

Ministerial Council takes an important first step

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The New South Wales Irrigators' Council welcomes the agreement by the Murray–Darling Basin Ministerial Council on a socio-economic criteria which will be applied to efficiency measure projects.¹

The New South Wales Irrigators' Council strongly supports a water-tight Socio-Economic Outcomes Assessment, and believes this is a vital part of respecting rural communities in water reforms.

The agreement by Ministerial Council on Friday (14 December 2018) means that implementation of the Basin Plan will progress in a way that should not create detrimental impacts on already fragile rural communities.

The focus of the Ministerial Council on the social and economic impacts of water reforms is promising for irrigation farmers and rural communities, and is long over-due.

CEO of the New South Wales Irrigators' Council, Luke Simpkins, said "The socio-economic criteria for efficiency measures agreed to by Ministerial Council is an important first step. Our next steps are ensuring that a socio-economic criteria is a requirement for all future water reforms, and that it is accompanied by a Rural Communities Impact Statement."

"Water users and rural communities are at the frontline of water reforms. Our priority is ensuring they get a fair go, and that the process to determine impacts on families, livelihoods and communities is robust, based on a sound and consistent methodology, and accepted by people on the ground."

The criteria agreed to by Ministerial Council underpins the need for a consistent Rural Communities Impact Statement. Whilst Friday's agreement on the 13-part criteria [[LINK](#)] is promising, we must now work with Government to ensure the definitions, methodologies, thresholds and scales of analysis within this criteria are the most appropriate, consistent and transparent for rural communities. A requirement for a Rural Communities Impact Statement, following from the agreed socio-economic criteria, would achieve this aim.

¹ Projects which are aimed at recovering 450GL of water for the environment under the *Basin Plan 2012 (Cth)*.

It is important that impacts are identified at the individual, community and industry level, and that these impacts are responded to appropriately. Part of doing this will involve really working with local communities to recognise and utilise the vast knowledge held within these communities.

We have seen how insufficient socio-economic assessments have resulted in significant community frustration with devastating impacts on communities and rural economies. We strongly hope this is a turning point so irrigation farmers and rural communities are respected in water reforms, the petty political games of the past are put behind us, and the Basin Plan can achieve real environmental outcomes without decimating large swathes of rural NSW.

The New South Wales Irrigators' Council looks forward to seeing further details of the criteria and the plans for how the criteria will be applied.

Background

The Murray-Darling Basin Plan requires that 450GL of water is recovered for the environment through efficiency measures by 2024. Efficiency measures are “activities that change water use practices and save water”². They are a large part of the Basin Plan’s sustainable diversion limit adjustment mechanism.

There are many different types of efficiency measures, which can be either on or off farm. Common examples include lining irrigation channels and automating channel control structures. The recent Ministerial Council decision establishes a criteria to ensure that efficiency measures have only neutral or positive impacts on rural communities.

Historically, it has long been the case under *The Basin Plan 2012 (Cth)* that efficiency projects should only have neutral or positive social and economic impacts. However, there has been no agreement as to how impacts are measured and assessed, and whether impacts are to individual water users or to communities more broadly.

The Ministerial Council (comprised of Ministers from each of the Basin states as well as the Commonwealth) agreed on Friday to a criteria to address this issue. Whilst it is very promising to see a criteria developed, the test will be seeing the detail, and how this criteria can be applied in the best way possible.

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Approved TN

² Australian Government Department of Agriculture and Water Resources, “Efficiency Measures”, September 2018. Available at: <http://www.agriculture.gov.au/water/mdb/policy/efficiency-measures>