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Mr Phillip Glyde  
Chief Executive Officer  
Murray-Darling Basin Authority

Dear Mr Glyde,

**RE: Final Review Report For the MDBA – An Independent Review of the Social and Economic Modelling Inputs to the Northern Basin Review**

On behalf of my colleagues, Mr Jim McFarlane and Dr Richard Stayner and I, please find attached our final independent review report of the socio-economic modelling done for the Northern Basin communities. We are grateful to the MDBA in choosing us to undertake this review of what is a milestone in Australia's water reform and rural community history.

We found Dr Phil Townsend and his team at the MDBA more than willing to consider our views on how to improve the modelling work. This began with a review of the community modelling work prepared by KPMG of the St George and Dirranbandi (including Hebel) communities, supplemented by landuse modelling undertaken by the MDBA, and followed with a draft final report of all the socio-economic modelling inputs and various versions of the MDBA interim summary report. Our report tracks the changes made by the MDBA or KPMG as a result of the issues we raised. We believe this iterative role, as deliberately implemented by Dr Townsend, has improved the quality and presentation of modelling work undertaken.

For this reason, overall we believe the modelling work has been undertaken with care and diligence as summarized in the MDBA's interim summary report and detailed layered reports that sit below this. While all models inherently have the limitation of being a simplification of reality, we believe the approach that the MDBA has taken in collecting contextual social, economic and other local information to be rigorous. Ensuring that the modelling outcomes are considered within the context of this broader supporting information addresses the inherent limitation of all models, including data paucity and methodological hurdles. The interim summary report does a good job of bringing together the various detailed reports and supporting information to aid the decision-making process.

Strategically, our final report also identifies those matters that needed to be considered immediately in the short term as well as those that could become part of the future work program of the MDBA in the medium to long term. This future work could include spatial mapping of impacts and better accounting for leakage in the employment impact analysis. Other areas of future work are also outlined in our report.

Again, thank you for including us in the preparation of this milestone piece of work.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'B. Blackwell', is written over a horizontal line.

**Dr Boyd D Blackwell**  
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Principal Research Leader