



Murray-Darling Basin Royal Commission
GPO Box 1445
Adelaide SA 5001

30 May 2018

Dear Commissioner Walker,

SUBMISSION TO MURRAY-DARLING BASIN ROYAL COMMISSION ISSUES PAPER NO 2

Thank you for the opportunity to provide a further submission to the Murray-Darling Basin Royal Commission.

Through our *Water For Nature* program, Nature Foundation SA has, since 2008, been delivering environmental water to multiple sites in the Murray River Valley in South Australia, mostly to sites on private land which complement larger government projects. We have held an annual allocation of water from the Commonwealth Environmental Water Holder (CEWH) since 2012 and demonstrated the environmental value of returning 10,000 ML to more than 80 sites. We have supported uptake of our *modus operandum* by two other organisations who have since obtained their own allocation from the CEWH.

While we are unable to say whether the Basin Plan construct reflects an Environmentally Sustainable Level of Take, we are most concerned that reductions in the volume of water recovery before the Plan has had time to take effect, and before sufficient monitoring and evaluation has been undertaken, can only erode the potential for the environmental recovery of the Basin.

We recognise that the negotiated water recovery targets established by the Basin Plan were based on scientific principles and data. Should the derivations of the targets have been deficient, leading to Sustainable Diversion Limits being set too high, then environmental, as well as social and economic impacts will continue to increase. An objective judgement of the necessary level of water recovery for an ecologically sustainable system will require cautious assessment over time, based on new information. That is to say, it may not be that the construct of the Basin Plan is of concern but rather that having set targets, the Basin Plan needs sufficient time to show its effect, to be objectively evaluated, then corrected if deficiencies are identified.

Notwithstanding the approach taken in the Basin Plan, our experience and that of our members leads us to share your concern that the current and projected volumes of water recovery under the Basin Plan do not equate to an Environmentally Sustainable Level of Take. The application of the precautionary principle would further support this position. We are therefore concerned that water

recovery targets are being eroded at an early stage in Basin Plan implementation, by political compromises and lack of compliance by some state governments with the intent and requirements of the Basin Plan. We are also concerned that the predicted impacts of climate change on water availability have not yet been factored into water recovery targets.

Our monitoring has collected and collated data to demonstrate the environmental benefit of watering at selected sites. We have consistently measured an improvement in condition in watered mature black box trees compared to the baseline condition in non-watered trees. Since the flood peak of December 2016, we have recorded a widening gap between watered and non-watered trees as baseline condition declines due to dry conditions.

The Murray River floodplains and ecosystems are still demonstrating reduced condition post-millennium drought, including mass deaths of river red gums at lower elevations on the floodplains. From our observations, much more water than is currently available to the CEWH will be needed to halt the decline in river and floodplain ecosystems, much less returning them to a healthy condition.

Nature Foundation SA supports the Basin Plan as intended in the Water Act 2007 for future sustainable management of Basin water resources and ecosystems. In order to strengthen the Basin Plan, Nature Foundation SA would support recommendations by the Royal Commission for actions to:

- ensure sufficient real water is available to the CEWH for distribution according to their Basin-wide management strategy
- support adequate long-term monitoring at Basin, regional and local scales, including reinstatement of the Sustainable Rivers Audit and funding for local monitoring
- protect delivery of environmental flows as and when required environmentally, and their re-use at multiple sites
- strengthen support for operation and monitoring by CEWH, including secure water allocations and sufficient long term funding
- provide more effective enforcement systems, including incentives and significant penalties to ensure states' compliance with water allocation rules across the Basin
- protect seasonal flows to support native fish habitat and replicating populations in the Lower Darling River
- ensure adequate flows to the Lower Murray to sustain ecosystems in the Lower Lakes, Murray Mouth and Coorong
- reinstate the National Water Commission or equivalent as an independent reviewer of the implementation process
- introduce incentives (or penalties) to speed up development and implementation of the supply projects to deliver environmental benefits to support the 605 GL reduction in water recovery volumes and to expedite development of projects to deliver the 450 GL of water to maintain flows
- ensure that water savings from projects designed to increase efficiency of water delivery and application are accurately measured to ensure that savings meet their specified targets and are returned to environmental use
- Place emphasis on mobilising and resourcing communities, businesses, aboriginal communities and landholders (all tenures) to be committed stewards of the floodplains, ecosystems and waters of the Murray Darling Basin

Our operations are limited by the amount of funding available to cover the cost of delivery of environmental water at on-ground sites. Available funding is subsidised by philanthropic grants,

donations from our members and supporters, and volunteers assisting with on-ground operations. One approach, only once the full volume of water has been recovered under the Basin Plan, which could provide additional funding to deliver more environmental water at local scales would be the ability to seasonally trade a portion of the water from within our allocation from the CEWH in order to fund delivery and monitoring costs. It is most important that the treasury appropriations to both the CEWH and the MDBA keep pace with inflation as a minimum, and that all states returning to paying the share they contributed prior to the reductions made at about the time of the Basin plan approval.

We would be happy to supply further clarification on these points if required.

Yours sincerely,

HUGO HOPTON
Chief Executive Officer