us in adjusting to a future with less water for communities, industries and the environment. It is clear that climate change impacts could threaten the very foundations of the Basin Plan and thus incorporate climate adaptation into Basin Plan implementation needs urgent attention.

Slowing the pace of environmental water recovery between now and 2024 will not save us from the need in 2026 to holistically reassess Sustainable Diversion Limits and achievable ecological outcomes under climate change.

It remains to be seen whether the Basin Plan can protect our region over the long-term in the face of predicted climatic change impacts, and to this end, MDA Region 6 continues to advocate for investment in a comprehensive climate change adaptation pathway for the Coorong, Lower Lakes and Murray Mouth region.

With respect to draft recommendation 15 re increased investment in research and innovation to enable diversification of farm systems, we encourage focus on farming practices which build soil carbon. Incentives for building soil carbon could boost water retention, agricultural productivity and economic potential, and help the Murray Darling Basin to become carbon neutral.