



**Submission to the 2014
Review of the *Water Act 2007***

to the

Water Act Review Secretariat

12 August 2014

**Murray Darling Association Inc
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The Murray Darling Association

- Seeks to ensure that the environmental integrity of the Murray-Darling Basin is conserved and protected*
- Believes that Local Government is central to the orderly management of the Basin*
- Encourages responsible development that ensures that the environment is protected*
- Fosters the involvement of Local Government in natural resource management and decision making processes within the Basin*
- Supports integrated catchment management*
- Provides leadership through informed decision making; the sharing of current, relevant and accurate information, and constructive collaboration.*

Murray Darling Association Inc

The Murray Darling Association provides a focus for local government and community participation in relation to natural resource management in the Murray Darling Basin, and has done so since 1944.

We provide information, facilitate debate, and aim to support communities to promote the right balance between consumptive use and water for the environment. We stand for conservation and sustainable development.

We engage in local partnerships, support and deliver educational initiatives, and undertake projects that promote and develop effective natural resource management within the basin.

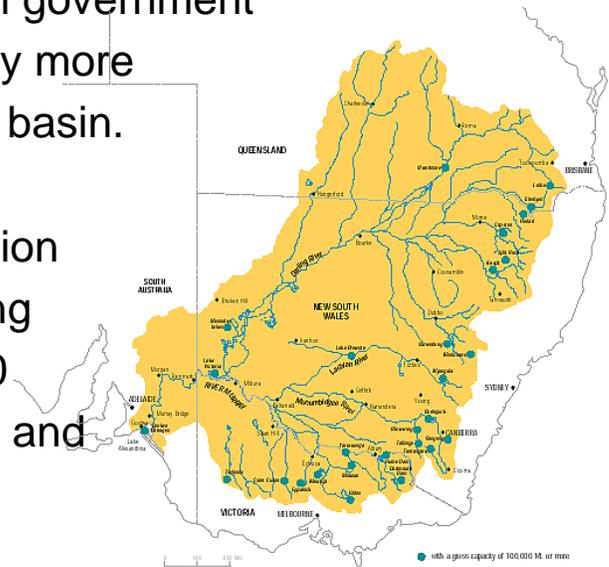
The MDA recognizes and supports the unique role of local government in natural resource management and decision making processes within the basin.

The basin encompasses over 165 local government authorities, and incorporates a further 35 member councils who rely upon the resources within the basin. The Association is not party political, it crosses state boundaries and represents the views and concerns of our membership. .

Over the last 70 years the Murray Darling Association has proven itself to be a strong and effective voice, on behalf of our membership, in social, economic and environmental issues facing communities that depend on the land and water resources of the Murray-Darling Basin.

There are over 165 local government Organisations, and many more Associations across the basin.

Murray Darling Association Inc. has a rapidly growing membership of over 100 Councils, organisations, and individuals.



INTRODUCTION

Acknowledgement

The Murray Darling Association Inc (MDA) acknowledges that this submission is lodged later than the closing date set, and thanks the Water Review Act Secretariat and the Expert Panel for their consideration.

The MDA accepted the resignation of longstanding General Manager, Mr Ray Najar in May 2014. Mr Najar's retirement and the resultant loss to the organization of his many years' experience and active contribution, coupled with the relocation of the head office from Adelaide to Echuca required both the board and the management team's full focus on ensuring a strong and stable transition.

Any submission to the 2014 Review of the *Water Act 2007* must reflect the position of our membership. The changes noted above had resulted in a delay in the procedures required to ensure effective collaboration and communication required to affirm the position of our members.

However, the MDA has enjoyed strong support and renewed levels of engagement, and our members and regions remain active, engaged. We are appreciative of the opportunity to provide a input into this important review.

Purpose

The Commonwealth *Water Act 2007* commenced in March 2008 and represents significant changes in the management of water as a natural resource in Australia. Key to the Act was the establishment of the Murray Darling Basin Authority, and the Office of the Commonwealth Environmental Water Holder. Section 253 of the Act requires that the operation of the Act be reviewed, along with the extent to which the objectives of the Act have been achieved. This submission is made with reference to the Basin Plan as being the instrument through which the operational objectives of the Act are implemented, and so may make recommendations in relation to the Basin Plan, consistent with the Terms of Reference.

RECOMMENDATIONS

1) Timing of the Review

With the *Water Act 2007* commencing in 2008, it may have been reasonably envisaged at the time of drafting the review provisions that much of the implementation of the of the Basin Plan would have been mature practice by 2014. With the Basin Plan commencing in late 2012, this is obviously not the case.

However, it is the view of the MDA that

- a) Any delays in adopting the Plan were as a result of extensive (if not always smooth) consultation with the community and these should be acknowledged, and
- b) A review of the Act in the relative infancy of the implementation of the Basin Plan may provide an opportunity for early intervention and adjustment on matters that may materially enhance the implementation process and therefor outcomes for both the environment and the community, and
- c) Notwithstanding, there was a broad expectation that this 2014 review would provide an opportunity to reflect on a greater level of experience and empirical data pertaining to the implementation of the Basin Plan than currently exists. This opportunity should still be provided.
- d)

Recommendation: The MDA recommends that a further review of the Act under similar Terms of Reference as set out in section 253 be scheduled for the end of 2017.

2) Simplification of the Sector for Greater Efficiencies and Better Alignment

It is a common complaint of local government, irrigators and indeed stakeholders across the breath of the water resource management sector that the number and diversity of agencies tasked with delivering upon the objectives of the Basin Plan has resulted in a sector that is overly complex and unwieldy.

Multiple agencies each report to different authorities, state, and federal governments, each having priorities, obligations and accountability requirements that are not always consistent and are often misaligned. This results in duplication and overlap, and lays open the risk of gaps in accountabilities and deliverables (although perhaps gaps are somewhat the lesser risk in such a densely populated sector!).

The level of complexity in the sector has resulted in difficulty for both agencies and authorities to deliver effective marketing, messaging and communications leading to unnecessary cost and frustration to the consumer and other stakeholders. Navigating the sector to engage with the right agency to access timely, relevant and accurate information to make effective decisions or to achieve a particular outcome can be a challenge, even for the most experienced.

Recommendation: The MDA recommends that a body of work be undertaken to facilitate better alignment between the Commonwealth and the States, and state to state and to provide a level of uniformity or consistency across the water management sector. A key priority of the work should be to minimize duplication and overlap, and to provide greater accountability, and clarity for stakeholders.

RECOMMENDATIONS (cont)

3) Water Trading

Part 6 Section 106 of the Act sets out the limitations on disposal of water. Under s 106, which is also subject in application to the provisions of 86AE(2), proceeds from the sale of any saleable water or environmental water holdings must be used to acquire water that improves environmental capacity (CEWO pres 07/08/2014). ***Proceeds from the sale of water should be able to be used to undertake works, upgrade, repair and maintain and otherwise invest in infrastructure that delivers water saving benefits consistent with the environmental objectives of the Act.*** This would also support and strengthen a 'triple bottom line' approach to the environmental benefits realized (see Recommendation 4). Further, it is unclear what benefit if any the dual requirements imposed by s106 and s86AE(2) yield.

Recommendation: *The MDA recommends that s106 and 86AE are revised to align for consistency and simplicity, and that Act explicitly allows for the proceeds from the trade of water or environmental water holdings held by the Commonwealth Environmental Water Holder to be allowed to be applied to investment in water saving infrastructure.*

4) Better balance between social, economic and environmental imperatives

The Triple Bottom Line principles that incorporate social, environmental and economic performance have long been acknowledged as an essential and interrelated trilogy required to ensure sustainability. The Act should provide explicit provision for all three elements to be considered to allow for actions and responses to provide responsive and balanced outcomes in pursuit of the objectives of the Act.

Of all levels of government, none are more keenly aware of the need to get the balance right in order to manage and maintain sustainable communities than local government. It is at the local government level that the impacts of any imbalance in this trichotomy are most keenly felt.

Section 21 of the Act provides the general basis on which the Basin Plan was to be developed. This is a significant section of the Act, and one from which a significant volume of subordinate legislation, regulation and policy is derived. In s21, there are only 2 vague references to social (4)(b) and (4)(c)(v), and one to economic (4)(b) considerations. While the Basin Plan requires that the Authority monitor and report on the social and economic impacts of the implementation of the plan, there is insufficient weight given to social and economic considerations within the Act.

Recommendation: *The MDA recommends that section 21 of the Act be rewritten to provide balanced weighting and flexibility to consider the interrelatedness of social, economic and environmental outcomes for a more sustainable ecology and community.*