

## Chief Executive Officer's Report

November 2018

Emma Bradbury ceo@mda.asn.au

#### 1. Appointments

| Date              | Event/meeting  | Location     |
|-------------------|--|--------------|
| October 24, 2018  | Murray-Darling Basin Water Infrastructure Program public                                   | Echuca       |
| October 24, 2018  | hearing<br>Mary Colreavy - Water Recovery, DAWR (phone)                                    | Echuca       |
| October 26, 2018  | Productivity Commission Murray-Darling Basin Plan: Five-                                   | Canberra     |
| 0000001 20, 2010  | year assessment draft report hearing – with Cr Thurley                                     | cumerra      |
| October 26, 2018  | Hon. David Littleproud – Federal Minister for Agriculture and                              | Canberra     |
|                   | Water Resources – w/ Cr Thurley  |              |
| November 1, 2018  | SIA Framework project proposal meeting   | Canberra     |
|                   | <ul> <li>Dr Jacki Schirmer – University of Canberra</li> </ul>                             |              |
|                   | Dr Cathy Robinson - CSIRO  |              |
| November 1, 2018  | Greg Claydon – Review of Murray-Darling Basin joint  | Canberra     |
|                   | governance arrangements  |              |
| November 2, 2018  | Murray-Darling Basin Water Infrastructure Program public<br>hearing                        | Deniliquin   |
| November 2, 2018  | Anthony Thompson – <u>2QN Radio interview</u>  | Deniliquin   |
| November 8, 2018  | Hon. Tony Burke – Federal Shadow Minister for Environment                                  | Melbourne    |
|                   | and Water w/ Cr Barry Featherston  |              |
| November 9, 2018  | MDA Region 11 Ordinary Meeting   | Tenterfield* |
| November 12, 2018 | Wayne Norwood – Echuca real estate agent re new premises                                   | Echuca       |
| November 13, 2018 | 75 <sup>th</sup> National Conference planning committee meeting                            | Echuca*      |
| November 13, 2018 | Strategic Advisory Subcommittee meeting  | Echuca*      |
| November 14, 2018 | National Carp Control Plan Communications Working Group<br>meeting                         | Canberra*    |
| November 14, 2018 | Goulburn River management  | Shepparton   |
|                   | <ul> <li>Cr Dennis Patterson – City of Greater Shepparton</li> </ul>                       |              |
|                   | <ul> <li>Richard Marks – Department of Land, Water,</li> </ul>                             |              |
|                   | Environment and Planning   |              |
|                   | <ul> <li>Chris Norman – Goulburn Broken Catchment</li> </ul>                               |              |
|                   | Management Authority   |              |
|                   | <ul> <li>Mark Bailey – Goulburn-Murray Water</li> </ul>                                    |              |
| November 15, 2018 | Murray-Darling Basin Water Infrastructure Program local<br>government consultation session | Echuca       |
| November 16, 2018 | Helen Vaughan – Department of Land, Water Environment                                      | Echuca       |
|                   | and Planning (phone)   |              |
| November 21, 2018 | Narromine Shire Council  | Narromine    |
|                   | <ul> <li>Cr Craig Davies - Mayor</li> </ul>  |              |
|                   | <ul> <li>Jane Redden – General Manager</li> </ul>  |              |
| November 21, 2018 | NSW OEH River Connections Project  | Dubbo        |
| November 22, 2018 | Dubbo Regional Council   | Dubbo        |
|                   | Cr Ben Shields – Mayor   |              |
|                   | Michael McMahon – General Manager  |              |
| November 23, 2018 | Presentation to Brewarrina Shire Council   | Goodooga     |
|                   | Cr Phillip O'Connor – Mayor  |              |
|                   | Jeff Sowiak – General Manager  | <b>.</b>     |
| November 23, 2018 | Paroo Shire Council  | Cunnamulla   |
|                   | Cr Lindsay Godfrey – Mayor   |              |
|                   | Oliver Simon – Chief Executive Officer   |              |

#### \* - Attendance by digital means

#### 2. Engagements

The CEO attended two of the Department of Agriculture and Water Resources' public hearings regarding the Murray-Darling Basin Water Infrastructure Program and development of additional criteria for on-farm efficiency measures in Echuca and Deniliquin.

The MDA hosted a local government consultation session regarding the MDBWIP on November 15 at Echuca, attracting 26 people representing 20 councils. See the attached report for further details.

National President, Cr David Thurley and I met with Federal Agriculture and Water Resources Minister, David Littleproud on October 26. Discussions focused on the need for a socio-economic impact assessment framework, public consultation regarding the Murray-Darling Basin Water Infrastructure Program's development of additional criteria for on-farm efficiency measures, and the MDA's response to the Productivity Commission *Murray-Darling Basin Plan: Five-year assessment draft report.* 

National Vice-President, Cr Barry Featherston and I met with Federal Shadow Minister for Environment and Water, Tony Burke in Melbourne on November 8. See the attached meeting brief for further details.

Meetings will have occurred in the past week with councils located in the northern Basin – Brewarrina, Dubbo, Narromine and Paroo – enabling the MDA to provide an update on its current operations. Similar appointments are scheduled for councils located in South Australia in early December.

#### 3. Update on AGM Resolutions

The MDA met with the Department of Environment, Land, Water and Planning regarding 2018 AGM Resolution 5.18 (environmental impacts of commercial flows on Goulburn River) at Shepparton on November 14. See meeting note attached.

The MDA is scheduled to meet with South Australian Minister for Environment and Water, David Speirs and a Board representative regarding 2018 AGM Resolution 5.6 (climate change adaptation) in Adelaide on December 6.

<u>Web pages</u> noting the progress of resolutions from past AGMs have been created. This has been promoted to members via a media release distributed in early November and via the November edition of *Basin Bulletin*.

Email received from MDBA CEO 19/11 with initial thoughts on a new MDA-MDBA MoU reflecting recent discussions. Expecting to have an agreed draft to our respective boards for their consideration by the December board meeting.

MDBA have also responded to further request for response to motions, with apology for delay. Have advised they will respond jointly with the Department and understand it is working its way through Ministerial approvals. They are hoping to have the collective response finalised within the next sitting period (26 Nov – 6 Dec).

Responses from Victoria now on hold as that state in Caretaker mode.

The MDA has received responses from Commonwealth Environmental Water Holder, Jody Swirepik and Murray-Darling Basin Authority Chief Executive Officer, Phillip Glyde regarding questions in notice from the 74<sup>th</sup> National Conference. These responses are attached and are also available to view on the <u>MDA website</u>.

#### 4. National Conference 2019

The CEO will meet with Toowoomba Regional Council staff to tour potential venues for the 75<sup>th</sup> National Conference is occurring on November 26, with locations to be confirmed by the end of the month.

The conference landing page promoting the date of the conference and location will be online during December.

A sponsorship prospectus is currently being developed and will be ready for distribution by the end of the month.

#### 5. Administration

*Membes* – The population of data into the MDA's Membes database is still not populated. Discussions are continuing.

*ICT* – This continues to be a significant risk to the MDA's operations.

*Christmas period* – The MDA office will be closed 22 December and will reopen Monday 7<sup>th</sup> January.

#### 6. Position Papers

<u>Submission to the Productivity Commission Murray-Darling Basin Plan: Five-year assessment -</u> <u>Draft Report</u> – expressing broad support for the draft report, and adding further recommendation for amendment in line with motion 2019-5.11: advisory role for local government.

<u>Murray-Darling Basin Water Infrastructure Program</u> – calling for additional socio-economic criteria for projects, and to apply to whole of program, and an agreed and consistent means to assess criteria for accountability. Paper submitted to the MDB WIP consultation and presented to the Dept Ag and Water Resources.

<u>Submission to the Review of the Murray-Darling Basin Joint governance arrangements</u> - calling for a role for local government in the decision-making framework at sector, regional and council level. Presented to appointed consultant Greg Claydon in support of a further 2-hour discussion face to face at MDBA in Canberra.

#### 7. Strategic Advisory Subcommittee

The Strategic Advisory Subcommittee met on November 13 and are progressing with providing strategic advice on the regional boundaries review, the employment of a grants co-ordinator and a proposed CEO's network.

#### 8. Projects

 i) Community Consultation Standard
 The MDA has submitted project proposal to the New South Wales Department of Industry – Water, seeking the development of a community consultation standard. ii) Soico-economic Impacts Assessment

The MDA and University of Canberra have updated their previously developed *Water Resource Allocation Socio-economic Impacts Assessment and Response Framework* project, reflecting current discussions and requirements. CSIRO has stepped away from the project but want to continue to work with the MDA on future initiatives.

Both projects have been forwarded to the chiefs of staff of Minister Littleproud, Hon Tony Burke MP, and to the Department of Ag and Water resources, seeking the support for the initiatives.

#### iii) River Connections Project (confidential item)

The new River Connections contestable grants program has been announced. Applications opened Tuesday 30 October 2018 and close on Monday 25 March 2019 at 3pm sharp.

The purpose of the grants is to assist community and government organisations to contribute to new approaches to integrated river management that can deliver improved health outcomes for inland rivers at a landscape scale in NSW.

River Connections will co-fund large scale, long-term collaboration and partnerships to tackle river and aquatic degradation at the landscape scale. Projects will investigate and analyse the barriers, threats and opportunities to integrated river management, identify and include diverse user values and trial new innovative approaches and/or techniques to river management that can deliver improved river health outcomes.

\$10 million over 11 years is available. It is expected the funding will value add to existing activities and significantly leverage existing co-contributions. To maximise the impact and longevity of the program, it is expected only one or two large scale projects, at landscape scale will be funded.

Community groups and organisations, incorporated associations, non-profit organisations, non-commercial cooperatives, Trusts and government entities can apply.

This program presents a significant opportunity for the Murray Darling Association.

I currently sit on the OEH Aquatic Subcommittee. The Subcommittee's role, now that program has been announced, will be to review the applications in February and make recommendations to the Trust Secretary for those projects that should progress to Stage 2.

I have advised the secretariat of a potential conflicts of interest, indicating that we intend to be involved in an application for this program.

I will attend part of the OEH River Connections Grant Program workshop in Dubbo and have convened a further informal workshop/collaboration following that event to map out a strategy with several potential consortium partners.

Emma Bradbury Chief Executive Officer



463 High Street P.O. Box 1268 Echuca, Vic 3564



#### Murray-Darling Basin Water Infrastructure Program Local government consultation session

Mercure Port of Echuca Thursday, November 15, 2018 2.30pm-5.30pm

#### ATTENDEES

Department of Agriculture and Water Resources

| Paul Morris   | First Assistant Secretary, Water Division        |
|---------------|--|
| Fleur Downard | A/g Director, Efficiency Measures Policy Section |

#### **Regional peak bodies**

| Murray River Group of Councils                | Member councils:                                 |
|---|--|
| Mayor Cheryl McKinnon – Chair                 | <ul> <li>Campaspe Shire Council</li> </ul>       |
| (Loddon Shire Council)                        | <ul> <li>Gannawarra Shire Council</li> </ul>     |
| Geoff Turner – Executive Officer              | <ul> <li>Loddon Shire Council</li> </ul>         |
|   | <ul> <li>Mildura Rural City Council</li> </ul>   |
|   | <ul> <li>Moira Shire Council</li> </ul>          |
|   | <ul> <li>Swan Hill Rural City Council</li> </ul> |
| <b>Riverina and Murray Joint Organisation</b> | Member councils:                                 |
| Mayor Kevin Mack – Chair                      | <ul> <li>Albury City Council</li> </ul>          |
| (Albury City Council)                         | <ul> <li>Berrigan Shire</li> </ul>               |
| Ray Stubbs – Executive Officer                | <ul> <li>Carrathool Shire Council</li> </ul>     |
|   | <ul> <li>Edward River Council</li> </ul>         |
|   | <ul> <li>Federation Council</li> </ul>           |
|   | <ul> <li>Griffith City Council</li> </ul>        |
|   | <ul> <li>Hay Shire Council</li> </ul>            |
|   | <ul> <li>Leeton Shire Council</li> </ul>         |
|   | <ul> <li>Murray River Council</li> </ul>         |
|   | <ul> <li>Murrumbidgee Council</li> </ul>         |
|   | <ul> <li>Narrandera Shire Council</li> </ul>     |

#### **Council representatives**

| City of Greater Bendigo | Cr James Williams   |  |
|-------------------------|---------------------|--|
| Berrigan Shire          | Cr Ross Bodey       |  |
|                         | Cr Roger Reynoldson |  |
| Buloke Shire Council    | Cr David Pollard    |  |
| Campaspe Shire Council  | Mayor Adrian Weston |  |
|                         | Cr Neil Pankhurst   |  |
|                         | Cr John Zobec       |  |

#### It's in the Balance

|                                     | Jason Russell - Chief Executive Officer           |
|-------------------------------------|---|
| Edward River Council                | Mayor Norm Brennan                                |
|                                     | Adam McSwain – General Manager                    |
| Federation Council                  | Mayor Patrick Bourke                              |
| Griffith City Council               | Mayor John Dal Broi                               |
|                                     | Brett Stonestreet – General Manager               |
| Greater Shepparton City Council     | Peter Harriott – Chief Executive Officer          |
| Leeton Shire Council                | Mayor Paul Maytom                                 |
| Loddon Shire Council                | Mayor Cheryl McKinnon                             |
|                                     | Cr Neil Beattie                                   |
|                                     | Phil Pinyon – Chief Executive Officer             |
| Moira Shire Council                 | Cr Peter Mansfield                                |
|                                     | Mark Henderson – Chief Executive Officer          |
| Murray River Council                | Mayor Chris Bilkey                                |
| Department of Agriculture and Water | Paul Morris - First Assistant Secretary, Water    |
| Resources                           | Division  |
|                                     | Fleur Downard - A/g Director, Efficiency Measures |
|                                     | Policy Section                                    |

#### APOLOGIES

| Des Bilske          | General Manager, Murray River Council               |
|---------------------|---|
| Adrian Butler       | General Manager, Federation Council                 |
| Cr Melisa Hederics  | Mayor, Wentworth Shire Council                      |
| Gerard Jose         | Chief Executive Officer, Mildura Rural City Council |
| Anthony Judd        | Chief Executive Officer, Buloke Shire Council       |
| Craig Niemann       | Chief Executive Officer, City of Greater Bendigo    |
| Cr Dennis Patterson | Greater Shepparton City Council                     |
| Rowan Perkins       | General Manager, Berrigan Shire                     |
| Ken Ross            | Acting General Manager, Wentworth Shire Council     |

Thirteen councils and two regional peaks, covering 20 local government areas and representing 483,224 people across northern Victoria and southern New South Wales, met on November 15 with the Department of Agriculture and Water Resources regarding the Murray-Darling Basin Water Infrastructure Project socioeconomic impact assessment criteria.

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> 463 High Street P.O. Box 1268 Echuca, Vic 3564



#### **Meeting Brief**

Commonwealth Parliamentary Office, 4 Treasury Place, East Melbourne Thursday 8/11/2018: 2.30pm

| Hon Tony Burke MP    | Member for Watson       |
|----------------------|-------------------------|
| Cr Barry Featherston | National Vice President |
| Emma Bradbury        | Chief Executive Officer |

#### Key points

- MDA commitment to work with Basin Governments to achieve the full and timely implementation of the Basin Plan.
- Appreciation of demonstrated bi-partisanship between Labor and the Coalition as per <u>the</u> <u>agreement</u> reached on May 7, and in matters subsequent.
- Concern regarding consultation processes and delivery of \$20 million Murray-Darling Basin <u>Economic Development Grants Program</u> agreed to support communities most impacted by the Basin Plan.
- Murray Darling Association submission regarding <u>the Murray-Darling Basin Water</u> <u>Infrastructure Program</u> – SIA criteria and assessment for efficiency measures.
- MDA <u>response</u> to the Productivity Commission Murray-Darling Basin Plan: 5 year assessment Draft Report.
- SIA and community consultation key to successful implementation. <u>MDA project</u>.
- Basin governments role and responsibilities for local government.

#### Goulburn River management

| Date:         | Wednesday, 14 November 2018   |   |
|---------------|---|---|
| Time:         | 3:00 – 4:00 pm  |   |
| Venue:        | Training Room, Greater Shepparton Business Centr  | e, 70 New Dookie Road, Shepparton   |
| Invitees:     | Emma Bradbury, Murray Darling Association<br>Scott Bourne, Murray Darling Association (Opt)<br>Dennis Patterson, Greater Shepparton City<br>Council<br>Geraldine Christou, Greater Shepparton City<br>Council | Richard Marks, DELWP<br>Joe Banks, DELWP<br>Anna Quayle, DELWP<br>Ruth Cockerton, DELWP<br>Mark Mitchell, DELWP (TBC) |
|               | Sharon Terry, Greater Shepparton City Council<br>Greg McKenzie, Greater Shepparton City Council<br>Meg Pethybridge, Greater Shepparton City Council<br>Lee Lythgo, Greater Shepparton City Council (Opt)      | Mark Bailey, GMW<br>Andrew Shields, GMW<br>Chris Norman, GBCMA<br>Mark Turner, GBCMA<br>Simon Casanelia, GBCMA        |
| Joint Chairs: | Emma Bradbury, Murray Darling Association<br>Richard Marks, DELWP   |   |

#### **Objectives:**

• To discuss issues raised by the Murray Darling Association (MDA) and Greater Shepparton City Council in a letter to the Minister for Water about the environmental impact of commercial flows on the Goulburn River

| ltem | Time | Торіс   | Lead organisation |
|------|------|---|-------------------|
| 1.   | 3:00 | Introductions   | All               |
| 2.   | 3:05 | Outline of MDA and Greater Shepparton City Council's concerns | MDA / Council     |
| 3.   | 3:15 | Outline of work program                                       | DELWP             |
| 4.   | 3:30 | Supporting work   | GBCMA / GMW       |
| 5.   | 3:45 | Questions / Discussion  | All               |
| 6.   | 4:00 | Close   |                   |



#### MDA National Conference 2018 Questions on Notice

|   | MDA Question   | CEWH Response  |
|---|--|--|
| 1 | Can you please explain how it was<br>possible that flows meant for the<br>environment were diverted for<br>irrigation when certain flows<br>triggers were met? | CLWH Response         Water sharing arrangements do vary somewhat from state to state and from river system to river system throughout the Basin. The below response uses the northern Murray-Darling Basin as an example.         The current water sharing arrangements are that environmental water is ordered to a gauge along a river.         Downstream of that gauge the water is not protected for environmental use under current water sharing arrangements. For example, if water for the environment was ordered to a gauge on the downstream end of the Macquarie or Gwydir rivers, it is available for other uses such as irrigation downstream in the Barwon-Darling.         The amount of water that irrigators take from flow events along the Barwon-Darling from time to time depends on factors including:         • the rules of take for their licences;         • water allocation account volumes at the time; and         • the size of their pumps and storages take.         Under the current Barwon-Darling water sharing rules, flows from tributaries to the Barwon-Darling are available for extraction if the flow in the Barwon-Darling exceeds the local commence-to-pump levels (depending on each users water allocation account volumes). This is true whether the water was acquired for the environment or not.         To meet the environmental objectives of the Basin Plan will require new and enduring solutions to protect water for the environment. A range of options are being considered under the New South Wales Water |
|   |  | Reform Action Plan. The Commonwealth Environmental Water Office is working collaboratively with NSW government agencies and the Murray-Darling Basin Authority to explore how these options to protect environmental water could be implemented. Further information on the NSW Water Reform Action Plan can be found here: <u>https://www.industry.nsw.gov.au/water-reform</u> .  |

| 2 | Tell us your perspective on calls to<br>use environmental water for<br>drought relief? | In the Commonwealth Environmental Water Office we work with irrigators and community groups across the<br>Basin to get the best outcomes from our management of the Commonwealth water holdings, and so<br>understand the real challenges being faced by many Basin communities during this drought.<br>It is important to understand that water held by the Commonwealth for the environment can only be used for<br>the purposes set out in the <i>Water Act 2007</i> , and the Murray-Darling Basin Plan to support the environmental<br>health of rivers, wetlands and important native fish and birds across the Murray-Daring Basin. Achieving these<br>environmental outcomes is also important for the health and well-being of Basin communities, enabling the<br>sustainable use of the Basin resources and supporting tourism and recreational benefits.  |
|---|--|--|
| 3 | How efficient is Environmental<br>Water used?  | The CEWH has developed a framework for determining efficient Commonwealth environmental water use.<br>This framework helps to ensure that Commonwealth environmental water is used to maximise the<br>environmental outcomes achieved with the volume of water that is available, working with river operators to<br>manage environmental flows alongside operational releases within the operational constraints that will limit<br>the options for its use. It is based on a clear ecological and management purpose and supported by a<br>consistent decision-making process; one that focuses on managing the environmental water portfolio to<br>balance immediate and longer-term needs. Over time, new information and experience will continue to<br>improve this process, in keeping with the principle of 'adaptive management'.<br>More details on the Framework are available at:<br><u>http://www.environment.gov.au/water/cewo/publications/framework-determining-cew-use</u><br>Additional information on how the CEWH manages water for the environment can be found in the CEWH<br>submission to the House of Representatives Standing Committee on the Environment and Energy Inquiry into<br>the management and use of Commonwealth environmental water, available on the Parliament of Australia<br>website: <u>https://www.aph.gov.au/Parliamentary_Business/Committees/House/Environment_and_Energy/</u> |
| 4 | What is conveyance water?  | Conveyance water is water required primarily to operate regulated rivers and utility supply networks to enable the delivery of water.  |

| - |  |   |
|---|--|---|
| 5 | Why were environmental water<br>stakeholders given exclusive access<br>to Snowy Hyrdo release of about<br>480GL if it's a level playing field?                             | The releases from the Snowy Scheme into the River Murray are made by Snowy Hydro Limited (SHL), under<br>the rules established for the Snowy Water Licence and are not exclusively for environmental purposes. SHL is<br>obliged to release a minimum volume of water each year which supports the general resource available for<br>allocations in both NSW and Victoria. However, under the Snowy Water Licence, SHL can release more water<br>from the reserves held in the Snowy. This is called Above Target Water.<br>Above Target Water releases are accounted as either environmental water or general state resources available<br>for allocation. The environmental water component held in Snowy storages is called River Murray Increased<br>Flows (RMIF). This water has come from the <i>Snowy Water Initiative</i> which was a joint government enterprise<br>established in 2002 to recover water for three increased flows programs in the Snowy, upper Murrumbidgee<br>and upper Murray (the recovery program was known as <i>Water for Rivers</i> ). SHL can release Above Target Water<br>as it sees fit, including the RMIF that is stored in Above Target Water.<br>In 2017-18, SHL released a total of 1,107 GL to the River Murray (volume rounded to nearest GL).<br>Of the 1,107 GL, 493 GL was Above Target Water released by SHL at their discretion. Of the 493 GL Above<br>Target Water, 314 GL was environmental water that is available in the River Murray System to be used by<br>environmental water holders in the current water year. The remaining 179 GL of Above Target Water released<br>has supported state resources for general allocations and running the river.<br>The 314 GL environmental RMIF is being managed by a committee of environmental water holders that are<br>responsible for making decisions on how this water is used. This committee is the Southern Connected Basin |
|   |  | responsible for making decisions on how this water is used. This committee is the Southern Connected Basin<br>Environmental watering Committee and includes representatives from, the Commonwealth, NSW, Victorian<br>and South Australian agencies involved in environmental water delivery.   |
| 6 | Ecological response resulting from<br>Northern Connectivity Event were/<br>are monitored – what about water<br>quality? Apart from EC's what<br>quality monitoring occurs? | The monitoring program for the northern connectivity event also collected data on temperature, pH, dissolved oxygen, turbidity, total nitrogen, total phosphorus, soluble reactive phosphorus, nitrate, dissolved organic carbon, chlorophyll-a, hydrogen sulfilde and iron samples. A final evaluation of the northern connectivity event containing the water quality results will be available on the Department's website by Christmas. You will be able to find a copy of the report here: <u>https://www.environment.gov.au/water/cewo/publications</u>   |

| 7 | What happens to the 25,000 truckloads of salt?   | The 25,000 semi-trailers of salt referred to in the presentation are flushed through the system and exported through the barrages to the Coorong and through the Murray Mouth into the Southern Ocean. Exporting excess salt from the Murray-Darling Basin reduces salinity levels in rivers systems, which has benefits for native plants and animals. Exporting salt also improves water quality for stock, domestic and irrigation purposes.  |
|---|--|--|
| 8 | How important is the Darling<br>Anabranch to the environment?<br>Especially fish stocks?     | The Great Darling Anabranch is a unique feature in the southern Basin. With high levels of river regulation<br>across the major rivers, particularly in the southern Basin, there is an absence of ephemeral, free flowing<br>rivers such as the Anabranch.<br>When the Anabranch flows into the River Murray it provides nutrient and carbon inputs that underpin food<br>chains in riverine ecosystems. This is particularly important given the low input levels in the River Murray,<br>outside of periods of flood.<br>The Darling Anabranch and surrounding floodplain provide extensive habitat for a range of aquatic biota and<br>the Anabranch represents an important dispersal pathway for juvenile native fish that have recruited in the<br>Menindee Lakes (in particular the vulnerable Murray cod and golden perch).   |
| 9 | Will the trading of environmental<br>water by the CEWH distort the<br>temporary water price? | The CEWH leads the water market in transparency and openness. All trades are undertaken in accordance with a publicly available Trading Framework, which includes a set of Operating Rules that provide clear guidelines on how the CEWH and CEWO staff will behave through the trading process. These operating rules include that decisions to trade will be informed by a market assessment and that price limits will be used in every trading action.<br>Decisions to trade are informed by a market assessment. We look at the likely supply and demand of water within the relevant market, the historical volumes and patterns of trading, and current and historical prices.<br>We then tailor the volume and timing of trades to the size and characteristics of the market.<br>We also set a price limit that we will not pay above (when buying) or accept below (when selling). This will limit the range in which prices may move as a result of trade. A hidden price can also help to minimise market impacts by allowing bids to come in that reflect prevailing market conditions. Assessments of water market dynamics by analysts have shown that the availability of water, influenced by natural flows and rain, is by far the most significant impact on price. |

|    |   | More information on the Trading Framework is available at:<br>http://www.environment.gov.au/water/cewo/publications/water-trading-framework-nov2016   |
|----|---|---|
| 10 | Why does the CEWH water red gum forests every second year?    | Due to their watering requirements, river red gums are usually found at lower elevations on the floodplain<br>that have, on average, experienced inundation around this frequency. Depending on the access to other water<br>sources (e.g. groundwater, rainfall, stream flow), river red gums may require more or less frequent surface<br>inundation to maintain condition and resilience.  |
|    |   | The 1 in 2 year watering is used as a guide rather than a rule as there are many other factors to consider in the decision to water including (but not limited to): the trade-off between watering actions; water availability; long-term planning (sustainability of the watering); an evaluation of risks of watering (e.g. too much water is just as detrimental for floodplain vegetation such as River red gums as not enough); antecedent climatic conditions and watering; location of the vegetation on the floodplain (and ability of environmental water to reach the area over a sufficiently long period to be effective) and the physical condition of the vegetation and its capacity to be resilient to disturbance events (such as drought).<br>As well as inundation via surface flooding, river red gums also require a drying period in order to allow aeration of the soil in the root zone of several months (5-15 months), and so the 1 in 2 year watering is seen as |
| 11 | Is maintaining river flow a key<br>objective of environmental | guide to support the right frequency of both watering and drying regimes.All Commonwealth environmental watering actions must support the environmental objectives of the Basin<br>Plan's environmental watering plan and the Basin-wide environmental water strategy:  |
|    | waters?   | <ul> <li>To protect and restore water-dependent ecosystems of the Murray-Darling Basin</li> <li>To protect and restore the ecosystem functions of water-dependent ecosystems</li> <li>To ensure that water-dependent ecosystems are resilient to climate change and other threats.</li> <li>One of the key outcomes to be achieved under the Basin-wide environmental water strategy relates to river</li> </ul>  |
|    |   | flows and connectivity. While this does not mean that maintaining all Murray-Darling Basin river flows at all<br>times is a key objective of environmental watering, environmental flows do aim to restore parts of more<br>natural flow patterns across the Basin. Restoring flows so that rivers are better connected to their floodplains<br>is important not only for the plant communities that depend upon inundation for growth and seedling   |

|    |   | survival; but also in delivering nutrients and providing habitat and feeding opportunities for animals. Further detail on this strategy is available at:<br><u>https://www.mdba.gov.au/publications/mdba-reports/basin-wide-environmental-watering-strategy-2014</u>   |
|----|---|--|
| 12 | Why is environmental water called what it is community water?   | During the recent Northern Connectivity Event, around 25 GL of water for the environment was released out<br>of northern storages and protected to flow around 2000 km through to Menindee Lakes. The flow met<br>environmental needs in connectivity and health of the river systems, and in improving water quality, but also<br>provided a real benefit to communities and Indigenous people along the river.<br>While communities benefit from environmental watering in improved health and wellbeing, environmental<br>water holdings must be used under the <i>Water Act 2007</i> to protect and restore the environmental assets of the<br>Murray-Darling rather than to get economic outcomes which may also be of interest to communities but      |
|    |   | would not fulfil the requirements of the Basin Plan.   |
| 13 | How important is it that water<br>leaves the lower lakes and gets to<br>the Bight? Who is assessing that? | Delivering water from the Lower Lakes into the Coorong estuary is crucially important to ensure salt, nutrients<br>and other material are flushed out of the system and eventually into the southern ocean. Otherwise, salt and<br>other materials are left in the system, just like material backs up in a blocked drain.   |
|    |   | Water for the environment has been able to provide continuous connection between the river and its estuary.<br>For periods of up to 20 months at a time (between high flow / flood years) water for the environment has<br>contributed all of the flow over the barrages to the Coorong. This continuous connection is critical to the<br>health of the estuary and movement of native fish between freshwater and estuarine habitats to breed. We<br>are seeing benefits to populations of estuarine fish like black bream, along with fish like congoli and lamprey<br>that need water to move between the sea, estuary and river to complete their life cycles. We are also hearing<br>about improved recreational and commercial fishing in the Coorong. |
|    |   | The Department for the Environment and Water (SA) accounts for delivery of water moving from the Lower<br>Lakes into the Coorong. As part of the CEWO's Long Term Intervention Monitoring Project, a consortium<br>monitoring team led by the South Australian Research and Development Institute is monitoring outcomes of<br>environmental water delivery in the Lower Murray to June 2019. This project includes an annual assessment of<br>the contribution of environmental water to moving salt and nutrients from the river into the Lower Lakes, the   |

|    |   | Coorong and the Southern Ocean. More information and recent reports are available here:<br><u>http://www.environment.gov.au/water/cewo/catchment/lower-murray-darling/monitoring</u> .<br>This monitoring complements monitoring of ecological outcomes within the Coorong and Lower Lakes via The<br>Living Murray program: <u>https://www.mdba.gov.au/publications/all-</u><br><u>publications?field_publication_category_tid=67</u>   |
|----|---|--|
| 14 | What other measures are needed<br>to improve the health of the river<br>system? Being aware the just<br>adding water is unlikely to be<br>enough by itself. | River and dam infrastructure and management, and natural resource management activities, have the potential to complement environmental watering and enhance the outcomes to be achieved across the Basin under the Basin.<br>Physical barriers such as weirs stop the ordinary movement of fish up and down stream, and the release of very cold water from dams can affect fish breeding and spawning, as well as being an issue for farmers.<br>Fishways and thermal curtains are just two types of infrastructure that will help to address these issues.<br>In 2017, the MDBA proposed toolkit measures to be implemented as part of the Northern Basin Review, to complement the reduction in water recovery in the northern Basin. The measures are: protection of environmental water, implementation of flow event-based mechanisms; improved management of environmental flows through better coordination and delivery of environmental water between<br>Commonwealth and state agencies; removal of flow constraints in the Gwydir catchments; and targeted measures (e.g. fishways and addressing cold water pollution).<br>Other environmental projects referred to as complementary measures are being considered at the request of the Murray-Darling Basin Ministerial Council.<br>We also understand that land rehabilitation and management will help secure outcomes from environmental watering. <i>Water Act 2007</i> changes in 2016 mean that the CEWH has increased flexibility to use the proceeds from the sale of water allocations to fund environmental activities. We are in the final stages of developing an Investment Framework, which will guide the CEWH on how, and what types, of environmental activities should be considered when investing the proceeds from water allocation sale in future. |

| -  |   |   |
|----|---|---|
| 15 | Why is there so many environmental water holders? | Water resource management occurs in a complex operating environment across a range of jurisdictional responsibilities between the Commonwealth, state and local government and industry. The CEWH manages the Commonwealth's environmental water portfolio. The NSW, Victorian and South Australian governments also have environmental water holdings, and the Murray-Darling Basin Authority manages a portfolio of holdings through The Living Murray program.   |
|    |   | The different environmental water holders target outcomes at local, state and Basin-wide scales. While state-<br>based environmental watering programs typically deliver water to important wetlands and creeks within their<br>own borders, the Commonwealth Environmental Water Holder works to manage environmental flows across<br>multiple catchments and the wider Murray-Darling Basin. For example, delivering Commonwealth<br>environmental water into the River Murray for environmental outcomes that will benefit NSW, Victoria and<br>South Australia as the water moves through the system. |
|    |   | State environmental water holders work in partnership with the CEWH, supporting engagement with local communities and industries that assist with the delivery of Commonwealth environmental water. Without both state and Commonwealth environmental water holders working together in a coordinated manner, it would be less likely that environmental water could be delivered effectively and efficiently across state jurisdictions and boundaries.  |
|    |   | Increasingly, the various water holders and land and water managers (sometimes farmers or environmental groups) are jointly contributing water from their holdings and coordinating releases from dams so that larger volumes can be diverted through sections of rivers. This increases efficiency by making it possible to achieve several desired environmental responses as the water moves through the river system.   |





# Answers to questions on notice from 2018 MDA National Conference

#### What do you see are the big issues for the MDBA in the year ahead?

The coming year poses many challenges, particularly if the dry conditions persist into summer and 2019. It will be a true test of the Basin Plan with water for the environment held separately from water for consumption. The Basin Plan is all about supporting the environment and water users. It gives us a way to balance the long-term needs of both. We are confident the Plan will hold up and pass the stress test the dry conditions will pose.

Another big challenge for the year will be for the MDBA to approve 33 Water Resource Plans being developed by the states. The plans are due to be accredited by mid 2019, to bring in the new sustainable diversion limits for each Basin catchment. This is a tight deadline, and we are working with the states to help make sure the Water Resource Plans are of a high quality.

Following the passage of the two amendments to the Basin Plan this year, the other big challenge will be to work with relevant state agencies to commence the agreed measures to improve the protection of environmental water. In the southern Basin, this involves implementing the supply and constraints measures under the SDL adjustment mechanism. In the northern Basin, this involves the 'toolkit' measures set out in the Northern Basin Review.

## How will public confidence in the MDBA be restored, now the Minister can direct MDBA reporting?

The MDBA acknowledges more can always be done to build and maintain public confidence. As mentioned in my speech to the MDA conference, improved compliance measures being implemented across the Basin, will go a long way to rebuilding public confidence in the Basin Plan. So will results. Reporting on our successes, and how we are making the river system more sustainable for all users in the Basin will contribute to public confidence in the Basin Plan.

The Minister's ability to direct the MDBA was limited to a single instance—the re-introduction of the northern basin amendment to Parliament. It's important to remember that the MDBA is an independent, expertise-based, statutory authority. The MDBA uses the best available, peer reviewed hydrological, environmental, social and economic knowledge and research in forming recommendations for the best policy settings. It is appropriate that we are publicly accountable with our advice and implementation progress.

## Will the Authority be revisiting the Northern Basin Review? Why did the MDBA refuse to take impacts on the Menindee Lakes and lower Darling into account during the Northern Basin Review?

The MDBA is pleased the Northern Basin amendment is now law with support from all Basin states and bipartisan support in the federal Parliament.

The Northern Basin Review was based on the best available science and evidence that was peer reviewed by independent experts. It was also subjected to extensive and comprehensive public consultation process over four years.

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The impact on Menindee and the lower Darling were carefully considered during the 2016 Northern Basin Review. Water recovery and environmental water delivery under the Basin Plan is increasing flows into Menindee. The successful amendment reduces the water recovery target in the north by 70 gigalitres (GL). This change will slightly moderate the originally expected Menindee inflows — the Basin Plan contribution will be 147 GL a year instead of 154 GL a year. Importantly, this change is accompanied by a set of measures to protect environmental water from extraction across the Northern Basin and will result in more water flowing into Menindee during dry periods.

## How soon will we have a law that states 'no meter no water' then we will be on the way to be able to check on compliance?

The MDBA and independent experts carried out a review of compliance measures in late 2017, and supported the "no meter, no pump" recommendation contained in the report by Mr Ken Matthews to the NSW government. In June 2018, Basin Ministers agreed to a Basin Compliance Compact in which all Basin governments committed to a range of actions to improve their performance on compliance. A copy of the Basin Compliance Compact is available at <a href="https://www.mdba.gov.au/sites/default/files/Basin-Compliance-Compact-180702-D18-31184.pdf">https://www.mdba.gov.au/sites/default/files/Basin-Compliance-Compact-180702-D18-31184.pdf</a>

The Compliance Compact sets timeframes and requirements for the implementation of nonurban metering in every logical situation. The Compact focuses on the accuracy of meters and the availability of meters in addition to the facilitation of processes to support 'no meter, no pump'. The MDBA has been working with industry, the Basin states and the non-Basin states to ensure that meters are available and installed which meet the applicable Australian standard for non-urban water meters (AS4747). Most of the Basin states currently have a metering policy which requires AS4747 meters to be installed in higher risk situations. The Compact at 3.3(i) requires that all take via water entitlements is to be metered by June 2025.

In addition to negotiating the Compact, this year the MDBA has established an Office of Compliance and a program of auditing, assurance and reporting of Basin state compliance arrangements. Further information about our compliance program is available at <a href="https://www.mdba.gov.au/basin-plan-roll-out/compliance-enforcement/action-compliance-review">https://www.mdba.gov.au/basin-plan-roll-out/compliance-enforcement/action-compliance-review</a>

Also, the Minister for Agriculture and Water Resources, David Littleproud, has appointed the former Australian Federal Police Commissioner, Mick Keelty, as the Northern Basin Commissioner to ensure good compliance in the Northern Basin.

## How much of a threat is Australia's current Federal political instability a threat to the MDBA and implementation of the plan? To what degree is your decision making influenced by the threat of politics? And to what degree is your decision making shaped by political interference?

As mentioned in my speech, the 2007 Water Act which set up the MDBA, and the 2012 Basin Plan, were both passed with bipartisan support despite the fierce public debate and the varied stakeholder views. The one underlying point of agreement was that Australia needed a Basin Plan.

#### MDBA does a great job. However an independent review of the socioeconomic impacts on Basin communities would engender greater public confidence .... could that be done?

The MDBA is the independent, expertise-based statutory authority whose chief objective is to deliver the Murray–Darling Basin Plan in a way that will secure the future of this vital river system and the communities and industries that rely on it.

Earlier this year we published a comprehensive economic and social evaluation of 40 communities across the southern Basin. The evaluation was part of our five-year review of the

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Basin Plan. The results indicated that many communities are under social and economic from a range of factors, including the Basin Plan. The social and economic changes due to the Basin Plan varied significantly from community to community and depended on both the volume and speed of water buybacks. This work has been independently reviewed and it was concluded that the work has been conducted carefully and in a comprehensive fashion.

The Community Evaluations are available on the MDBA website at <u>https://www.mdba.gov.au/node/4639/</u>.

## Why did MDBA hold back release of technical reports until after the first Senate disallowance motion?

The passage of two important amendments this year provide the next steps in achieving Basin Plan outcomes. The Sustainable Diversion Limit Adjustment Mechanism process involved robust assessment using a methodology designed by the MDBA and CSIRO to determine the volume of water that could remain in use.

I recognise that stakeholders wanted more information about individual adjustment mechanism projects at the time of the parliamentary debate. The MDBA worked with the states to make the business cases available which are now published at

https://www.mdba.gov.au/publications/mdba-reports/sustainable-diversion-limit-adjustmentmechanism-assessment-draft. The passage of the amendment is the start of the process and Basin states will be working with communities to develop many of the projects between now and 2024.

## The Ramsar sites at the end of the system cannot be maintained because the Coorong flows originally came from the opposite direction, so fix the real issues. The Coorong is dying because of its Ramsar listing and it cannot be sustained from the MDB yet requires large MDB flows?

Because the Coorong is at the end of the Murray River system, it has suffered considerably due to reduced inflows over the past 40 or so years, particularly with high levels of salinity. The MDBA's 2017 Basin Plan evaluation found we are making progress in the Coorong, with improved salinity and reports that fish species and vegetation along the Coorong are recovering, although there is still a long way to go to restore the Coorong to full health.

## What rigour exists around the spend of \$13B and preventing opportunists from feathering their own nests with precious taxpayers money?

The Basin Plan is a \$13 billion investment in securing a sustainable future for the environment of the Murray–Darling Basin as well as the industries and communities that rely on it. It is a long term, internationally significant reform. Basin states and the Australian Government have agreed governance arrangements concerning the Basin Plan including through the Intergovernmental Agreement on Implementing Water reform in the Murray–Darling Basin. As with any government program of work all expenditure is subject to government due diligence procedures, reporting and audit processes, as well as scrutiny through annual reports, Parliament and the Senate Estimates processes.

## Everyone keeps justifying decisions based on modelling. Why does that modelling never agree with observed data?

Hydrologic modelling is an important tool that we use to inform decisions about the river system using a standardised and repeatable measure. However, it is only one line of evidence that we use. The MDBA also uses the best available hydrological, environmental, social and economic knowledge and research and tests this with stakeholders through forums including public meetings and the Basin Community Committee.

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## The 450gl up water will price out dairying and rice. How do you justify the demise of 2 important staple food industries and the associated processors?

The SDL adjustment mechanism, including the commitment to recover a further 450GL of water through efficiency measures, was included in the Basin Plan in 2012 at the unanimous request of Basin States and the Australian Government. This mechanism has also delivered the potential for 605GL of reduced water recovery through implementation of measures by 2024 to operate the river system in a way that increases the utility of environmental watering.

Governments commissioned Ernst and Young to provide advice on this issue. Their <u>report</u> suggests that between 209 GL and 690 GL in efficiency measures could be achieved in a way that is socio-economically neutral or positive, consistent with the Basin Plan requirements.

The Department of Agriculture and Water Resources is responsible for delivering the efficiency measures program. The Department is working with Basin governments on the best way to deliver those measures.

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## **COMMUNITY CONSULTATION STANDARD**

PROJECT PROPOSAL NOVEMBER 2018



## 1. BACKGROUND

#### **Murray Darling Association**

The Murray Darling Association is the peak body for local government in the Murray-Darling Basin. Established in 1944, our purpose is to provide effective representation of local government and communities at state and federal level in the development of policy and the management of Murray-Darling Basin resources.

There are 172 councils that sit within the Basin and whose communities rely upon water from within the catchment. The management of water is a matter that is of significant interest to local government.

The MDA is the only interjurisdictional association of local government, covering all 4 Basin states offering membership to councils providing advocacy, expertise and representation on Basin related issues

The MDA is built on strong foundations of good governance and high standards of accountability and integrity. Performance of the MDA is well regarded and compares favourably with our LGA peers across the sector, and with other levels of government.

The MDA is committed to the full and timely implementation of the Murray-Darling Basin Plan. We work with and for member councils engaging with National and state based local government associations, Regional Organisations of Councils, Joint Organisations and other local government affiliations.

#### The Challenge

The importance of Basin governments working together, with adequate and meaningful community consultation is essential to ensure the full and timely implementation of the Basin Plan.

One of the most significant and fundamental risks to the effective implementation of the Basin Plan is the absence of effective consultation of and engagement with Basin communities.

This is a particularly high risk for Basin governments responsible for investment in and the implementation of **supply projects** and **efficiency measures**.

The Productivity Commission identified *dissatisfaction and mistrust in parts of the community arising from a lack of transparency and consultation*<sup>1</sup> noting further *the greater threat… is for Governments to persist [with implementation] while appearing ignorant of the risks that local communities see as obvious*<sup>2</sup>.

It is in the interest of every level of government and every community in the Murray-Darling Basin for local government to participate in informing the decisions and policies of

<sup>&</sup>lt;sup>1</sup> Productivity Commission 2018, *Murray-Darling Basin Plan: 5 year assessment*, Draft Report Overview and Recommendations, Canberra. p10

<sup>&</sup>lt;sup>2</sup> lbid. p18

Basin Governments on issues that impact our rural and regional economies, towns and communities.

For all parties to remain committed and for the Basin Plan to be delivered on time and in full, confidence must be restored in governments' commitment to a triple-bottom line outcome, trust and good faith must be restored in the process underpinning community consultation, and local knowledge must be seen to be informing government decisions.

Of the 10 principles for Australian Government policy makers in the *Australian Government Guide to Regulation*, two are related to consultation. Notably, Principle 5 states: Policy makers should consult in a genuine and timely way with affected businesses, community organisations and individuals.

Good planning is essential to successful consultation. A consultation plan should ideally cover the whole policy making process and identify the objective of consultations, relevant target groups, appropriate forms of consultation and consultation times.

Consistent with the Government's requirements for regulatory impact analysis, consultation should remain proportionate to the potential impacts of the proposal.

While the quantity of consultation is important, the emphasis should be on achieving high-quality consultation. Publishing a consultation plan provides information to stakeholders about future consultation opportunities. This improves the transparency of policy development and gives stakeholders early warning, so they can contribute more effectively to the process.<sup>3</sup>

The challenge here is not a lack of any consultation, but the implementation of large amounts of poorly designed consultation in the past. In fact, a key challenge for design of successful future consultation and engagement processes is the high degree of 'consultation fatigue' and disengagement resulting from being asked to take part in previous consultation which they feel has failed to inform or influence any subsequent decisions.

New processes need to be designed that ensure people who take part in consultation and engagement processes are

- (i) asked to contribute in ways that move beyond prior consultation content, and
- (ii) receive clear feedback about how their input is used to inform and influence decision making.

<sup>&</sup>lt;sup>3</sup> Best Practice Consultation: Guidance Note. *Australian Government, Department of Prime Minister and Cabinet,* Office of Best Practice Regulation 2016

https://www.pmc.gov.au/sites/default/files/publications/best-practice-consultation.pdf

#### WHAT IS NEEDED?

The MDA is seeking to develop a community consultation standard and framework that can be applied to community consultation and engagement processes across NSW Basin communities, applicable for use in the context of Basin Plan implementation – with particular application in the preparation and delivery of supply projects and efficiency measures.

The framework will aim to provide clear timelines, identify roles and responsibilities, and identify accountabilities for information gathering and decision making.

Through this consultation standard, the MDA aims to:

- benchmark current consultation and engagement practices against existing best practice standards, to identify areas and avenues for improvement
- guide meaningful engagement with key stakeholders through the development of common consultation principles and consistent approaches.
- identify and clarify stakeholder responsibility;
- provide stakeholders with accurate, timely and relevant information.
- provide Basin governments with realistic consultation timeframes
- provide Basin Governments with direct access to local knowledge
- utilise the network and capacities of local government as a conduit to key community interests and representatives
- enable better inter-regional connectivity between projects;
- restore community confidence in Basin Governments' commitment to meaningful community consultation.
- build greater cohesion, collaboration and community support for the implementation of projects and toolkit measures.

### 2. OBJECTIVES

The key objectives of this project are:

- To establish an agreed Community Consultation Standard and Guidelines for use in consultation and planning for supply projects, efficiency measures and other SDLAM requirements.
- 2. To establish a benchmark of current engagement practices to inform the design and implementation of the Consultation Standard and Guidelines.
- 3. To align and engage local government regions of the MDA across NSW to provide maximum effect and efficiency for regional consultation.
- 4. To pilot the Community Consultation Standard and Guidelines developed in 1 above at a regional level:
  - a. to consult with impacted communities on the The Menindee Lakes Water Saving Project;
  - b. to assess the Consultation Standard for efficiency

c. to adopt an agreed, user friendly Community Consultation Standard and Guidelines for use in the implementation of water savings projects across NSW and other community development projects where applicable.

## **3. BUDGET AND FUNDING**

#### COST

The proposed budget for the project is \$250,000 (excluding GST). The project tasks are outlined in the table below.

| Project tasks  | Cost (excl GST) |
|--|-----------------|
| Stage 1: Develop a draft community consultation standard and guidelines, consistent with accepted principles.  | 60,000          |
| Stage 1: Review NSW local government regional grouping to align for optimum effect and efficiency, and establish a single point of entry network for direct engagement with local government | 110,000         |
| Stage 2: Community workshops in pilot region - The Menindee Lakes<br>Water Saving Project.   | 20,000          |
| Stage 3: Evaluate and review framework. Revise if required.  | 10,000          |
| Stage 3: Approval/agreement all regions  | 0               |
| Project Management & Quality Assurance   | 10%             |
| Contingency  | 10%             |
| Total  | \$250,000       |

#### **FUNDING**

The MDA is seeking funding support from the NSW Department of Industry | Water in the amount of \$250,000.

We would welcome the opportunity to discuss and considerations for alternative project design to identify shared expectations and objectives.

#### TIMEFRAME

The project will take approximately 16 weeks.

Targeted commencement date within a month of funding approval.

It is expected that once the Pilot implementation has been completed and assessed, application of the standard will extend to other regions and projects.

### 4. STAKEHOLDER ENGAGEMENT

Key to this project is the agreement of and buy-in from communities in committing to the consultation standard. Agreement will need to be determined and confirmed through consultation with NSW Government, MDA member councils, non-member councils and the communities they serve. Active stakeholder engagement will be required and encouraged throughout the entire project.

The following mechanisms for engagement are recommended:

- 1. Steering Committee for the project to include:
  - a. MDA Chief Executive Emma Bradbury
  - b. University of Canberra Dr Jacki Schirmer,
  - c. NSW Department of Industry | Water appointed representative/s
  - d. General Managers across councils of pilot region.

#### All project stages

- 2. Broader reference group to be involved in the process to build ownership, credibility, and community confidence in future consultation. The reference group could include:
  - a. MDA chairs from all NSW regions.
  - b. Representative from CSU / Institute of Land, Water and Society (ILWS)
  - c. Representatives of Regional Development Australia
  - d. Representatives of the Indigenous communities across the regions
  - e. General managers of NSW Regional Organisations of Councils

By involving a broader reference group, we will build ownership, credibility, and community confidence in future consultation.

#### **RELATED NEED**

A related project is the development of information, training and resource material to enhance water literacy at local government and community level.

A further related project is to map stakeholder, departmental and agency responsibilities specifically in the water delivery and management sector across the Basin and its various jurisdictions will be undertaken separately. The output of this project will be a navigable map of agencies and stakeholders that will equip community members to efficiently access the appropriate people and information as required.

Both of these resources can be used in conjunction with the Consultation Standard, leveraging the investment in the development of the local government access network.

#### DELIVERABLES

The deliverables from each stage of the project are outlined below.

| Stage 1  | Draft community consultation standard and guidelines, consistent with accepted principles of community consultation, and drawing on community expectations. |
|--|---|
| Stage 1  | Network access to MDA-LGA regions consistent with stage based LGAs and RDAs   |
| Stage 2  | Conduct workshop in the Pilot region  |
| Stage 3         Draft and final consultation framework, including defined objectives, techniques, timeframes, responsibilities and planned reporting outputs |   |

#### EXPERIENCE AND CAPABILITY

The Murray Darling Association is a membership-based peak representative organisation representing local government and communities across the Murray Darling Basin.

Established in 1944, the MDA has a strong history steeped in the traditions and achievements of local government, working closely with communities and all levels of government to ensure the communities affected by the decisions of state and federal government have a clear and articulate voice at the table, informing the direction and realising the impact of those decisions.

The MDA executive management team, led by <u>Emma Bradbury (CEO)</u> will manage the project.

#### **Project Proposal**

<u>Dr Lain Dare</u> of the University of Canberra is an expert in community engagement having completed her PhD and undertaken a range of engagement-based projects in forestry, water management and broader natural resource management issues. Lain has multiple publications on engagement and associated governance processes, including on engagement in the Australian water sector. With experience in the evaluation of consultative processes and the development of strategic engagement policies and procedures at local, national and global levels, Lain brings considerable expertise to this project.

Associate Professor <u>Dr Jackie Schirmer</u> of the University of Canberra is an internationally recognised expert in social impact assessment, with multiple publications on this topic that have focused on improving socio-economic impact assessment methodologies to improve their rigour. Her work has focused in particular on assessing the impacts of changes in access to natural resources.

As part of this work, Dr Schirmer established the <u>Regional Wellbeing Survey</u>, a national survey focused on Australia's rural and regional areas.

The Regional Wellbeing Survey has collected data from 13,000 people annually, including more than 7,000 living in the Basin.







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SOCIO-ECONOMIC NEUTRALITY: DEVELOPING AN AGREED FRAMEWORK FOR ASSESSING SOCIO-ECONOMIC IMPACTS OF WATER REFORM INVESTMENTS

#### **PROJECT PROPOSAL**

November 2018









## 1. OBJECTIVE

To establish an agreed framework for assessing socio economic impacts of water reform investment applicable for use in

- i) program design, and assessment of efficiency measures,
- ii) assessment of SDL adjustment projects,
- iii) long term policy and program development for structural adjustment and regional development investment.

## 2. THE CHALLENGE

While multiple socio-economic impact assessments have been undertaken to assess impacts of different aspects of the Basin Plan, these have not satisfied concerns of many local communities and residents. MDA and other organisations see the outcomes of this lack of confidence in existing assessment in the form of low community support for the Plan, which has at different points threatened the future of the Plan.

Despite many impact assessments conducted to date having high technical competence, they are not supported or trusted by many key stakeholders and residents of Basin communities. Existing assessments have typically been 'top-down', and have not adhered to the internationally recommended principles that socio-economic impact assessment should be a participatory process in which key stakeholders

- (i) agree on what should be assessed,
- (ii) *agree* on methods and criteria for assessing what is acceptable versus unacceptable impact, and
- (iii) have opportunity to review early findings and endorse findings.

The International Association for Impact Assessment recommends these processes as central to achieving social acceptance of impact assessment, and through this - social licence for activities about which impact assessment is being conducted.

Community consultation recently conducted by the Dept Agriculture and Water Resources (Murray-Darling Basin Water Infrastructure Program, Nov 2018) heard from multiple stakeholders across numerous communities that they were dissatisfied with current methods of consultation and socio-economic impact assessment.

Recently announced principles for establishing socio-economic neutrality are unlikely to be widely accepted by stakeholders in present form, as they were not developed using processes in which agreement to those principles was achieved from the key stakeholders who often lead public discussion about socio-economic impacts of the Plan. These principles need to have endorsement from stakeholders who are trusted by those living in communities potentially impacted by water reform measures.

An additional challenge is the current high levels of 'consultation fatigue'. Many Basin communities have experienced multiple rounds of consultation in which they are repeatedly asked the same questions, but not given opportunities to progress to more meaningful engagement in impact assessment processes.

Failure to shift from basic consultation to more in-depth engagement of local community stakeholders in impact assessment processes is a key driver of lack of support for the Plan.

Success in assessing socio-economic neutrality in future requires ensuring stakeholders have a 'stake' in how impact assessment is done through asking them to co-develop agreed protocols for impact assessment.

Enabling stakeholders to actively contribute to and endorse processes used to inform decision making about water reform and to endorse outcomes is key to building trust amongst the broader community.

## 3. OUR APPROACH

We will build community support for the next stages of water reform through developing socio-economic impact assessment processes that meaningfully engage trusted local stakeholders in the impact assessment process, and achieve their endorsement of findings of impact assessments.

This will in turn build community trust in water reform actions, something previous impact assessments have not achieved.

This requires the following stages:

- Develop agreed impact assessment framework
  - o Agree what socio-economic impacts to assess
  - Agree on most appropriate methods to assess the selected impacts
  - Agree on principles of acceptable and unacceptable level of impact
- Conduct assessment using framework
  - o Independent assessment using agreed framework
  - Initial findings interpreted in collaborative process involving stakeholders
  - Final findings formally endorsed by key stakeholders

We will demonstrate use of this approach by developing an agreement impact assessment framework, and applying it to a specific local context in a pilot study to demonstrate utility. This will result in a robust framework that is 'shovel ready' and able to be applied to further assessments of specific local water reform actions.

## 4. PROJECT TIMING AND STAGES

#### TIMEFRAME

The project will take approximately 12 months.

#### Stage 1: Agree what impacts to assess

#### 1. Identify community objectives (Month 1-2)

Identify 'community futures' - the key social and economic values residents want to see maintained in their communities into the future, and key changes/improvements they hope for. <u>Method: stakeholder consultation, rapid survey, literature review.</u>

#### 2. Identify potential impacts of water reform (Month 1-2)

Identify the range of potential social and economic impacts that could be assessed based on review of past assessments and consultation on water reform. <u>Method: desktop review.</u>

#### 3. Stakeholder-driven prioritisation of impacts to be assessed (Month 3-4)

Stakeholders will participate in interactive sessions in which they are given demonstrated examples of assessing different impacts, and then prioritise which impacts should be assessed, using face to face and online workshops (20 in total), and an online survey to ensure as wide a range of stakeholders as possible take part.



#### **Stage 2: Agree on impact assessment methods**

1. Discussion paper on methods for assessing each impact identified in Stage 1 (Month 5-6)

Discussion paper will draw on international literature and guidelines to identify and recommend best practice, practical methods that enable robust impact assessment as well as providing avenues for stakeholder engagement through the assessment process. **2.** Stakeholder briefings and comment (Month 7)

Stakeholders will be asked to comment on the discussion paper via written feedback or engaging in discussions via the online platform Bang the Table or phone calls. <u>Method: engagement of stakeholders via email, phone and Bang the Table platform</u>

#### 3. Framework finalised with stakeholder endorsement (Month 8)

Final impact assessment framework document produced, and stakeholders asked to endorse the recommended framework, with endorsing organisations list in the document.



#### Stage 3: Pilot assessment in 2 regions (Months 9-12)

The framework will be applied to assess proposed water reform actions in two regions. This will require implementing the agreed framework. The impact assessment process will include stakeholder consultation and assessment of objective datasets on social and economic conditions, with participatory modelling used to enable both experts and community members to jointly agree on predicted social and economic impacts.

## **5. BUDGET AND FUNDING**

#### COST

The proposed budget for the project is \$250,000.00 (excluding GST). The project tasks are outlined in the table below.

| Stage       | Component                           | Cost (excluding GST) |  |
|-------------|-------------------------------------|----------------------|--|
| Preliminary | Access and collate existing IP and  | \$10,000             |  |
|             | tools.                              |                      |  |
| Stage 1     | Identify community objectives.      | \$70,000             |  |
| -           | Review potential impacts of water   |                      |  |
|             | reform.                             |                      |  |
|             | Agree impacts to assess             |                      |  |
| Stage 2     | Discussion paper                    | \$60,000             |  |
| _           | Stakeholder comments and dialogue.  |                      |  |
|             | Final framework produced and        |                      |  |
|             | endorsed by key stakeholder groups. |                      |  |
| Stage 3     | Pilot assessment in two regions.    | \$110,000            |  |
|             |                                     |                      |  |

## 6. RELATED CONTENT

Community Consultation Standardproject proposal November 2018Socio-economic impacts assessment and response framework – the neutrality test:(incl Cost Benefit analysis)project proposal March 2018Report on the Social and Economic Impacts of the Basin Plan Local Government DataCollection Project –Final Report 2015

In 2014 the Murray Darling Basin Authority (MDBA) partnered with the Murray Darling Association (MDA) in a joint project focused on collecting and assessing the suitability of information available from local government organisations within the Basin to assist the MDBA to analyse the trends and drivers of economic change over time as the Basin Plan is implemented.

A key a key recommendation of that report was that further work be undertaken to develop resources that will assist both local government and the Murray Darling Basin Authority to access and share information that will assist in the ongoing monitoring and evaluation of social and economic impacts of the Basin Plan, felt at the local level.

This requirement is as essential to the effective implementation of the Basin Plan now as it was identified then.