



## **Australian Government House of Representatives Inquiry into Impacts of the Murray-Darling Basin Plan on Regional Australia**

Catchment Management Authorities in NSW are pleased to provide the following submission to the Australian Government House of Representatives Inquiry into Impacts of the Murray-Darling Basin Plan on Regional Australia

Eight of the thirteen NSW CMA are located within the MDB area. They are Border Rivers-Gwydir, Western, Central West, Namoi, Lachlan, Murrumbidgee, Murray and Lower Murray Darling. The roles and responsibilities of Catchment Management Authorities (CMAs) are outlined in Tag A.

### **Terms of Reference**

- 1. the direct and indirect impact of the Proposed Basin Plan on regional communities, including agricultural industries, local business activity and community wellbeing;**
  - The proposed Basin Plan will have a different impact on each region depending on existing activities which rely on water. The impact will also depend on the particular location and the proposed level of buyback to achieve Sustainable Diversion Limits.
  - The impact on local business activity will depend on the scale/level of services which support particular industries and production systems within that community. Under proposed water purchase, compensation is applicable only to entitlement holders and therefore does not compensate service providers, businesses and local governments
  - Stranded assets which may remain after water purchase will cause significant ongoing maintenance and therefore financial impost on those remaining.
  
- 2. options for water-saving measures or water return on a region-by-region basis with consideration given to an analysis of actual usage versus license entitlement over the preceding fifteen years; and**
  - Options for water savings should be explored at a regional scale in collaboration with local communities, users and service providers.
  - Opportunities of sub-system retirement within group schemes and support for innovation should be planned and implemented locally.
  
- 3. the role of governments, the agricultural industry and the research sector in developing and delivering infrastructure and technologies aimed at supporting water-efficiency within the Murray-Darling Basin.**
  - Government has the opportunity to facilitate the roll out of new technologies and infrastructure in consultation with communities. Government may contribute via funding programs and resources, setting direction and providing technical expertise.
  - CMAs in NSW potentially could play a role in delivering extension services and capacity building activities to landholders, including in some cases assistance with property planning to integrate positive outcomes for businesses, water usage and the health of land and water resources.
  - In some areas best management practice is already occurring as a result of private investment or previous programs supported by government funding.

In examining each of these issues, the Committee will also consider community views on:

**1. measures to increase water efficiency and reduce consumption and their relative cost-effectiveness;**

- On-farm water use efficiency pilot programs have taken place in a number of locations in NSW. Expedient delivery of additional programs is welcomed.
- Cost effectiveness relates to the price of permanent water vs. the extent of savings for particular activities.
- Water saving technologies also contribute to improved productivity and profitability when considering labour and other on-costs.
- Farm profitability reflects the capacity of producers to invest in and participate in water efficiency projects.

**2. opportunities for economic growth and diversification within regional communities; and**

- There are significant opportunities across all regions for economic growth and diversification. Engagement with local communities and support from government with some clear priorities for investment will assist the achievement of growth.
- There are always opportunities for value adding to primary produce within regional areas which has significant flow on effect.
- Whilst working to achieve the above, future uses of the natural capital base i.e. land and water resources will be determined by external forces such as commodity prices and markets as much as water availability.

**3. previous relevant reform and structural adjustment programs and the impact on communities and regions.**

- Within NSW, the Achieving Sustainable Groundwater Entitlements program is an example of a previous structural adjustment program. This program has still to be finalised. CMAs developed experience in implementing this reform.
- The NSW Water Sharing Planning process has been completed for a number of areas, and there are a number of plans nearing completion.

## Tag A

Catchment Management Authorities were established under the Catchment Management Authorities Act 2003 to engage regional communities in the key natural resource management issues facing their catchments. They are a statutory body responsible for coordinating natural resource management in their catchment and ensuring that regional communities have a significant say in how natural resources are managed. They are the primary vehicle for the delivery of incentive programs funding provided by both the State and Commonwealth Government's to restore and improve the State's natural resources.

The Catchment Management Authorities Act 2003 has the following objects:

- (a) to establish authorities for the purpose of devolving operational, investment and decision-making natural resource functions to catchment levels,
- (b) to provide for proper natural resource planning at a catchment level,
- (c) to ensure that decisions about natural resources take into account appropriate catchment issues,
- (d) to require decisions taken at a catchment level to take into account State-wide standards and to involve the Natural Resources Commission in catchment planning where appropriate,
- (e) to involve communities in each catchment in decision making and to make best use of catchment knowledge and expertise,
- (f) to ensure the proper management of natural resources in the social, economic and environmental interests of the State,
- (g) to apply sound scientific knowledge to achieve a fully functioning and productive landscape,
- (h) to provide a framework for financial assistance and incentives to landholders in connection with natural resource management

With consideration of the CMAs core functions, roles have been identified and broadly include:

- Provide advice on matters concerning the integration of land and water functions
- Provide advice on and assisting in the delivery of community participation in consultation activities as defined in Tag A.
- Inform water sharing planning by providing advice on in-stream values and water requirements for water dependent assets and other critical landscape functions through participation on interagency processes

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