

Dissenting Report

Senator John Madigan

1.1 Deep suspicion remains across the Murray Darling Basin about the Murray Darling Basin Authority (MDBA), its operation and the perceived perfunctory nature of its attempts to liaise and listen to local communities.

1.2 Communities exhausted by challenging economic conditions, with dwindling farming and irrigation sectors, remain convinced the MDBA is proceeding on its own agenda while paying 'lip service' to consultation.

1.3 I note that in the 2011 House of Representatives Inquiry into the Guide to the Murray Darling Basin Plan, the committee was highly critical of the MDBA's community engagement program.

1.4 Additionally that same committee articulated concerns about the MDBA's modelling, assumptions and data gathering.

1.5 Four years later, local communities have given vent to similar complaints.

1.6 During the current Senate inquiry I saw little perception from communities across the Basin that the operations of the MDBA had changed in response to the first report.

1.7 Basin people are suspicious, frightened and angry about an organisation they see as all-powerful and non-responsive. I take seriously evidence that the MDBA's modelling has been proven wrong, that the organisation is not responsive to criticism and in some cases has forced constituents to resort to Freedom of Information requests to obtain data.

1.8 I remain deeply concerned that the MDBA is a well-funded and diverse bureaucracy dedicated to its own self-preservation with little real accountability to the government or the Parliament, and certainly not to the thousands of rural and regional Australians who are impacted by its operations and decisions.

1.9 I remain troubled that this organisation, like many government bureaucracies, is insincere in its pronouncements of regard for local expertise.

1.10 I see the Murray Darling Basin Plan as one of the largest negative man-made impactors on our farming communities in the history of this country. More significantly, much if not all of the negative impact of the MDBP is ignored by governments and ignored or rationalised by the authority.

1.11 Many witnesses were adamant that the Plan must be paused to undertake a more thorough and detailed stocktake of our water resources and their effective management. Others are more hesitant, saying such action would create additional uncertainty.

1.12 Water resource management is now exceedingly complex, controlled by a growing number of bureaucracies and administered by the Commonwealth and relevant state governments.

1.13 It's clear to many – and I share their view – the Plan is not working. The destructive impact on the farmers, irrigators and communities who live and work in our food bowl is considerable. Water is our most precious resource.

1.14 For the thousands who have been fighting this plan and this bureaucracy for years now, it will be a tragedy if this report is shelved without appropriate and clear government response and action.

1.15 Additionally I make the following recommendations.

Recommendation 1

1.16 The Commonwealth *Water Act 2007* must be amended to indisputably give equal balance to the triple bottom line i.e. social, economic and environmental values.

Recommendation 2

1.17 The *Water Act 2007* must be amended to remove reference to the 450GL and links to the Sustainable Diversion Adjustment mechanism. The \$1.77 billion must be redirected to meet other objectives arising from the Basin Plan.

Recommendation 3

1.18 We must review the MDBA's Regulatory Impact Statement (2012) to account for omissions and inclusion of relevant information evident in the implementation phase of the Murray Darling Basin Plan.

Recommendation 4

1.19 We must amend/extend current timeframes and project eligibility for the Sustainable Diversion Limits (SDL) adjustment mechanism.

Recommendation 5

1.20 We must have an allowance within the scope of 650GL of SDL projects to enable adaptive management and the development of further project options to deliver environmental outcomes that may not be fully explored or developed prior to the June 2016 deadline.

Recommendation 6

1.21 The Murray Darling Basin Plan's focus on flow objectives to the Lower Lakes must be reviewed to avoid massive third party impacts (social, economic and environment) on Basin communities. The Plan must incorporate the physical realities of the Murray, Edward and Wakool and Goulburn river systems and acknowledge that the Murray Darling Basin Authority's proposed flow targets to the SA border are unachievable.

Recommendation 7

1.22 Federal, New South Wales, Victoria and South Australian governments should be encouraged to investigate the development of localised projects in South Australia to deliver environmental benefits for the Coorong, Lower Lakes and Murray Mouth. Federal investments should be on the condition that SDL credits generated help offset the shared downstream targets for the Murray (971GL.) (The Coorong Connector should not be considered unless part of a broader package of measures.)

Recommendation 8

1.23 We need an independent investigation of the accountability, performance and independence of the MDBA with emphasis on the basis and validity of its conclusions and recommendations to government in the development and implementation of the Murray Darling Basin Plan.

Recommendation 9

1.24 The MDBA must be instructed and made accountable to facilitate open access and transparency on all of its models and assumptions used in decisions associated with the Plan.

Recommendation 10

1.25 The MDBA's roles, responsibilities and future functions must be reviewed and restructured to incorporate regional decisions in all aspects of the Basin Plan – social, economic, environment.

Recommendation 11

1.26 The Federal Government must cease acquisition of further productive water (except for strategic benefits which is agreed to by relevant parties) until there has been a full analysis of social and economic impacts, an evaluation of environmental benefits achieved with water already acquired and it is evident there will be no adverse third party impacts on irrigation and private property.

Recommendation 12

1.27 Federal and state governments must be completely transparent and ensure full consultation with affected parties and stakeholders on all Murray Darling Basin Plan implementation decisions. This includes the Sustainable Diversion Limits adjustment mechanism, the Constraints Management Strategy and any proposed river or storage dam operational changes to ensure decisions do not undermine the reliability of irrigation supplies or property rights of private landholders or cause detrimental environmental impacts.

Recommendation 13

1.28 The Constraints business cases must provide a realistic, compelling case, developed in full consultation with affected stakeholders, and establish that proposed measures will be achievable and will deliver the expected outcomes. The cases must provide a positive case for investment before any decisions to proceed are made.

Recommendation 14

1.29 Impacts on all upper tributary catchments must be acknowledged and investigated so that the focus is not only on the main stems of the Murray, Goulburn and Murrumbidgee rivers when delivering environmental flows.

Recommendation 15

1.30 Government agencies must clearly establish timing, frequency, duration and extent of proposed environmental flows in order for stakeholders to make informed decisions in the development of the business cases on constraints.

Recommendation 16

1.31 The MDBA must address how the Constraints Management Strategy can proceed considering Upper Goulburn Catchment landowners have refused to negotiate easements to mitigate flooding impacts, and the Federal and State governments have stated they will not forcibly acquire easements or intentionally flood private property without consent.

Recommendation 17

1.32 Federal and state governments must avoid manipulation of water markets or water use through references to high value crops or preferred industries.

Recommendation 18

1.33 I strongly object to overseas entities being permitted to trade in our water.

Recommendation 19

1.34 Monitoring and evaluation of the Basin plan and environmental flows must include both negative and positive impacts to enable full evaluations.

1.35 After this inquiry I remain steadfast in my belief and support of the people of the Murray Darling Basin. I admire their courage and creativity, their strength and fortitude in the face of enormous challenges. The future of this country is integral to their future. Much is riding on our ability to get things right.

Senator John Madigan

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