

Chapter 5

Conclusions and recommendations

5.1 This final chapter sets out the committee's views and recommendations for the key areas of surface water, ground water, environmental outcomes, and socio-economic impacts that are covered in this interim report.

Surface water

Committee view

5.2 The committee is deeply concerned with the treatment of surface water in the Basin Plan. In particular, it considers greater explanation of the assumptions used to develop the 2750 gigalitres per year (GL/y) figure put forward by the Murray-Darling Basin Authority (MDBA) is required.

5.3 Until the MDBA conducts and releases detailed modelling of Sustainable Diversion Limit (SDL) scenarios, with and without system constraints, the committee is of the view that the Australian public and Basin stakeholders are without some necessary information to allow sensible debate on the Basin's future.

5.4 As a consequence, the committee believes that Parliament is limited in its ability to make an informed decision on the Basin Plan as it stands.

5.5 The committee considers that the MDBA's reliance on historical data up to 2009 for its modelling purposes has significant shortcomings. In particular, the committee is unconvinced by the MDBA's explanations for not including the rainfall from 2010 and 2011.

5.6 More importantly, the committee is of the view that greater explanation of climate change projections into the modelling is required.

5.7 This issue is exacerbated in the committee's view by the MDBA overlooking the relevant consequences of forest interception for the modelling of surface water SDLs.

5.8 Finally, the committee is of the view that the MDBA has not properly explained its rationale for using a pro-rata reduction for all water entitlement classes in developing the 2750 GL/y figure. In this regard, the committee is also concerned about the lack of information from the MDBA on its treatment of terminal water (that is, water from terminal or non-connected river systems) in the development of the plan.

Recommendation 1

5.9 The committee recommends that the Murray-Darling Basin Authority (MDBA) publicly release a succinct, non-technical explanation of the assumptions used to develop the 2750 gigalitres per year (GL/y) figure.

Recommendation 2

5.10 The committee recommends that the MDBA consider modelling several alternative scenarios other than the 2750 GL/y. All relevant results (including the allocation of different water types) from any modelling must be publically released. The CSIRO must be commissioned to review the effectiveness of any scenario to reach the Water Act's required ecological outcomes. Finally, the socio-economic impacts of any scenario must be independently modelled and the results publicly released.

Recommendation 3

5.11 The committee recommends that the MDBA publicly release a succinct, non-technical explanation of its climate change projections and the resulting effects to each Basin catchment's water harvesting potential. This should also include considerations of forest interception of water in the modelling for the return of water to the Murray-Darling Basin system.

Ground water

Committee view

5.12 The committee acknowledges that there are still significant and serious information gaps regarding surface and ground water connectivity which is restricting the ability of decision-makers to evaluate the Basin Plan in an informed and considered way.

5.13 The committee believes that the MDBA has failed to adequately explain the decisions it has taken regarding ground water SDLs in developing the Basin Plan. This has been highlighted by a number of changes from the Guide to the Basin Plan which could have been more fully explained.

Recommendation 4

5.14 The committee recommends that the Government commit immediate resources to addressing the information gaps in scientific knowledge in surface and ground water connectivity particularly in the Murray-Darling Basin.

Recommendation 5

5.15 The committee recommends that the MDBA further articulate the reasoning for the changes in ground water SDLs that have occurred over the various iterations of the Basin Plan. This should include details of all individual resource units and the aggregate for the Basin.

Environmental outcomes

Committee view

5.16 The committee is concerned that evidence presented during the inquiry stated that the Basin Plan does not meet a significant number of the water requirements of key environmental assets and key ecosystem functions which are set out in the plan and required by the *Water Act 2007*.

5.17 The committee remains unconvinced by the arguments put forward by the MDBA and other government departments that these targets and outcomes are a necessary trade-off for the socio-economic impacts identified in the Basin Plan.

5.18 The committee is also concerned with the lack of information available about the environmental watering plan. It considers it necessary to more clearly develop the details of such a plan for the Basin system.

Recommendation 6

5.19 The committee recommends that the MDBA clearly and publicly explain whether the 2750 GL/y target, and any subsequently modelled targets, meet the water requirements of key environmental assets and key ecosystem functions which are set out in the Basin Plan and required by the *Water Act 2007* and to what extent they are met.

Socio-economic impacts

Committee view

5.20 The committee agrees with those witnesses who highlighted the significant and adverse impact that the Basin Plan will have on Basin communities.

5.21 The committee does not consider the potential for socio-economic impacts as a reason for not having a robust Basin Plan. It is the committee's view that changes to ensure the long-term ecological sustainability of the Basin system are also ultimately in the long-term interests of the Basin communities.

5.22 However, the committee remains concerned of the socio-economic impacts of the Basin Plan and believes it is necessary that further engagement with rural communities at a local level is needed to manage the challenges faced as a result of the Basin Plan.

5.23 The committee also considers that the relevant government departments need to further research the socio-economic impacts of the Basin Plan and articulate the results more clearly to the communities and key stakeholders.

Recommendation 7

5.24 The committee recommends that the MDBA clearly and publicly explain the socio-economic impacts of the 2750 GL/y target and any subsequently modelled targets.

Recommendation 8

5.25 The committee recommends that when the final Basin Plan is being implemented that the Government introduce support programs for Basin communities that are disproportionately affect by reduced water entitlements.

5.26 The Chair of the committee and Australian Greens committee members believe that the Basin Plan should be delayed rather than implemented in its current form. Acknowledging that the final version may differ from the various draft versions prepared by the MDBA, these committee members believe that the due to the following reasons the plan should be delayed:

- there is deep dissatisfaction among a wide-variety of stakeholders, from scientists, irrigators, farming organisations, rural and regional communities, environmental groups and MDB state governments;
- the drought-ending rains of the past two years provides the MBDA with more time to develop the right plan for the Basin; and
- as it stands, Parliament does not have the necessary socio-economic information and sufficient scientific justification to make an informed decision whether the plan meets the requirements of the *Water Act 2007*.

5.27 Accordingly these committee members believe that Minister Burke should delay the tabling of the plan.

Senator the Hon. Bill Heffernan

Chair