

# Assessment of the social and economic conditions of communities across the Murray-Darling Basin and the drivers of change

## Background

Irrigators and their associated communities across the Murray-Darling Basin are experiencing massive change. This is due to numerous factors including: drought, environmental water recovery under the Basin Plan, ongoing structural adjustment within the irrigated agricultural sector, and other longer term changes related to climate, Australian agriculture, and social and demographic change. Regardless of the causes, irrigators and their communities are deeply concerned about the future viability of their livelihoods and the communities they live in. As an organisation that is working towards a healthy working Basin, the MDBA shares these concerns.

Not all communities are the same. Government and agencies implementing the Basin Plan need to better understand the changes, both good and bad, that communities are experiencing and why. With this information the MDBA can better understand how implementation of the Basin Plan is tracking. This assessment will focus on social and economic conditions of communities across the Murray Darling Basin and the drivers of change. It will inform departments, agencies and Basin Ministers and provide a basis for the ongoing implementation of the Basin Plan.

## Process

The assessment will be undertaken by an independent panel and completed by the end of December 2019. The panel will be well resourced to undertake genuine engagement with communities across the Basin. This project will answer questions the communities want answered. Communities and stakeholders have different needs and should be engaged differently. We will approach this work and devote resources to this task to give all stakeholders the opportunity to engage.

The project will be evidenced-based and participatory, with the scope of the work and the analytical approach co-designed with community representatives wherever practicable.

Consultation will be undertaken in four broad phases:

1. *The terms of reference and the questions to answer.* The draft terms of reference give a starting point but before these are finalised the panel will test these with the community. Where this project cannot answer all the community's questions, this should be clearly communicated and explained.
2. *During the technical work.* MDB communities are a fantastic source of information and insight. This assessment will involve and listen to communities, and share information on how the analysis of identified issues will be done.
3. *What the results mean for them.* The Panel will explain what the results mean for people, their industry, and their region.

4. *What happens next?* The assessment will conclude with advice on what communities and governments should do. It will also feed into the MDBA's evaluation of the Basin Plan in 2020.

The assessment will be conducted by a Panel, comprising up to five members. They will have a mix of skills and experience, including people with community or industry perspectives, and others with backgrounds in water policy, social and economic analysis, and regional economic development.

The major roles of the Panel will be:

1. Finalise the terms of reference in consultation with stakeholders.
2. Develop an engagement and communication strategy
3. Identify and prioritise key knowledge gaps and the most effective means of accessing the required knowledge.
4. Engage independent consultant(s) or advisors to inform different aspects of the investigation. This should include engagement specialists. If required, new analysis can be commissioned to ensure the issues raised by stakeholders are addressed, and there is a sound understanding of the key drivers of change affecting social and economic outcomes.
5. Review and provide feedback on commissioned knowledge products.
6. Develop the final report with support from the MDBA.
7. Support communication of findings in line with the communication strategy.

The assessment will cover the whole of the Basin and be done at a number of different scales, such as region, industry and community. It may include deeper analyses or more detailed case studies in specific locations and communities most impacted (positively or negatively) by the many forces of change.

The Panel will also be supported by the MDBA, who will provide project management and secretariat support, as well as facilitating access to relevant interest groups, engagement mechanisms such as the Basin Community Committee, data and information.

### **Scope of the work**

Subject to any refinements made as a result of phase 1 consultation, the assessment will examine and articulate the current social and economic conditions in irrigated agriculture and irrigation dependent regions and communities in the Murray-Darling Basin. It will then examine the factors that have contributed to those conditions.

This project will be an important part of the MDBA's longer term efforts to monitor the social and economic conditions in the Basin, and to evaluate the outcomes of the Basin Plan. It could consider:

- the effect of changing patterns in water use and trade and trends in the temporary water market that may be having an effect on water prices including the role of water market participants (including speculators);
- water availability and the effects of state water allocation policies and regulations on irrigators and communities;
- The effects of water sharing and river management (including operational rules), on communities, irrigators and the health of the Basin rivers;
- changes in the location, size and mix of irrigated agriculture;
- environmental water recovery under the Basin Plan, including the impacts of buybacks, and government investments in on-farm and off-farm irrigation infrastructure, community development; and
- the social and economic outcomes for MDB communities and industries from the use of held environmental water.

### **Existing information**

The assessment should take careful consideration of the methods, results and strengths and weaknesses of past closely related work. It will also draw on data, information and analyses that are currently available. For example, data will be drawn from multiple sources including: ABS, ABARES, MDBA, BOM, irrigated industry groups and relevant State and Local Government agencies. Other datasets that provide insights into broader social and economic change may also be considered.