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# Murray-Darling Basin Authority – MDBA



serving  
rice growers  
since 1930

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## Basin Plan Evaluation

### RGA Submission – March 2024

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Thank you for the opportunity to provide feedback on your evaluation questions. We appreciate the extension of time to get our feedback to you.

The RGA represents more than 1000 voluntary members – who are predominantly based in the NSW Murray and Murrumbidgee Valleys.<sup>1</sup> RGA members elect delegates to advocate on their behalf in the organisation's *Central Executive* (Members Council). Members also form part of the RGA's *Water Committee*, which is where the organisation's policy positions on water are formed.<sup>2</sup>

The RGA's *Central Executive* and *Water Committee* met on Tuesday, 12 March 2024 to discuss the MDBA's four evaluation questions. The key feedback provided by this group is presented below.

#### **Question One: What Hasn't Worked Well?**

The vast majority of feedback in relation to this question was focused on the poor experience the group has had with Government consultation – especially in recent years. Key examples include:

- On 23 March 2023, the Commonwealth launched a water purchasing tender.<sup>3</sup> Prior to this, on Wednesday 8 March, two consultation sessions were held in Deniliquin. Notification that the sessions were taking place wasn't given until 48 hours before (early on the Monday morning). Attendance was by invite only, despite this being the single opportunity the community had to discuss this policy with officials.

Full registration details (name; address; email; phone number), had to be provided before the event, and you had to show identification at the door to prove who you were. If you passed the registration step, upon admittance you were required to wear a paper bracelet around your wrist for the duration of the consultation session.

Detailed, laminated A4 descriptions were attached to the walls in the consultation room, describing how attendees were expected to behave.

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<sup>1</sup> [About Us \(rga.org.au\)](http://rga.org.au)

<sup>2</sup> [Our Representatives \(rga.org.au\)](http://rga.org.au)

<sup>3</sup> [Strategic water purchasing – Bridging the Gap 2023 - DCCEEW](#) – the purchase recovered water towards Basin Plan targets.

- At the end of the 2023 calendar year, and into early 2024, the Commonwealth hosted a number of public webinars on the *Restoring Our Rivers Act 2023*.<sup>4</sup> The sessions were heavily moderated, with no one having any real sense of who else was online.

It was unclear how many questions were being asked, or why some questions were chosen to be answered over others. Despite a promise to follow-up with responses to unanswered questions, months later, this has still not occurred.

- At present, the Commonwealth is consulting on the 2004 *National Water Initiative* (NWI), and its next iteration.<sup>5</sup> As this consultation commenced, it was revealed that the Government was already heavily into drafting, and pushing ahead with state/territory bilateral discussions to facilitate and expedite sign-off.

The authenticity and point of external-to-government consultation remains extremely unclear. This is especially true given the Commonwealth appears to have already fixed on its policy priorities – without revealing the research/rationale behind its assumptions, or testing these assumptions with a broader audience.

The starting point also seems to be a complete re-write of the 2004 document, despite key reforms not having been fully completed, and critical elements of the NWI needing to remain in perpetuity.

General comments were also made about the overall poor quality of consultation efforts associated with the Basin Plan and its implementation. Key feedback included:

- We accept that location-specific consultation is hard – especially given an area as geographically large as the Murray-Darling Basin; however, it must be done if Government truly wants policy buy-in.
- Consultation efforts will not work if everyone in a community is treated as though they're a threat that must be controlled.
- If community members are giving up their time, there must be a purpose to it. Vague invites to 'catch-ups' are often seen as pointless and frustrating.
- The group also observed that, for a lot of difficult policy decision-making, there's often intent and understanding that's accepted by those present, but which isn't subsequently picked-up in any of the formalising documentation. As Ministers and officials inevitably move on, this results in stakeholders having to continuously re-educate and re-litigate the context around key decisions.

To illustrate, the group were extremely disappointed by recent political ads about the apparent state of the Basin Plan, which completely ignored the almost 30 years of extremely hard reform work that has actually been completed.

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<sup>4</sup> [Webinars - DCCEEW](#) – this Act is seminal in terms of completing key Basin Plan commitments from 2012.

<sup>5</sup> [National Water Initiative - DCCEEW](#) – the NWI underpins both the Basin Plan and Commonwealth Water Act.

- Beyond just the continued re-litigation of old decisions and commitments, there was additional frustration expressed around the repeated calls for ideas and suggestions that don't seem to go anywhere.<sup>6</sup>
- Further compounding the above, there's a distinct disconnect evident between the policy and political messaging coming out of Canberra.<sup>7</sup> There have also been many recent examples of mixed messages coming out of government as a whole.<sup>8</sup>

Looking forward, these observations in particular will prove critical to the success of all MDBA Basin Plan review/evaluation activities. The perceived independence of the MDBA will inform its authenticity. Fundamental to this, assumptions around priorities and key areas of focus must be backed by solid evidence, be subject to broad stakeholder interrogation, and be clearly shaped by this input.

With respect to specific policy outcomes, the following comments were also made:

- It was obvious from the discussion that the Basin Plan was just one part of a much broader, and longer, reform exercise that the group has been involved in. Better aligning the Plan with this extensive policy context is strongly recommended.
- Related to this, it was observed that in many ways the Plan had inadvertently decoupled water-use from the Basin's geography. In particular, the suitability of certain land-use types given hydrology and water availability was seen as something that needed urgent attention.<sup>9</sup>
- As we'll elaborate on in more detail below, there was also a strong perception that environmental water-use under the Plan was ineffective and inefficient. It was evident that the Plan has no KPIs for determining how well this water is being used, which substantially undermines the case for more being needed (i.e. if governments were doing better with that they had, they shouldn't need any more).

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<sup>6</sup> Excerpt from a July 2023 submission (page 1; [Delivering the Murray-Darling Basin Plan - Innovative Ideas to Deliver the Plan in Full.pdf \(rga.org.au\)](#))

*We were promised a Water Recovery Strategy in October 2022. We willingly participated in what we thought was the development of this Strategy, and provided advice on legitimate, time-appropriate and cost-effective projects that would meet all remaining obligations in the NSW Murray. We understood our advice was under consideration, and instead we were blindsided by the launch of a purchasing framework in February 2023.*

*As part of DCCEEW's consultation on its purchasing framework we were promised that project ideas would be considered as an alternative to non-strategic buy-backs. The RGA formally provided its project list for a second time. Once more, it was ignored and we had no further, official response until this 'Have Your Say' process was opened, four months later.*

*For the third time in nine months, we formally present our project list to DCCEEW. We sincerely hope it is taken more seriously this time. We also firmly advise Canberra officials that they should start to engage their stakeholders with a lot more respect, especially those who are facing an extremely poorly executed, last minute finalisation of this 12 year reform.*

<sup>7</sup> For example, SDLs have an almost 100% compliance rate, yet recent advertisements suggest overallocation is rampant.

<sup>8</sup> To illustrate, despite statements having been made, no evidence has been provided that buy-backs have no impact on communities. Each department with an apparent stake in this critical regional matter seems to have a different view.

<sup>9</sup> References were made to the Almond Board of Australia's call for a moratorium on new developments in the Lower Murray. [Water-intensive almonds now the largest crop grown in the lower Murray amid call for moratorium - ABC News](#)

### **Question Two: What Has Worked Well?**

- Based on official reporting, there was an almost 100% compliance rate with Basin Plan SDLs in the second year of their commencement. Given the purpose of the Plan was to quantify an environmentally sustainable level of take<sup>10</sup>, arguably this task has now been completed. In fact, within only two years of SDLs commencing, close to 4000 GL of surface water was going unused across the Basin.<sup>11</sup>
- It was also noted that the Plan has been a catalyst within the focus that producers already have on continuously improving their on-farm efficiency. Australia's rice producers in particular look very good against the backdrop of Plan expectations.

We use 50% less water to grow one kilo of rice, when compared to the world average.<sup>12</sup> We've also set ourselves the ambitious target of further boosting our efficiency to 1.5 tonnes of rice per megalitre (ML) by 2026.<sup>13</sup>

When compared to these expectations and outcomes, environmental water-use can be described as performing very poorly, and can also be seen as incapable of meeting the same types of standards. Governments that administer these tax-payer funded portfolios are often viewed in this way in part because they're not subject to the same level of scrutiny when it comes to efficient and effective use. The large volume of underutilised environmental water<sup>14</sup> further exacerbates this situation.

- Another key observation was that threats under the Plan had succeeded in bringing industries together. However, while coalescing industry, the pressure imposed by the Plan had also served to significantly polarise states and territories, as well as causing conflict between different water-user groups. It's unfortunate that the latter point could actually be deemed successful for governments wanting to politicise the Plan.

### **Question Three: Did Anything Unexpected Happen?**

- As noted in the previous answer, much of the Plan (SDL accounting in particular), is fixated on the false threat of overuse. It's underuse that's emerging as a key issue.<sup>15</sup>
- As also noted, the imbalance between how irrigators and the environment are treated (i.e. irrigators must account for every ML), was identified as an unanticipated concern.
- More broadly, farmers also probably knew that it was going to get wet again.

To illustrate, between 2012 and 2022, rainfall for NSW was<sup>16</sup>: average, or close to average in only 2 of the 11 years; below average in 5 of the 11 years; and above average, 'very wet' or 'exceptionally wet' in 4 of the 11 years.

This runs counter to the strong 'extended dry' narrative the MDBA is currently running. If this focus continues, it could further entrench the potentially unnecessary blanket requirement of continuing to park water in anticipation of future drought.

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<sup>10</sup> [Federal Register of Legislation - Water Act 2007](#), section 20(b).

<sup>11</sup> [Annual Water Take Report 2020-2021 \(mdba.gov.au\)](#), p. 21.

<sup>12</sup> [Rice-and-Water-2014 Web.pdf \(rga.org.au\)](#) – We use approx 12 ML/hectare; world av is 15-20 ML, getting as high as 50 ML.

<sup>13</sup> [New structure announced to accelerate rice breeding in Australia | AgriFutures Australia](#) – we currently av 1 tonne of rice per ML.

<sup>14</sup> [Usage and carryover summary 2012-21 \(dcceew.gov.au\)](#): *CEWH used an average of ... 70% of the water allocated* (p. 1).

<sup>15</sup> Not only is surface water underuse in the order of 4000 GL, when SDLs commenced around 20,000 GL of cumulative cap credits were foregone ([2021-2022 Cap Register 36 - State preferred E-water method \(amended 31 August 2023\) \(mdba.gov.au\)](#), p. 6).

<sup>16</sup> [Climate summaries archive \(bom.gov.au\)](#)

- The often unexpected role/performance of water markets was also raised.

For example, since 2012, predominant irrigation industries (e.g. almonds) have potentially played a more influential role in water reform than the Basin Plan. As touched on previously, these industries have actually driven government action in some instances, including in terms of new laws and policies.<sup>17</sup> This further reinforces the group's earlier comments regarding the need to better match water and land-use.

In watching the market operate over the 12 years since Basin Plan commencement, it was further observed that it often runs as though we'll never run out of water.

- With respect to the process of achieving environmental outcomes under the Plan, the group expressed frustration with the fixation on water recovery, and the transfer of water licences to the Commonwealth.

In terms of the remaining challenges faced by the Basin's ecological systems, it could be argued that we've reached 'peak water'. It's other measures (e.g. carp control; catchment management; interventions to protect native species) that are now a necessity, not a luxury.

In addition, there are also more balanced ways to account for the water that the Commonwealth has access to. It doesn't just need to be captured in licences.

- Related to the achievement of environmental outcomes, it was disappointing that the entire Basin Plan effort seemed to be fixated solely on management of the Lower Lakes. On the flip-side however, this certainly made the case for a comprehensive refresh of the underpinning science, as well as a review of the continued necessity of historic South Australian entitlements (e.g. dilution flows).
- The abject failure of constraints-lifting efforts was also highlighted. Twelve years on, and we're still essentially at the starting blocks. This is despite the MDBA (in 2013) being adamant that: (i) all project planning would be completed by mid-2016; and (ii) a full eight years would be sufficient for all subsequent implementation tasks.<sup>18</sup>
- Finally, as observed through passage of the *Restoring Our Rivers Act 2023*, it was deeply concerning to see that a sitting government could change key Basin Plan legislation without bipartisan support, or full state and territory support.

This in turn raised questions about the inconsistency of government intervention in Basin Plan matters overall. Is it politically driven in terms of what governments are willing to commit to and step into? For example, the current government has repeatedly stressed the need to keep water markets unfettered, free and transparent. However, the same government is utilising the same markets to directly intervene in the consumptive pool through its chosen approach to environmental water recovery.

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<sup>17</sup> [Almonds Dominate Murray-Mallee 2019 Plantings | Premier of Victoria](#); [Greater Transparency In Victoria's Water Markets | Premier of Victoria](#).

<sup>18</sup> [Constraints Management Strategy \(mdba.gov.au\)](#)

#### **Question Four: What/Where/How Could We Do Better?**

- Fundamental is better, more respectful consultation – across the board. The MDBA's engagement efforts must be meaningful. You must listen and hear with purpose.

Ask us. Let us tell you how we want to be consulted. 'Consult' us on 'consulting'.

Learn the lessons of the past. Thirty years ago, natural resource management had a much stronger ground-up focus (e.g. Landcare). This has proven to deliver better outcomes, that have broad community support. Landcare-style approaches also tend to ensure that different groups are less likely to revert to their respective corners.

- Your assumptions about our motivations are often incorrect. We don't always have 'vested interests', nor are we inherently 'conflicted'. We show up because we care.
- Be prepared to learn from your mistakes, and be open about admitting when you're wrong. To illustrate, the strong narrative underpinning early Basin Plan implementation was the looming threat of drought, and its destructive environmental impacts. Recent fish death events have been the result of record flood, not drought. Irrigators aren't responsible for either one of these naturally occurring events.
- Related to this, and as noted earlier, rice production in Australia revolves around the principles of best-practice, modernisation and innovation. In part driven by the Basin Plan, rice farmers have agreed to double their investment in RD&E. In particular, the Plan magnified the need for growers to deliver a step-change in water productivity.

With full grower support, their RD&E levy increased from \$3.00 to \$6.00 per tonne of rice sold, with \$5.94 allocated to implementing a dedicated Rice Program RD&E Plan.<sup>19</sup> This Plan focusses on water-use efficiency in four ways: genetic improvement; agronomy and farming systems; industry extension; and strengthened capacity.

The ongoing hard work of rice growers, alongside those in other irrigation industries, isn't acknowledged or rewarded – which is extremely frustrating. This is especially true given our ongoing advice on approaches to achieve multi-benefit Plan outcomes.

Instead, there's a strong impression of bad behavior being rewarded. For example, slow progress on constraints, the 605 GL and 450 GL will have no implications for those who haven't fulfilled their commitments and duties. Irrigators will be punished.

- Clear KPIs are needed for environmental water use. Alongside this, greater innovation is needed in terms of desired Basin Plan outcomes and the myriad ways to get those outcomes. Water isn't the only solution. More practical, operational solutions are frequently just as good, and may prove better under an increasingly variable climate.

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<sup>19</sup> [rice-RDE-pdf \(agrifutures.com.au\)](https://www.agrifutures.com.au/rice-RDE-pdf)

**Recommended Further Reading:**

Here's a link to all recent and relevant RGA submissions: [Submissions \(rga.org.au\)](https://rga.org.au/submissions)

We also strongly recommend the following, involving Robbie Sefton. She's a strong researcher with a clear/objective understanding of what's fundamental to communities.

1. [Independent assessment of social and economic conditions in the Basin | Murray–Darling Basin Authority \(mdba.gov.au\)](https://www.mdba.gov.au/independent-assessment-social-economic-conditions-basin)
2. [Socio-economic impacts of water recovery - DCCEEW](#) (same report as above with a more comprehensive context/background provided).
3. [Buybacks may be easy option for Basin water recovery, but economic and social pain may prove too costly for communities - Seftons](#)
4. [We haven't left the starting line for Murray Darling Basin Plan \(linkedin.com\)](#)