

Analysis of 'Government offer' on the Murray-Darling Basin Plan

On 7 May 2018 the Turnbull Government struck a deal with federal Labor to ensure key changes to the Murray-Darling Basin Plan got through Parliament. As a result Labor senators will vote with the Government on a proposal to reduce the amount of water to be taken from irrigators in the southern basin by 605GL. In return, the Government has agreed to enforcing greater compliance with water extraction laws and make a start on recovering an extra 450GL of environmental water. Or so they say. Here's the Lifeblood Alliance analysis of what the deal really means.

What has been gained for the river

- Federal funding for down-water (supply) projects is tied to states 'who are able to demonstrate their full cooperation with the delivery of efficiency measures' i.e. up-water projects. This is fine in theory but in practice intergovernmental agreements (which will be the mechanism used to tie the two) are notoriously flexible and non-binding. For example, water shepherding was enshrined in the 2013 IGA but has not yet been delivered. (5a)
- Funding for MLDRIN and NBAN for the implementation of cultural flows research (2 staff positions for three years + \$1.5million for related expenses) (3a)
- A bi-partisan commitment to \$40 million over 4 years investment in cultural and economic water for basin Indigenous communities (although not a lot of money when consider number of TO groups in the basin) (3c1)
- Payments to Basin States under 'National Partnership Agreement on implementing water reform in the MDB' will be linked to implementation of Basin Compliance Compact (2ciii)
- Indigenous procurement for the implementation of toolkit measures in the northern basin. However the document does not address the issue of whether indigenous groups have the capacity to participate or how to increase this capacity. (3f)
- Commitment to refurbishing weirs at Wilcannia and Cunnamulla is really important for Barkinji people. However no money has been committed (3g)
- MDBA will be required to report on Indigenous involvement in decision making. (3h)
- Greater transparency with the MDBA running workshops on SDL adjustment measures and constraints projects. (4f)
- Re-stating the government's commitment to manage constraints to achieve 80,000ML a day at the South Australian Border. (4g)

Existing commitments restated

- Government has already committed to implementing the key outcomes of MDBA compliance review (2a)
- Delivery of the Basin Compliance Compact is already agreed with the states (2c)
- Change to the Indigenous Land Corporation so they to use their funds to access water entitlements as well as land is already underway. (3b)
- An obligation on the CEWH and MDBA to have regard to Indigenous involvement in their planning already exists. (3h)
- \$1.5billion in funding for efficiency measures to recover up to 450GL is already allocated to the water for the Environment Special Account (5a)
- Efficiency measure reviews in 2019 and 2021 are already required under the Water Act. (5e)
- Annual reporting of progress on constraints management is already required under the MDBA constraints management strategy (5g)
- Release of northern basin review modelling should have occurred already as part of the review process (4a)

Neutral for the river

- The Northern Basin Commissioner is a non-statutory role and brings no new powers. The role is essentially a reporting one and assumes functions that are already performed by DAWR and MDBA. There is no fundamental benefit to this position. (1b)
- The \$20 million for improved hydrometric networks and monitoring in the northern basin is welcome, but replaces money originally allocated for metering and then withdrawn (2d)
- The establishment of fishways at Menindee Lakes main weir and Frenchman's Creek will only be a benefit if there is water in the lower Darling (5d)

What has been lost for the river

- 605 billion litres has been cut from the southern basin water recovery target.
- The northern basin amendment will be re-tabled and result in the loss of 70GL from the Northern Basin water recovery target.
- The 12 conditions for supply projects as proposed by the Wentworth Group have not been adopted, meaning that projects will not be rigorously assessed either at inception or at the 2024 reconciliation.
- No allowance has been made for return flows, meaning that efficiency projects may not deliver real savings.
- No criteria have been set for 'performance milestones' in funding agreements for supply measures, and there are no binding obligations on states to deliver upwater. (5c)

- The protection of environmental flows in NSW has not been strengthened, with no new commitments made (1a).
- Support for communities is being directed to cotton growing communities 'most in need of support' in the northern basin. These are the communities that have been most critical of the Basin Plan. There is no extra support for struggling communities on the lower Darling or elsewhere. (3c and d)
- The commitment to identifying unallocated water in the northern basin that could be potentially be made available to indigenous communities is very vague. It could result in water that is difficult and expensive to access (eg deep groundwater) that no one else wants being offered to Traditional Owners. (3e)
- Indigenous procurement has not been extended to the delivery of supply projects in the Southern Basin. (3f)

Key Questions

- Have the states been consulted, and do they agree to the 'offer'? What is their level of commitment to 'demonstrating their full cooperation with the delivery of efficiency measures'? (5c)
- Who is being invited to submit expressions of interest for efficiency projects? Is it water corps, state governments or individuals? How does the EOI process interact with the existing COFFIE program? (5a)
- How does the funding for supply projects work? Would the funding be phased based on performance milestones, and what do the milestones refer to (efficiency or supply projects)? (5c)
- If the reconciliation requires water recovery in 2024, who is responsible? (5cii)
- Is the federal water minister delegating his responsibility for reporting and compliance in the northern basin to the Northern Basin Commissioner? (1b)
- Is the \$20 million grant program new money? Why is it directed to particular cotton growing communities? Is it a slush fund for the National Party? (3c)
- Is there any plan to reinstate the original limestone weirs on the lower Darling? (3g)
- Giving the CEWH more responsibility for supporting cultural outcomes, using environmental water, may be viewed by some as delivering 'cultural flows'. Traditional Owners have rights and aspirations to access their own water entitlements. While greater engagement between the CEWH and indigenous communities is welcome, it can't be allowed to hinder progress towards meeting indigenous aspirations to own water entitlements in their own right. Is the government intending to halt the progress towards cultural flows with increased responsibility of the CEWH?(3i)