



Australian Government

Department of Agriculture,
Water and the Environment

Murray–Darling Communities Investment Package 2022



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Foreword



This 2022 update to the Murray–Darling Communities Investment Package is about keeping communities and jobs at the heart of the Murray–Darling Basin Plan. We’ve made great strides in the past 18 months to put people back at the centre – putting a stop to buybacks, empowering local people to improve their stretch of river and boosting the economic outlook of their towns and businesses. This \$140 million investment in our rural and regional communities is about maintaining that momentum.

My 2020 Murray–Darling Communities Investment Package was built on the pillars of:

- investing in community resilience and river health
- building trust, transparency and accountability in government, and
- improving implementation of the Basin Plan.

Today’s package introduces a new pillar – improving water security for all water users. Water-reliant communities up and down the Murray–Darling Basin want to know we’re planning the infrastructure of the future that will help mitigate the damaging impacts of floods and droughts. The \$2.6 million our government is investing in an independent, technical assessment of infrastructure in the southern Murray–Darling Basin will make sure we’re well placed to make decisions about infrastructure to benefit communities and the environment in years to come.

Importantly, this installment of the Murray–Darling Communities Investment Package takes the money that had been set aside for water purchase and puts it to good use through a new Healthy Rivers – Healthy Communities grant program.

Our government is investing \$97 million over two years to bring community groups, the irrigation industry, Basin stakeholders and state governments together in one program to make real, lasting impacts in the Basin. Grants will be available between \$100,000 and \$5 million to build stronger, more vibrant regional economies and communities, improve the health of rivers and wetlands, and enhance environmental outcomes through targeted infrastructure investment.

This package puts boots on the ground enhancing the Inspector General of Water Compliance’s ability to engage with communities, providing an essential link between compliance activities and communities.

Finally, it continues to build on our work towards sensible, state-supported water market reform that will improve integrity, lay the groundwork for an industry-supported mandatory code of conduct for water market intermediaries, as well as increase access to clear, consistent and relevant information.

Through these measures, this package builds on the momentum we’ve created through the 2020 Murray–Darling Communities Investment Package to deliver for communities, industry and the environment. Through these targeted measures our government is ensuring future generations who call the Basin home have a sustainable and certain future – and that their interests are kept at its heart.

A handwritten signature in black ink, appearing to read 'K. Pitt', with a stylized flourish at the end.

The Hon. Keith Pitt MP
Minister for Resources and Water

Delivering outcomes for the Basin and communities

The Murray-Darling Basin Plan is a long-term \$13 billion investment in Australia's largest and most complex river system, a system that supports our nation's most important food bowl. It's home to thousands of irrigated agriculture businesses, a real powerhouse region that contributes well over \$20 billion in agricultural outputs and over \$11 billion in tourism dollars to the Australian economy every year. The Basin is also home to millions of Australians who rely on it every day for critical water use and families from right across Australia enjoy swimming, fishing, boating and camping on and around its iconic waterways.

In 2012 the system was under intense pressure with more calls on its water resources than it could sustain. The Basin Plan was legislated to give communities and industries certainty by limiting the volume of water that could be taken from the Basin at a time when scientific evidence about the likelihood of more frequent and severe droughts was strengthening.

Since 2012 significant progress on implementing key elements of the Basin Plan has been made with:

- \$10 billion invested to increase agricultural productivity, modernise infrastructure and return water to the environment.
- 98% of the surface water and 92% of the groundwater gap bridging water recovery target achieved putting the Basin on a more sustainable footing.
- more than 28,000 km of rivers and 360,000 hectares of lakes, wetlands and floodplains helped by water held for the environment.
- a new \$1.54 billion Off-farm Efficiency Program to recover 450GL for enhanced environmental outcomes while making more water available to farmers.

The 2020 Murray-Darling Communities Investment Package embodies the Australian Government's new approach to implementing the Basin Plan. It's focused around three high level themes that are supported by 11 practical and realistic actions. The Australian Government has actioned all items of the 2020 package highlighting the Government's commitment to Basin communities and the Basin Plan.



Investing in community resilience and river health

- ✓ **Maximising benefits of the Basin Plan for communities:** 132 projects were approved for funding through 3 rounds of the Murray–Darling Basin Economic Development Program. These include 67 projects to attract tourists to the community or increase the capacity to hold events, 53 projects to strengthen the capacity of communities, and 12 projects to improve health facilities and improve access to health-care.
- ✓ **Improving river health for all users:** \$20 million has been allocated to fund 160 community driven grants for on-ground projects that will improve the health of rivers and wetlands. Overall, the projects will sow 445kg of native seed, remove 35 tonnes of waste, and install 162 new in-stream fish habitats across the Basin.
- ✓ **Delivering environmental outcomes in the Riverland:** approvals are underway for re-snagging at 2 sites – one in Bookmark Creek in the heart of Renmark and one below Lock 3 on the banks of Banrock Station following 4 targeted community co-design workshops held to determine the best and safest options to improve connectivity for fish to the River Murray at Bookmark Creek
- ✓ **Support First Nations to play an active role in river health:** 5 Indigenous River Ranger groups have been established across the Basin generating 27 jobs. These groups will undertake work to manage and restore waterway health while supporting environmental and cultural outcomes.

Building trust, transparency and accountability

- ✓ **Providing stronger leadership:** Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd) is providing strong, strategic leadership as Chair of the Murray–Darling Basin Authority.
- ✓ **Ensuring stronger compliance:** the Inspector-General of Water Compliance Bill passed through Parliament to strengthen compliance and enforcement powers in the Basin in June 2021. The statutory Inspector-General was appointed in August 2021 and now has 33 staff at 5 regional locations conducting 7 investigations and 5 compliance audits.
- ✓ **Providing better information:** the Murray–Darling Basin Water Information Portal was launched on 30 June 2021. Since 1 October 2021, traffic on the portal has been between 2,500 to 9,000 page views per day with an average of 4,400.
- ✓ **Better monitoring and reporting of social, economic and environmental conditions:** 16 projects are being developed for approval around 5 theses through community forums, building community needs and feedback directly into the monitoring program.





Improving implementation of the Basin Plan

- ✓ **Designing and delivering water programs in partnership with communities:**
the Regional Engagement Officer network has been expanded to provide a more holistic engagement opportunity for communities with the Australian Government. These engagement officers promoted the guideline consultations undertaken for Healthy Rivers and the Economic Development Program to make sure they were workable for communities.
- ✓ **Investing in off-farm water efficiency projects to increase water recovery:**
the \$1.54 billion Off-farm Efficiency Program has 3 funding streams including \$1.33 billion available to fund projects that generate water savings off-farm as part of the State Led Off-farm stream and \$150 million grants stream for smaller off-farm projects. Since the new Off-farm Efficiency Program was announced water recovery towards the 450 GL has increased from 2 GL in March 2021 to 20.39 under contract now, a tenfold increase over the past year.
- ✓ **Strengthening working relationships between the Australian Government, states and local government to improve delivery of the Basin Plan:**
the Australian Government has made an additional \$60 million available to Basin states until 2024 to support implementation of the Basin Plan and water reform.

Basin outcomes map

To date:

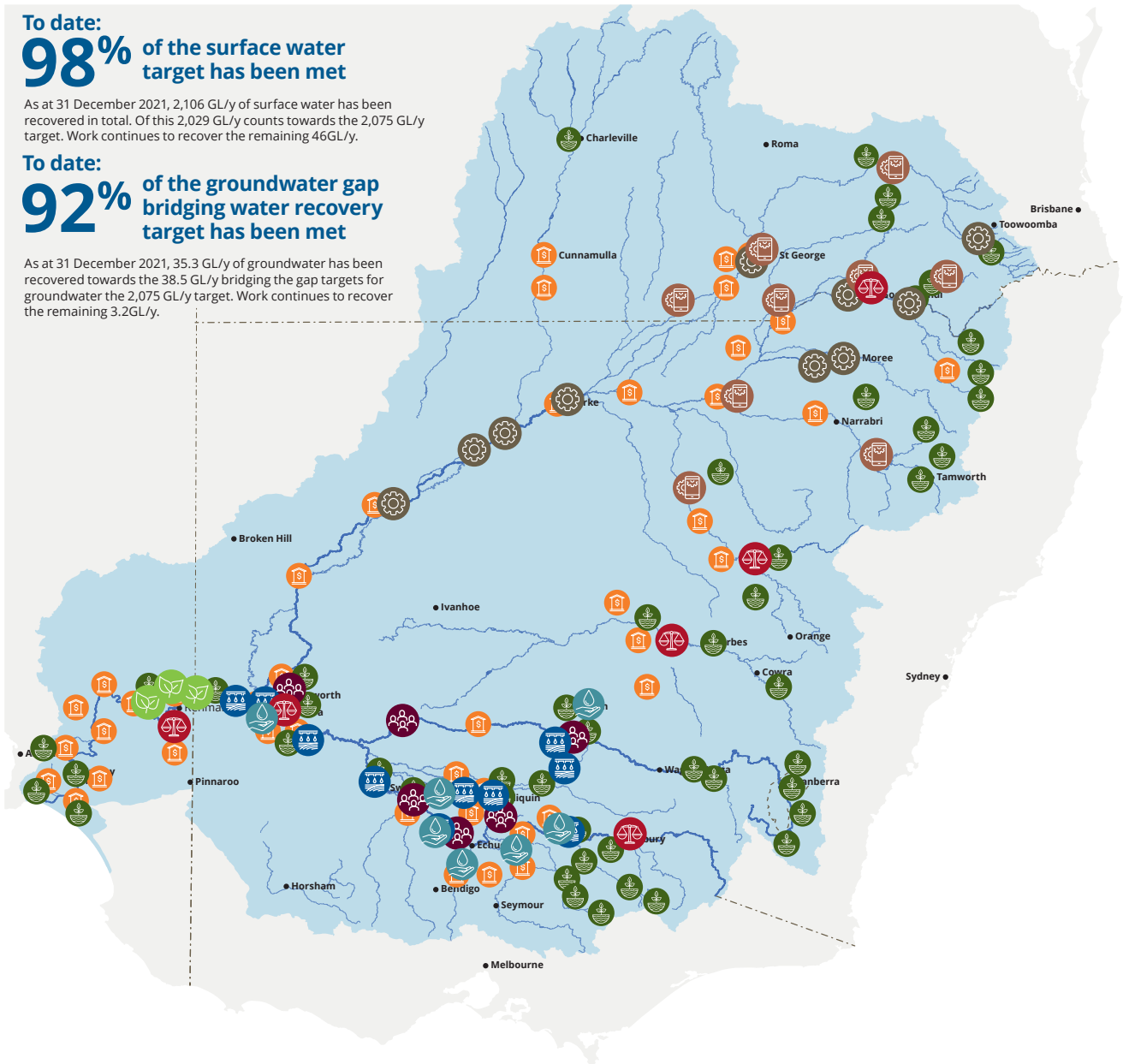
98% of the surface water target has been met

As at 31 December 2021, 2,106 GL/y of surface water has been recovered in total. Of this 2,029 GL/y counts towards the 2,075 GL/y target. Work continues to recover the remaining 46GL/y.

To date:

92% of the groundwater gap bridging water recovery target has been met

As at 31 December 2021, 35.3 GL/y of groundwater has been recovered towards the 38.5 GL/y bridging the gap targets for groundwater the 2,075 GL/y target. Work continues to recover the remaining 3.2GL/y.



Murray-Darling Basin Water Information Platform



Inspector General of Water Compliance



Sustainable Diversion Limit Adjustment Mechanism



On-farm Emergency Water Infrastructure Rebate Scheme (\$100 million)



Off-farm Efficiency Program (\$1.54 billion)



Northern Basin Toolkit (\$180 million)



Murray Darling Healthy Rivers program (\$20 million)



Northern Basin Metering (\$25 million)



Sustaining Riverland Environments



Murray-Darling Basin Economic Development Program (\$72.7 million)



Indigenous River Ranger Groups (\$15.3 million)

Keeping communities at the heart

New measures will help maintain the momentum built through the 2020 Murray–Darling Communities Investment Package. The delivery of the Community Investment Package along with improved seasonal conditions have been central to restoring the vision of the Basin.

The inclusion of a 4th pillar in the Communities Investment Package is a direct reflection of community aspirations. Improving water security will provide a more certain future and help governments, industries and communities make best use of limited water resources.

Improving water security for all water users

The 4th pillar seeks to improve water security for all water users by ensuring we have the best evidence available to optimise river management; to strengthen community links with the Inspector-General of Water Compliance and by progressing state-supported water market reforms.

Optimising the management of rivers across the southern Basin: will help meet future challenges by improving delivery and reliability of water for all users.

We're expanding on existing work and investing \$2.6 million in a 12-month, independent, systematic, technical assessment of infrastructure in the southern Murray–Darling Basin. This assessment will provide a solid evidence base with which to make decisions about the sort of water infrastructure needed in the future. The assessment will look at how existing environmental outcomes can be enhanced, agricultural productivity improved, future water demands supported, and at how flood and drought impacts be reduced.

We're improving Murray Irrigation Limited (MIL) delivery infrastructure: to make water already held for the environment work harder through a \$35.1 million project. The project defrays operation and maintenance costs for the 2,200 irrigators who use the network, creates regional employment opportunities and provides agricultural and environmental benefits by getting water to new areas at new times. The water infrastructure upgrades will improve environmental water delivery across 372 km of ephemeral creeks and up to 100 ephemeral wetlands – important environmental assets in the Edward Wakool river system. The project demonstrates that good environmental outcomes can be achieved without water recovery.



Engagement and communication activities of the Office of the Inspector General of Water Compliance:

will be strengthened by establishing an ongoing field officer network embedded within Basin communities. This will enable the Inspector General to continue to build relationships with communities across the million square kilometers of the Basin. It will keep open lines of communication between the Inspector-General and communities through a ‘boots-on-the-ground’ approach. These officers will be a critical link, helping to capture referrals for investigations and to communicate findings back to Basin communities.

Progressing water market reforms: through actioning the Principal Adviser’s advice. Mr Daryl Quinlivan AO, provided his initial advice in December 2021 to the Australian Government on state-supported initial measures. We’re starting the development work on 4 actions that will support a more transparent and effective water market that better meets user needs, by:

- Developing a mandatory water market intermediaries’ code
- Drafting Commonwealth legislation to prohibit insider trading and market manipulation across the Basin
- Collecting and publishing further trade data, such as reasons for trade and information on when a trade was agreed upon
- Developing and delivering the first components of a Commonwealth-led, Basin-wide water market information program for new market participants.

Hume dam outlet renewal: the 85 year old Hume Dam is critically important to providing water supplies to communities along the Murray River and in supporting irrigated agriculture become a \$100 billion industry by 2030. The Australian Government is contributing \$6.7 million to renew 4 irrigation outlets on the dam to ensure its continued safe operation, underpinning reliable water supply for millions of Australians, including those in Adelaide. Farming communities also rely on fully functioning dam outlets to release water when they need it so they can keep on with the job of growing the food and fibre that contributes so much to our nation’s bottom line. The new outlets should last for the next 50 years and can reliably release water to entitlement holders and lower water levels in the event of an emergency.

River modelling upgrade: is a \$66 million investment to upgrade the Murray–Darling Basin’s 24 river models to help water managers make timely, more reliable and transparent water management decisions. Ensuring river models are fit for the future is vital for river operators, irrigators and environmental water holders. Updating river models will improve efficient operation of the river and provide a more seamless whole-of-Basin view, allowing for more sophisticated and accurate future scenario planning. Updated river models will improve capability to explore a range of future scenarios, for example, droughts, high rainfall events and bushfires, and what this will mean for inflows and river connectivity.

Progressing water market reforms, strengthening the Office of the Inspector General of Water Compliance, conducting important strategic and technical assessments of river systems and infrastructure in the Southern Murray–Darling Basin, renewing outlets on Hume Dam and investing in the next generation of river modelling will together, help improve water security for all water users now and into the future.

Investing in community resilience and river health: Healthy Rivers – Healthy Communities

Another measure that builds on the 2020 Murray-Darling Communities Investment Package establishes a \$97 million grant program that truly puts community aspirations and expertise at the heart of Basin Plan implementation.

Healthy Rivers – Healthy Communities: will fund community-led, on-ground projects and infrastructure grants to improve river health and promote agricultural productivity and community economic development.

The grant program is intrinsically linked to the Australian Government's vision for the Basin and encourages communities to work together to identify projects that contribute to the long-term health of the river system, sustaining natural heritage values as well as regional communities and agricultural industries.

The Healthy Rivers – Healthy Communities grant program is a demonstration that water recovery is not the only way to achieve good environmental outcomes. It will fund projects that can enhance Basin Plan outcomes in real and tangible ways and deliver for agriculture and communities.

Healthy Rivers – Healthy Communities is a truly triple-bottom line program that makes available between \$100,000 and \$5 million to build stronger and more vibrant regional economies and communities, improve the health of rivers and wetlands, and enhance environmental outcomes through targeted infrastructure investment. Grants will be available to community groups, the irrigation industry, Basin stakeholders and state governments to make real, lasting impacts on the health of the Basin.

The Murray-Darling Basin Indigenous Rivers Rangers Program: has been extended until 2024-25 to deliver real jobs on the ground and support First Nations people get more involved in river management and waterway health. The \$12.2 million in extra funding will allow for longer-term plans and increased impact on the ground, creating more than 25 meaningful jobs on Country that will continue to at least June 2025. The program extension will build capacity and understanding between Indigenous communities and river managers by enabling Aboriginal people to learn more about river management and operations while they teach river managers more about Aboriginal culture and water management.



Conclusion

Through these measures, we're providing the boost Basin communities need to generate jobs, economic activity and improve the health of rivers and wetlands while maintaining our commitment to implementing the Basin Plan.

The Department of Agriculture, Water and the Environment will report twice a year on implementation progress.



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