

REF:SOT638535

Thursday, 28 September 2023

Stephen Palethorpe
Environment and Communications Legislation Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Online Submission: https://www.aph.gov.au/Parliamentary_Business/Committees/OnlineSubmission

Dear Stephen,

RE: Balonne Shire Council Submission: Water Amendment (Restoring Our Rivers) Bill 2023 [Provisions]



Council seat:	St George, Southwest Queensland
Towns:	St George, Dirranbandi, Bollon, Thallon, Mungindi and Hebel
Area:	31,151.8km ²
Population:	4,362 (ABS ERP 2022)
GRP:	\$455 million (NIEIR 2022)
Largest industry:	Agriculture, Forestry and Fishing (NIEIR 2022)

Balonne Shire Council would like to provide comment on the historical impacts water recovery has had on the most vulnerable in our communities and propose a model to support some of the proposed amendments, as follows:

- amending the type of projects that can deliver the Basin Plan target of 450 gigalitres (GL);
- repealing the statutory 1,500 GL cap on Commonwealth water purchases;
- enabling Water for the Environment Special Account (WESA) funds to be spent on water purchase programs with environmental outcomes.

Specifically, we would like to propose a model for co-designed socioeconomic stimulus packages which will allow communities to take an active part in shaping their futures and take responsibility for their own recovery and continued resilience. We believe this model will limit the potential for significant social and economic disruption, previously experienced by our communities.

We would also like provide comment on the proposal to provide additional time for Basin States to deliver Sustainable Diversion Limit (SDL) Adjustment Mechanism projects. While we remain supportive of this proposed amendment, we would like to call for a focussed review of the Northern-Basin Toolkit Measure initiatives.

Lessons learnt: Socioeconomic impacts of previous water recovery measures

We appreciate Minister Plibersek's acknowledgement of the impact water buybacks have on communities. We are encouraged by her commitment to never leave an impacted community behind.

We recognise that water sales are conducted on a voluntary basis by water owners, however we also know that previous water buybacks have had a substantial negative impact on our communities. The vast majority of people living in our rural communities do not hold water entitlements, but they are heavily reliant on our nationally significant rural industries to keep our towns and essential services alive.

The Murray Darling Basin Authority (MDBA) Northern Basin Review on the socioeconomic effects of water buybacks (October 2016) confirmed that as a direct result of water buybacks:

- Dirranbandi lost an estimated 27% of its irrigation area, which saw a decline of more than 15% of agriculture and non-agriculture private sector jobs;
- In St George, jobs in agriculture dropped by more than 15% and non-agriculture private sector jobs were down more than 20%.

Census data confirms that school enrolments in Dirranbandi dropped by more than fifty percent in the five years leading up to this report. We also estimate that 197 full time skilled workers were lost across our region in this period, including vital community leaders and volunteers.

Our own analysis demonstrates that previous water buybacks have had a direct socioeconomic impact on our communities, particularly those who are most vulnerable. Between the 2014-15 and 2018-19 financial years, industry sectors supporting agriculture in our region were heavily impacted by water buybacks. Over this period, Balonne Shire's workforce experienced a total loss of 8%, sectors most impacted were transport (70% loss in FTE) and manufacturing (47% loss in FTE).

Our modelling indicates that 49GL buyback would lead to 72 direct and 41 indirect job losses. This does not take into consideration properties selling and multi-generational families migrating out of the region, which we saw in previous water buybacks. A loss of 41 indirect jobs would result in an estimated 6.4% loss of agriculture supported jobs, in addition to further multipliers in effect, as a high percentage of these jobs are specific to agricultural support and are often not transferrable in to other industry sectors. The net impact of this would be further population and workforce loss people leave the region. We believe young families will be the key demographic impacted, which would have further profound effects on essential services (education and health) and professional services (banks, accounting, legal and advisory services) for our communities.

Previous water buybacks have meant less jobs, less opportunity, a declining population and reduced essential services, which ultimately impacts the long-term viability of our communities. Our own analysis and modelling suggest this will happen again if further water buybacks happen in our region.

We want to ensure this doesn't happen again. We want to play an active role in shaping our future. We want to work collaboratively with the Australian Government to meet water recovery targets and limit the negative impacts on our communities.

A community led approach to meeting water recovery targets and limiting impacts

Minister Plibersek provided assurance that the Australian Government will find a way forward that is sensitive to our impacted communities. We are encouraged by the Government's commitment to provide increased transitional and financial assistance to help communities respond to change and develop new economic opportunities.

The well-known and highly respected work of Robbie Sefton and Associates in the 2020 'Sefton Report'¹ builds on previous extensive research that clearly identifies the need for change in water recovery approaches, which have historically left communities suffering and often unable to recover.

"Throughout our consultations we heard that people in Basin communities want to be part of decisions that make their communities better places to live."

Sefton et al, 2020, Final Report: Independent assessment of social and economic conditions in the Murray–Darling Basin

¹ Sefton, R, Peterson, D, Woods, R, Kassebaum, A, McKenzie, D, Simpson, B & Ramsay, M 2020, *Final Report: Independent assessment of social and economic conditions in the Murray–Darling Basin*, Panel for Independent Assessment of Social and Economic Conditions in the Murray–Darling Basin, Melbourne.

Since 2018, the Lower Balonne region has designed and delivered several major socioeconomic stimulus projects, with successful acquittal records. Our experience has demonstrated that it is possible for communities to successfully work with government and related agencies to deliver co-designed solutions that will:

- allow water to be committed to the environment;
- minimise the negative impacts previous water buybacks have had on the most vulnerable members of our communities, and our nationally significant agricultural industries;
- achieve positive outcomes for all stakeholders.

We believe co-designed socioeconomic stimulus packages will allow communities to take an active part in shaping their futures and take responsibility for their own recovery and continued resilience, without further exacerbating the damaging effects water buybacks have had across several communities within our region, and across the wider Basin.

A Co-Designed Socioeconomic Stimulus Model

Experience has shown us that a critical factor of success in undertaking water recovery is the ability to work with affected communities on transitional assistance packages from the outset, rather than delaying the design or implementation of these packages.

We are proposing a strategy that is co-designed with government and related agencies, keeps capacity within the community, develops confidence and mitigates impacts on the most vulnerable members of our community. We believe that the following staged approach would allow water recovery targets to be met, while limiting community impacts.

STAGE	Overview
Stage 1: Facilitation, research, strategy development and potential delivery mechanisms	<ul style="list-style-type: none"> • Engage experienced community facilitators to ensure continuity and maximise benefits from previous work completed by others, including the Sefton and NBAC Reports. • Conduct a series of in-community roundtables and forums. • Use feedback from these sessions as the basis for strategy development, utilising a highly consultative co-designed process. • The desired outcome will be: <ul style="list-style-type: none"> ○ co-designed socioeconomic recovery strategy; ○ potential delivery mechanisms to implement identified solutions; ○ a best practice model which could be implemented in other parts of the Basin.
Stage 2 (\$/GL recovered)	For every GL recovered under the 'Strategic water purchasing tender - Bridging the Gap 2023', the government will provide a predetermined figure to allow for fully funded Socioeconomic Recovery Investment Packages to implement identified socioeconomic solutions.

Additional time to deliver Sustainable Diversion Limit Adjustment Mechanism projects

We understand that the Government remains committed to achieving the Bridging the Gap recovery target and welcome the proposed amendment to provide Basin States with an additional two and a half years to deliver projects that would reduce the need to buy water to Bridge the Gap.

We believe the outcomes originally sought through Sustainable Diversion Limit Adjustment Mechanism (SDLAM) projects and Northern-Basin Toolkit Measure initiatives should be wholeheartedly pursued within revised timeframes. More time to pursue these outcomes will give our rivers, and the communities that depend on them, the best chance of a healthy future.

Whilst there has been significant work in recent years on progressing the Northern-Basin Toolkit projects, we believe the protracted delays and lengthy roll out period to deliver Toolkit Measures has changed the original intent of the Toolkit projects. As such, we believe a focussed review should be undertaken to:

- review the original project intent against the current business case proposals, including the inclusions of fish ladders and other projects that are not relevant, nor designed, to be implemented in the Lower Balonne;
- confirm that proposed business cases represent value for money and are realistically designed to suit the unique conditions in the Lower Balonne;
- ensure projects are feasible, present the best options to achieve the goals and intent of the original Toolkit Measures and deliver real value for money, as a core objective.

We believe a review of this nature would ensure that Toolkit projects are aligned to the outcomes sought in the original Northern Basin Toolkit project scope.

Balonne Shire Council would be pleased to provide further comment or information to support our submission.

Thank you for the opportunity to provide feedback.

Yours sincerely

Cr Samantha O'Toole
Balonne Shire Mayor