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Murray–Darling Basin Authority Meeting 102 – 6 September 2016 Minutes

Members in Attendance: The Hon Neil Andrew (Chair); Ms Di Davidson; Mr George Warne; Professor Barry Hart; Ms Susan Madden; and the MDBA Acting Chief Executive, Mr Russell James.

Supported by relevant agency staff.

Agenda Item 1: Opening of meeting, disclosure of interests and apologies

1. The Chair opened the meeting at 8.05am and welcomed members and the MDBA staff. The Chair noted the apology of Mr Phillip Glyde, and that Mr Russell James was attending as acting Chief Executive.

Conflict of Interest

2. Mr George Warne noted that RMCG, the firm he works with, had prepared a report on the impact of water recovery, particularly as it affects dairy farmers. He had not been involved in the report but noted that it was due to be released by 9 September.
3. The Authority **noted** the opening remarks of the Chair.

Agenda Item 2: Adoption of draft agenda

4. The Authority **adopted** the agenda for meeting 102.

Agenda Item 3: Confirmation of minutes of meeting 101

5. The Authority **confirmed** the minutes of MDBA 101 – 2 August 2016.

Agenda Item 4: Chair's report

6. The Chair welcomed Mr Carl Binning, Executive Director, Environmental Management to his first Authority meeting and noted the seamless transition of Mr Russell James into the position of acting Chief Executive (CE).
7. The Chair noted that the final phase two consultations for the Northern Basin Review (NBR) had been completed. The consultations had gone well, with communities acknowledging the robustness and authenticity of the MDBA's work. He stressed that the Authority's objective in the NBR was to reduce socio-economic impact while increasing environmental outcomes. He emphasised that transparent, defensible models will be needed to inform the Authority's judgement on any revised sustainable diversion limits.
8. The Chair noted that Basin water ministers had taken up the offer of individual briefings from the Authority on progress with the Northern Review, and that these were happening progressively over the next few weeks. As a result of these meetings neither he nor the acting CE would be able to attend the Basin Community Committee (BCC) meeting in Mildura on 7 and 8 September.
9. Reporting on a meeting he had with the Loddon Murray and Northern Mallee Leadership Groups, the Chair noted there is a level of comfort with the goals of the Basin Plan, and the importance of the Authority being alert to the pain being experienced in the dairy

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sector. One farmer in attendance had suggested that international markets are the biggest driver for the sector, and state charges are the biggest water issue.

10. The Chair commented that the announcement of the increased regional presence of the Murray–Darling Basin Authority (MDBA) going forward had been well received.
11. The Authority **noted** the Chair's report.

Agenda Item 5: BCC Chair's report

12. Mr Rory Treweeke, Chair of BCC, reported that Mr Howard Jones' concerns about the water situation on the Darling River and the flow entering the lower Darling had gained traction and acknowledgement.
13. Mr Treweeke reported that he had agreed to explore a joint session of the BCC with Murray Lower Darling Rivers Indigenous Nations (MLDRIN) and the Northern Basin Aboriginal Nations (NBAN) in February 2017.
14. Reporting on his attendance at NBR consultations in Bourke and Walgett, Mr Treweeke noted that New South Wales irrigators did not think Queensland irrigators had done enough, while Queensland irrigators want to ensure that any water recovered in Queensland was used in Queensland.
15. The Authority **noted** the report from the BCC Chair and members.

Agenda Item 6: NBAC Chair's report

16. Mr Mal Peters, Chair of NBAC, reported that the main objective for NBAC members was a defensible plan. The main issues revolve around gaining credibility and community confidence, made up of three components: credibility of water targets; reliability; and compliance.
17. The Authority **noted** the report from the NBAC Chair and that further discussions with NBAC would be occurring on these issues in the near future.

Agenda Item 7: Authority Members' updates

18. Professor Barry Hart reported on the 10–11 August Advisory Committee on Social, Economic and Environmental Sciences (ACSEES) meeting, noting the good job it was doing. He indicated that a report from ACSEES would be provided under a standing agenda item to be added to future Authority meetings following those of ACSEES.
19. Professor Hart commented that there were two chapters in a book he was editing that would be of interest to Authority members, on the over 100 years of political perspective on the Murray–Darling Basin and the Victorian reforms over the last 30 or more years. He would seek authors' approval and provide these chapters to members.
20. Ms Susan Madden reported that the main messages she received during the NBR consultations was the need to protect low flows. She noted that the afternoon sessions were a bit flat and those who attended felt they had missed out.
21. Ms Madden indicated she had been discussing further consultations with irrigator groups and that deliverability and the use of flow models were still of concern and would continue to be raised by irrigator groups. She commented there was a need to be explicit about assumptions and limitations.
22. Ms Di Davidson reported that she had attended a meeting at Langhorne Creek with a Coorong and Lower Lakes Action Planning group at which Mr Peter Hyde gave an update on the Basin Plan. She also attended a Goolwa Murray Mouth community group

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meeting chaired by Mr Dean Brown, where they were looking to the MDBA for support to change culture. There are plans to build an interpretive centre with navigational history and eight projects with a tourism focus. The group was not seeking funding but looking for permanent vehicle access across barrages and educational material to support the interpretive centre. Ms Davidson suggested that Mr David Dreverman attend a future meeting.

23. Mr Warne reported he had addressed the Murray Irrigation Limited board meeting. They discussed the issues relating to the loss of half of the water entitlements in the Wakool system, through both consolidation and sale to the Commonwealth.
24. The Authority **noted** members' updates.

Agenda Item 8: Chief Executive's report

25. Mr James reported progress with briefing of key stakeholders.
26. Mr Warne suggested the upcoming briefing with the NSW water minister should address concerns that current water availability should not be used as a reason to delay action on pipelines and other projects, and highlight concerns with lack of progress on a shepherding agreement NSW has with the Commonwealth.
27. The Authority **noted** the Chief Executive's report.

Agenda Item 9: Q4 Performance Report

28. The Chair noted that recruitment difficulties had been a major contributor to the reported underspend. Ms Jo Schumann reported that recruitment had occurred and is expected to remain stable in the short term until there is greater budget certainty.
29. Members commented on the helpfulness of the report.
30. The Authority **noted** the report.

Agenda Item 10: Education team update

31. Ms Vicki Woodburn, General Manager Partnerships and Engagement, introduced this item. In response to questions about how the effectiveness of the program is measured she indicated that a process is underway to refine objectives and goals.
32. She also clarified that the MDBA leverages off key areas in the curriculum where the Murray–Darling Basin can be used as a case study. The team works with teacher associations and local education centres, noting that contacting schools individually was not cost effective. She noted that different strategies work to get the MDBA's education material into different areas.
33. The partnership with Questacon is a valuable one that exposes the MDBA science show to a very wide audience and had been presented daily. World Water Day is one of the activities the MDBA is engaged in with Questacon.
34. The Authority **noted** the education activities.

Agenda Item 11: SDL Adjustment update

35. Members discussed the concepts behind complementary measures and noted they are good actions to take but not substitutes for flow related outcomes. They also recognised it was not feasible to develop a volumetric SDL offset assessment method in a short timeframe, if at all.

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36. Members noted that enhanced environmental outcomes may be possible with select complementary measures being considered as part of the triple bottom line decision framework under the NBR. They reiterated there is no feasible way of developing a volumetric offset assessment method for non-flow related measures as part of the NBR timeline.
37. Judgement based on scientific expertise could be the only approach in the short term. This brings with it challenges of being based on best available scientific knowledge: robust and defensible. A preferred approach would be to take the appropriate time to consider and develop a robust assessment approach as part of a Basin Plan review in 2026.
38. Members noted there are funding limitations and raised concerns that water users could end up wearing the cost of construction, operation and maintenance of complementary measures.
39. It was the consensus of members that bringing non-flow measures into the assessment approach for SDL adjustment is not an appropriate action. Non-flow measures don't substitute flow-related measures.
40. The Authority **requested** the Chief Executive write to the Chair of the Basin Officials Committee (BOC) in relation to complementary measures:
 - (a) alerting BOC to its concerns with including non-flow measures as SDL adjustments and the challenges faced in establishing a volumetric SDL offset assessment method for complementary measures; and
 - (b) to emphasise the importance of any consideration of complementary measures being consistent with Water Act requirements, including the need to achieve an environmentally sustainable level of take (ESLT) approach.

Agenda Item 12: National Irrigators Council

41. The Chair welcomed representatives from the National Irrigators Council (NIC), noting the Authority had welcomed the NIC on a number of occasions.
42. He expressed concern at the idea put by the NIC that the Authority was taking a 'just add water' approach to Basin environmental management.
43. The NIC representatives indicated they were looking for more socio-economic analysis and were concerned it wouldn't be available to the Authority in time for a decision on the northern review.
44. Their message is that 'enough is enough' on water acquisition: the 278GL needs to be backed up by complementary measures. They were concerned that additional water recovery shows very little environmental benefit and considered another pathway for environmental benefits needed to be found.
45. The average cost of water in the north is \$4500/GL and part of the cost of any extra water to be recovered could instead be used for complementary measures.
46. A video presentation was shown, and it was noted that some of the figures quoted in the video may now not be correct due to timing of the production.
47. The NIC noted that when all water was sold on some properties owners moved out of irrigation, took the funds out of the district and then sold the land at fire sale rates. This had an effect on the equity value of surrounding properties.
48. The NIC representatives recognised the value to community of the healthy headwaters program with increased employment in local businesses and commented that they would

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like to see this become a longer term option. They also commented that there was a need for more awareness of the interaction between the social impacts across regions.

49. The NIC had put together a package focussing on complementary measures that look at increasing flow. It noted that industry was concerned about changing rules across multiple valleys to make measures work. NIC had therefore only looked at those measures that resulted in increased flows. In particular it noted that rule changes as required for shepherding are difficult and people are very concerned about the impact on entitlements. It was suggested that building fishways would be a better option to achieve an environmental outcome. Similarly, there was concern about environmental water provided in dry times increasing feral animal breeding, destroying the positive benefits to native wildlife.
50. The Authority **noted** the opinions expressed by the National Irrigators Council.

Agenda Item 13a: Water resource planning

51. Mr Michael Makin noted that there is a link between water resource plans (WRPs) and how shared reductions are attributed.
52. In the case of the Warrego–Paroo–Nebine, it is likely the accreditation will be without specific numbers. It was recognised that this was a short term situation applicable only to this accreditation. This approach is set out in a methods report rather than in Queensland legislative instruments, but is included in the accredited aspects of the WRP.
53. The Authority **noted** progress with the development and assessment of water resource plans, including the final stages of the Warrego–Paroo–Nebine Water Resource Plan.

Agenda Item 13b: WRP position statements

54. Position statement 1A had been updated following the Water Act Review, allowing states to nominate a more recent version of the Basin Plan to assess WRPs against. Position statement 4F was a new statement. Comments by the states had been incorporated into a revised position statement 9B.
55. Members discussed how and in what circumstances a reliability test might be used during Basin Plan implementation, and in particular when the test in position statement 1H would apply.
56. The Authority **endorsed** Position Statements 1A, 1H, 4F and 9B.

Agenda Item 14: Update on socio-economic work

57. Dr Phil Townsend identified that the next steps are to provide the Authority with a copy of the independent reviewer's draft report on the social and economic work for the NBR when it becomes available and to finalise the community-level analysis for the 21 communities examined in the NBR. These would form the appendices to the over-arching social and economic technical report. The final draft report would be provided to the Authority and independent reviewers on Friday 16 September.
58. Dr Townsend showed the effect of changes to water targets on different irrigation areas with a live excel demonstration.
59. The Authority **noted** the progress with social and economic work.

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Agenda Item 15: Basin plan amendments update

60. Dr Tony McLeod discussed the need to undertake consultation on proposed Basin Plan amendments.
61. Authority members noted the MDBA should discuss changes to planning assumption requirements and seek policy approval to make that change as part of the proposed amendments, as had been sought from the previous Minister.
62. The Authority:
- (a) **agreed** on the overall policy approach for proposed Basin Plan amendments including those arising from review processes associated with the Basin Plan and deferring clarifying amendments to a later process
 - (b) **agreed** consultation can commence with key stakeholders including Basin States, the Basin Officials Committee and the Basin Community Committee
 - (c) **noted** that some changes to the details of the planned amendments may arise during the course of consultation
 - (d) **agreed** to commence formal public consultation on the proposed amendments in mid-November 2016
 - (e) **noted** the intended process and anticipated timing for preparing and consulting on the amendments.

Agenda Item 16: Northern Basin Aboriginal Nations - input on Northern Basin Review

63. The Chair welcomed Northern Basin Aboriginal Nations (NBAN) board members to the Authority meeting. He noted that NBAN's voice is very important to the Authority, as demonstrated by supporting both the committee and a team within the MDBA specifically focusing on Aboriginal issues.
64. Mr Fred Hooper, NBAN Chair, outlined NBAN's position that the current water recovery target for the northern Basin should remain at 390GL.
65. NBAN representatives commented that water affects health and other social determinants that define and affect aboriginal people. Restricted access to rivers and the lack of the right environment to tell stories, meant that stories were dying. It was also noted Traditional Owners' water dependence was historically not taken into account in water resource planning and the difficulty in addressing the health needs of the river.
66. One NBAN representative referred to the relevance of any decision by the Authority on the northern review of the Mabo judgement and the *Environment Protection and Biodiversity Conservation Act 1999*. He also questioned if there would be compensation payable to First Nations peoples if the target was reduced.
67. The MDBA's work on setting up the partnership on water was recognised and the MDBA was congratulated on the socio-economic information it had produced.
68. Authority members commented that the issues raised by NBAN including access, watering regimes and health of medicine plants should be addressed where possible in the Northern Basin Review.
69. The Authority thanked NBAN for their representations and **agreed** to consider the issues they had raised when finalising the Northern Basin Review.

Agenda Item 17: Northern Basin Review

70. The Chair reflected on recent meetings with important stakeholders, including the willingness of the Queensland government to cooperate on issues such as shepherding.

71. The Authority:

- (a) **noted** the progress of the Northern Basin Review
- (b) **agreed** to adopt the trade-offs table from the workshop on 5 September 2016 as an accurate reflection on the workshop outcomes
- (c) **agreed** to a process for finalising the foreword for the Northern Basin Review report at the next meeting on 13 October.

Agenda Item 18: Other Business

72. No other items of business were considered.

Agenda item 19: Next meeting

73. The Authority

- (a) **agreed** to hold a teleconference on 19 September 2016
- (b) **noted** its next meeting is scheduled for 13 October 2016.

74. The meeting closed at 3.50pm.