



RURAL SCHOOLS REPORT

The socioeconomic impacts of water reform on
schools in the NSW southern Murray-Darling Basin

NSW Irrigators' Council
October 2023



Excerpt from Bernie Roebuck's address at Deniliquin water rally

December 2011

So what has the Murray Darling Basin Plan have to do with school principals? In truth, heaps ... our students are the group of people that will be most affected by whatever the final decision is in regard to the Basin Plan – the full effects of these proposals will fall on my children's heads and their children – we must not forget this. It also affects our staff – their future employment is at stake, the value of the homes that many of them purchase is at stake.

It also affects school communities. Uncertainty has already taken its toll in many instances – the young people that we work with on a daily basis are not oblivious to the pressures that their mums and dads are under, and there is no question that affects many of them.

*This is my second stint at Finley High. In 1990 when I was first appointed there as a Head Teacher the **student population was 720. Currently our enrolment is 450 – a decline of close to 40%.** In the Deniliquin area of schools known as South West Riverina this enrolment decline is similar across all schools.*

*What has this meant for schools – less students means we can give students less options in terms of curriculum choice, recruiting staff is more challenging. Because there is uncertainty of employment, the pool of quality students in each year group continues to get smaller and this can have a critical impact on student outcomes. We have any number of schools that are so critically small now that they are absolutely in danger of closing or of not being able to deliver a quality education – **this is not some emotive throwaway line, it is the honest truth.***

Of greatest concern for students is their life after school. Increasingly they know that local jobs are hard to come by. Increasingly young people see no future in their communities. Some see no point in studying when there is a limited future. We constantly hear about things such as skills shortages but ... try a find a building apprenticeship easily in this part of the world. Increasingly they seek work away from these communities and so not surprisingly rural communities have less and less young people.

The decline of schools in our communities has other effects as well – less students means less teaching and admin staff, and often affects trades that support schools such as builders, plumbers, electricians, local grocers, bus drivers etc. so that income therefore disappears from the local economy and the multiplier effect on local businesses rolls out.

Bernie Roebuck, Principal Finley High School, and proudly a resident in the Riverina for four decades¹

¹ [Bernie Roebuck – Finley High School Principal's address at Deniliquin's water rally \(16 December 2011\)](#)

Executive Summary

A growing body of literature demonstrates that water recovery through buybacks has negative socioeconomic impacts in rural communities across the Murray-Darling Basin. This report investigates the relationship between water reform and the associated impacts in schools across the NSW southern Murray-Darling Basin.

While it is difficult to determine causation due to a range of contributing factors, there is strong evidence of a correlation between communities impacted by water reforms and poorer school outcomes. 'My Schools' data indicates declining total enrolments across schools in rural NSW southern Murray-Darling Basin following the 2008 to 2012 Murray-Darling Basin Plan buybacks, suggesting policy decisions are leaving students and schools in smaller Basin communities worse off than they would be otherwise.

Interviews with rural principals provide lived experiences that highlight that policy impacts are not isolated to farmers and their staff, but affect the wider community, especially rural combined, primary, and high schools. Principals reflected on how a decline in smaller family-run farms affect enrolments at local schools, highlighting how lower student numbers then flow through to staff arrangements, subject options for students, and the allocation of resources.

The nature and extent of the impacts of the Murray-Darling Basin Plan on rural communities must be understood. The Goneski Report calls for "a coordinated approach across the NSW and Federal Government to improve the economic conditions and access to social and health services for rural and regional communities", to improve school outcomes.

Key Findings

School enrolment in every region of the NSW sMDB declined over 10 years during Basin Plan implementation by more than the maximum class size of 30 students². Put simply, **an entire class of high-school students has been lost on average in every NSW sMDB region over this period.**

More starkly, **the difference for Albury, Deniliquin and Griffith regions is comparable to losing two classes worth of students.** Specifically, the percentage change over 10 years for high schools in these regions were: Albury (- 11.7%), **Deniliquin (- 18.2%), Griffith (- 25.9%),** Hume (- 10.5%), Narrandera (- 5.5%) and Wagga Wagga (- 5.8%).

The most significant periods of decline were:

- Albury region high schools – the average 646 enrolments per high school (2014) declined to 570 (2022).
- Deniliquin region high schools – the average 383 enrolments per school (2014) declined to 313 (2022).
- Griffith region high schools – the average 203 enrolments per school (2015) declined to 143 (2022).

Qualitative analysis suggests water reforms played a major contributing role in this decline (alongside other drivers). The impacts of water reforms on farm production (and therefore declining employment in towns, changing population demographics, declining economic prosperity, and declining community services) are identified as key contributing factors to falling student enrolments.

Purpose

This report investigates the ripple effect on rural schools of water reforms in the NSW southern Murray-Darling Basin. While it is difficult to determine causation due to a range of contributing factors, there is strong evidence of a correlation between communities impacted by water reforms and poorer school outcomes in terms of falling enrolments, declining curriculum choice and a diminished educational dividend.

Introduction

The local public school is an important community institution central to the identity of many rural and regional communities³

The Goneski Institute’s 2023 Rural and Regional Education Project Final Report (herein Goneski Report) states that the vitality of regional and rural schools depends on student enrolments, which vary from school-to-school depending on economic, demographic, and geographic placement. Schools are commonly the only government service in rural communities, or the longest-lasting government institution when a community is in decline⁴.

The NSW southern Murray-Darling Basin community (herein sMDB) has faced several socioeconomic⁵ challenges stemming from the implementation of numerous water reforms, including the 2012 Murray-Darling Basin Plan (herein MDBP). This reform has resulted more than 2100 billion litres (gigalitres, GL) of water (more than four Sydney Harbours) being recovered from agriculture for the environment⁶, in addition to 875 GL from prior reforms. As a result, total diversions for agriculture, towns and industry have been reduced to just 28% of inflows. The impacts of this reform goes beyond the farm gate and production of food and fibre, to ripple across agricultural communities to affect local businesses, service industries, sporting clubs and schools, for example.

School communities are not immune from these impacts, with students, teachers, non-teaching staff, parents and school executive all concerned for both the short- and long-term impacts on educational outcomes, job prospects, and the longevity of communities they call home.

Many of the issues that affect rural and regional communities and their viability impinge on schools and will require whole-of-government approaches to their solution⁷

The Goneski report suggests there is opportunity to “apply a coordinated approach across the NSW and Federal Government to improve the economic conditions and access to social and health services for rural and regional communities. These are necessary pre-conditions for improving educational outcomes.”

³ [Goneski Institute - Rural and Regional Education Project Final Report \(July 2023\)](#)

⁴ [Goneski Institute – Rural and Regional Education Project Final Report \(July 2023\)](#)

⁵ [Final Report: Independent assessment of social and economic conditions in the Murray-Darling Basin \(April 2020\); MDBA Southern Basin community profiles \(June 2018\)](#)

⁶ [DCCEEW - Progress on Murray-Darling Basin water recovery](#)

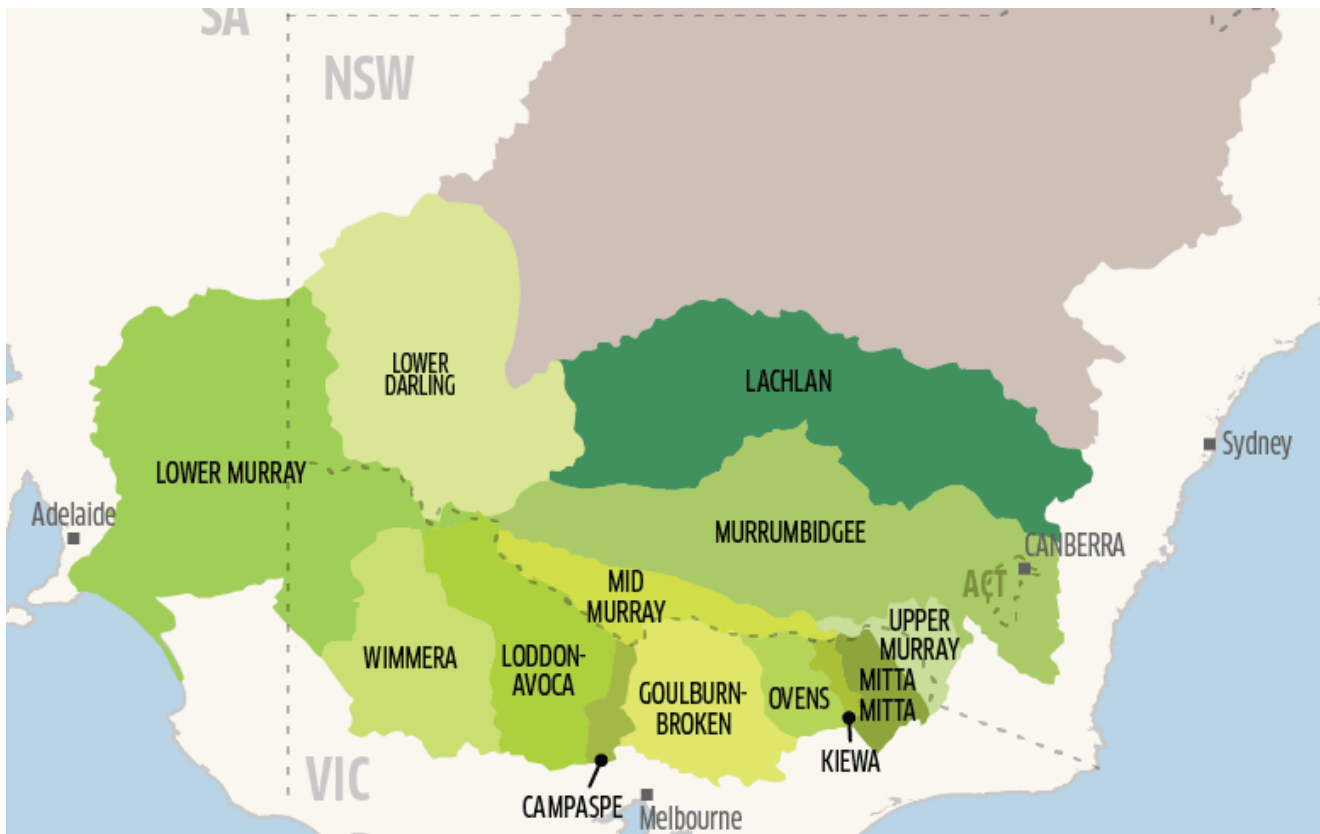
⁷ [Goneski Institute - Rural and Regional Education Project Final Report \(July 2023\)](#)

Region Snapshot: Southern Murray-Darling Basin

The Southern Murray Darling Basin (herein sMDB) encompasses regions across NSW, ACT, VIC, and SA. The NSW southern MDB includes the Lower Darling, Lachlan, Murrumbidgee, and Murray valleys. These regions in NSW are called the 'food bowl' due to their high agricultural productivity.

In 2020-21, primary industries in the NSW sMDB Region (Murray and Murrumbidgee valleys) had a total value of \$6.2 billion, a third of the NSW total. The Murray region contributed 56% of NSW's total output of pigs, 25% canola, 18% hay, 16% barley and 15% milk. The Riverina contributed 63% of the NSW total output of oranges, 45% wine grapes, 41% of canola, 33% poultry, and 29% barley. Commodities in the sMDB were valued at cropping \$3085m, livestock \$1475m, livestock products \$480m, horticulture \$732m, winegrapes \$120m, forestry \$155m, and fisheries \$15m⁸.

Figure 1: Southern Murray Darling Basin, including NSW, ACT, VIC and SA⁹



⁸ [DPI – Regional Output 2022](#)

⁹ [MDBA – Southern Basin Catchments](#)

Table 1 shows the volume of water recovered (GL) from the NSW sMDB communities profiled by the Murray-Darling Basin Authority (MDBA) in 2017, and the percentage of their total entitlement that this represents¹⁰.

Community	Irrigation Infrastructure Operator	GL recovered (GL)	% of total entitlement
Benerembah	Murrumbidgee Irrigation	25	12.1
Hillston	Murrumbidgee Irrigation	31.3	29.7
Mirrool	Murrumbidgee Irrigation	18.1	3.8
Tabbita	Murrumbidgee Irrigation	0.4	1.7
Wah Wah	Murrumbidgee Irrigation	9.8	8.2
Yanco	Murrumbidgee Irrigation	17.5	4.6
Coleambally	Coleambally Irrigation	25.1	7.9
Hay		70.7	28.6
Berrigan-Finley	Murray Irrigation	64.3	10.4
Wakool	Murray Irrigation	97.9	38
Deniboota	Murray Irrigation	49.5	28.3
Denimein	Murray Irrigation	16.1	22.2
West Berriquin	Murray Irrigation	31.9	24.4
Coomealla	Western Murray Irrigation	6.5	7.3
Wentworth		4.1	11.5

Table 1: Volume of water recovered per community profile area

As this table shows, more than 24% of the total water entitlement volume was recovered for the environment in many of these communities, such as Hay, Hillston, Deniboota (near Deniliquin), West Berriquin (near Finley), Wakool and Denimein (near Deniliquin).

The changes in the water available for farming in the communities studied in this report are multifaceted, including:

- A smaller pool of water available for growing food and fibre, through government buybacks of water licences;
- An increase in the price of water to grow food and fibre;
- An increase in the costs of doing business, such as higher water licence fees and Independent Infrastructure Operator charges, as well as increased costly regulation (e.g., new metering reforms);
- A reduction to the reliability of water allocated to entitlements, driven by both climatic and policy drivers.

These issues will be compounded by the Federal Government wanting to re-enter the water market to buy another 450 GL promised to South Australia in the last election. It must be understood that buybacks are neither cheap, easy nor quick. High security water entitlements prices have almost quadrupled since the last buyback tenders more than a decade ago, from around \$2200/ML to \$6000-\$9500/ML¹¹. Buybacks have already driven allocation prices up an average \$72/ML, with prices reaching higher than \$200/ML in every three out of 10 years¹², making it cost-prohibitive for many farmers to purchase consumptive water used to grow food and fibre.

¹⁰ [NSWIC – Job Impacts \(April 2022\)](#)

¹¹ [NSWIC – Guide to Fixing the Basin Plan \(July 2023\)](#)

¹² [ABARES Insights – Economic effects of water recover in the Murray-Darling Basin \(2020\)](#)

Water recovery for the environment has also been linked to 30 percent (3,261) of 10,801.5 FTE jobs lost across 40 sMDB communities from 2001 to 2016, according to the MDBA 2017 community profiles¹³. Jobs losses attributed to water recovery for the environment were relatively high in several small NSW communities such as Wakool, Hay, and Leeton¹⁴.

The Goneski Report provides insight into the on-ground impacts beyond these cold statistics, reporting that the towns participating in its research experienced a decline in people working in agriculture-related industries, and a general decrease in school enrolments across primary and high schools. Surveys reveal community members and teachers were concerned about the declining local economy due to loss of industry and service sectors, in addition to difficulties accessing medical and social support services¹⁵.

Despite these concerning trends, the Commonwealth Government is proposing to re-enter the market to purchase more water than enabled in the current 2012 MDBP, further shrinking the pool of water remaining for farmers to grow food and fibre, and support services industries and jobs in towns. For example, the NSW portion of the additional 450 GL now sought by the Commonwealth Government is the equivalent of nearly half (44%) of the remaining high-security consumptive water (LTDLE) in the NSW Southern Connected Systems¹⁶.

Even if the Commonwealth spread out buybacks over several years, it would still distort the market, driving up permanent (entitlement) prices and breaching ACCC recommended reforms to stop market participants capturing or distorting the market¹⁷.

Further, ABARES data suggests that if another 450GL is removed from the sMDB consumptive pool for farmers, temporary (allocation) water prices will be higher than \$200/ML in eight out of 10 years¹⁸. Most farmers cannot afford to stay in business paying prices that high, that often.

For communities in the sMDB, the ongoing threat of water buybacks casts a grim outlook on community socioeconomic health. The Water Amendment (Restoring our Rivers) 2023 Bill now before Parliament proposed to enable buybacks for the first time for the 450 GL of water promised to South Australia, in addition to an estimated shortfall of 190-315 GL from supply measures under the Sustainable Diversion Limit Adjustment Mechanism (SDLAM).

A Frontier Economics report analysing the socioeconomic impacts of water recovery found that buying back this much water would “profoundly alter the mix of irrigation businesses in the Basin” and would result in “an extra 13,600-17,400 hectares of high-value horticulture being dried off in a repeat of the Millennium Drought. This is equivalent to more than the combined total of 12,640 hectares of irrigated perennial horticultural plantings in the First Mildura, Merbein, Nyah, Red Cliffs, and Robinvale Irrigation Districts in 2021”¹⁹.

¹³ [MDBA: Southern Basin community profiles \(2017\)](#)

¹⁴ [NSWIC - Job Impacts Socioeconomic Report \(April 2023\)](#)

¹⁵ [Goneski Institute - Rural and Regional Education Project Final Report \(July 2023\)](#)

¹⁶ [Productivity Commission - Murray-Darling Basin Plan: Five Year Assessment \(January 2019\)](#)

¹⁷ [NSWIC – Guide to Fixing the Basin Plan \(July 2023\)](#)

¹⁸ [ABARES Insights – Economic effects of water recover in the Murray-Darling Basin \(2020\)](#)

¹⁹ [Frontier Economics – Social and economic impacts of the Basin Plan in Victoria \(October 2022\)](#)

Methodology

For this report two types of data were collected:

- Quantitative data - student enrolments from the My School data hub.
- Qualitative data – from interviews (via phone calls) and open questionnaires (emails) with principals and vice-principals of schools in the southern MDB.

Quantitative Data

Data from Finding a Public School²⁰ was used to collate a list of combined (K-12), primary (K-6) and high (7-12) schools. To target the sMDB, the regions of *Rural South* and *West* included were:

- Albury
- Deniliquin
- Griffith
- Hume
- Narrandera
- Temora
- Wagga Wagga

The My School platform²¹ was used to gather data from each school within these regions. The number of total enrolments were collected from every school's profile for each year from 2014 to 2022 (noting data limitations from pre-2014 preventing more historical analysis). While the time period is after the water buybacks occurred from 2008 to 2012, the socioeconomic impacts only gradually became apparent over the following decade.

Using this data, we recorded and calculated the following:

- For every school: the total enrolments for each year across the nine-year period.
- For every region:
 - The average total enrolments for each year.
 - The range of average total enrolments across the nine-year period.
 - The difference between average total enrolments from 2014 to 2022.
 - Positive number demonstrating an increase in average total enrolments.
 - Negative number demonstrating a decline in average total enrolments.
 - Cross-sectional variation – the largest decline in average total enrolments and the consecutive years this decline occurred across.

Qualitative Data

A primary and high school principal from each region were contacted for interview. Questions included:

1. How long have you worked as a principal?
2. What factors do you think impact enrolment numbers at your school?
3. Did you observe any change in student enrolments during and/or after the government bought back water in 2008-2012, or from any other major water reforms in your region?
4. Describe the relationship between the agriculture industry and your school?

Notable quotes from these phone and email conversations were recorded.

²⁰ [Finding a Public School – Rural South and West](#)

²¹ [ACARA - My School](#)

Data from the Southern Murray-Darling Basin

Student Enrolment in Rural Schools (by region)

Region	School Type	Average total school enrolments in each region									Difference 2014 to 2022	Enrolment range			Largest period of decline in enrolments	
		2014	2015	2016	2017	2018	2019	2020	2021	2022		Lowest	Highest	Difference	Number	Years
Albury	Primary (14)	226	229	232	232	243	245	251	251	251	+25	226	251	25		No decline
	High (3)	646	620	606	585	607	631	624	589	570	-76	570	646	76	61	2019-2022
Denili-quin	Combined (2)	130	147	140	139	132	130	140	140	149	+19	130	149	19	17	2015-2019
	Primary (16)	101	100	97	93	91	86	84	81	80	-21	80	101	21	21	2014-2022
	High (3)	383	372	358	347	327	332	335	327	313	-70	313	383	70	56	2014-2018
Griffith	Combined (2)	102	99	87	97	100	100	99	98	110	+8	87	110	23	15	2014-2016
	Primary (13)	178	180	180	180	180	178	174	170	166	-12	166	180	14	14	2018-2022
	High (1)	193	203	186	182	173	149	160	155	143	-50	143	203	60	54	2015-2019
Hume	Combined (1)	131	142	156	162	183	173	179	187	178	+47	131	187	56	10	2018-2019
	Primary (18)	79	79	76	78	72	72	72	69	65	-14	65	79	14	7	2020-2022
	High (2)	388	373	372	354	348	351	358	355	347	-41	347	388	41	40	2014-2018
Narran-dera	Combined (4)	187	183	182	173	171	160	154	154	163	-24	154	187	33	33	2014-2020
	Primary (12)	102	105	109	111	111	108	106	107	108	+6	102	111	9	5	2018-2020
	High (3)	362	363	342	331	340	337	347	337	342	-20	331	363	32	32	2015-2018
Temora	Primary (15)	117	124	128	123	126	126	120	122	122	+5	117	128	11	6	2019-2020
	High (5)	420	414	416	422	428	432	423	412	392	+28	392	432	40	40	2019-2022
Wagga Wagga	Primary (14)	273	271	275	284	283	287	291	271	263	-10	291	263	28	28	2020-2022
	High (3)	819	808	806	808	778	795	773	774	771	-48	771	819	48	30	2017-2018

Table 2: Average number of total school enrolments in each region (schools with a decline of 30 or more enrolments are highlighted blue, period of decline in enrolments shown in blue text)

Data Analysis

Table 2 outlines the trend of declining school enrolments across the sMDB. Albury high schools, Deniliquin primary and high schools, Griffith primary and high schools, Hume primary and high schools, Narrandera combined schools, and Wagga Wagga high schools begin with their highest number of average total enrolments in 2014-15 and generally decline to their lowest number of average total enrolment in 2021-22.

Significant regions to note include:

- Albury region high schools – the average 646 enrolments per school (2014) declined to 570 (2022).
- Deniliquin region high schools – the average 383 enrolments per school (2014) declined to 313 (2022)
- Griffith region high schools – the average 203 enrolments per school (2015) declined to 143 (2022).

When observing the consecutive year periods that high schools experienced their largest decline in average total enrolments, these periods fell into one of two categories: 2014-2019 or 2019-2022.

2014-2019	2019-2022
<ul style="list-style-type: none"> • Deniliquin high schools – declined by 61 enrolments • Griffith high schools – declined by 54 enrolments • Hume high schools – declined by 40 enrolments • Wagga Wagga high schools – declined by 48 enrolments 	<ul style="list-style-type: none"> • Albury high schools – declined by 61 enrolments • Temora high schools – declined by 40 enrolments

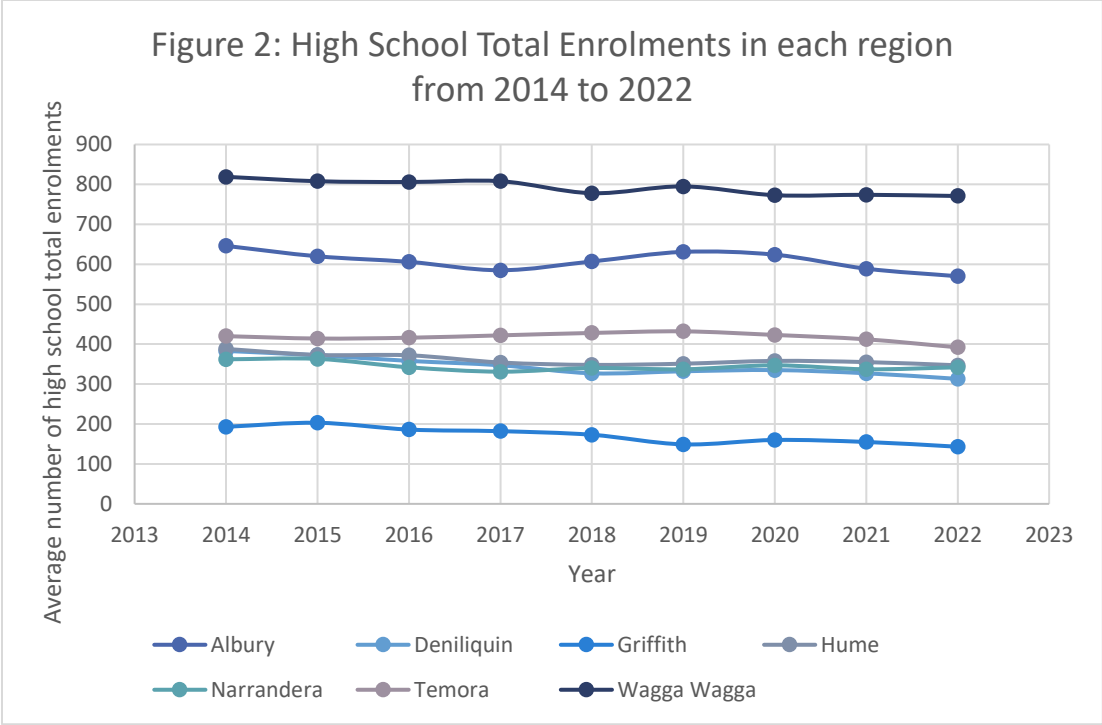
Table 3: Largest decline in average total high school enrolments across consecutive years in specific regions

It could be hypothesised that water reform influenced the average total enrolment declines occurring from 2014-2019, as these years immediately followed the buybacks that occurred between 2008 to 2012. This is notes that the flow-on community impacts from buybacks and water reform are not necessarily instantaneous, but take time to ripple through the community, as some businesses seek to hang on and funding for services such as schools and health adjusts. For average total enrolment declines in 2019-2022, this could have been a result of the 2018 drought that affected over 99% of NSW²².

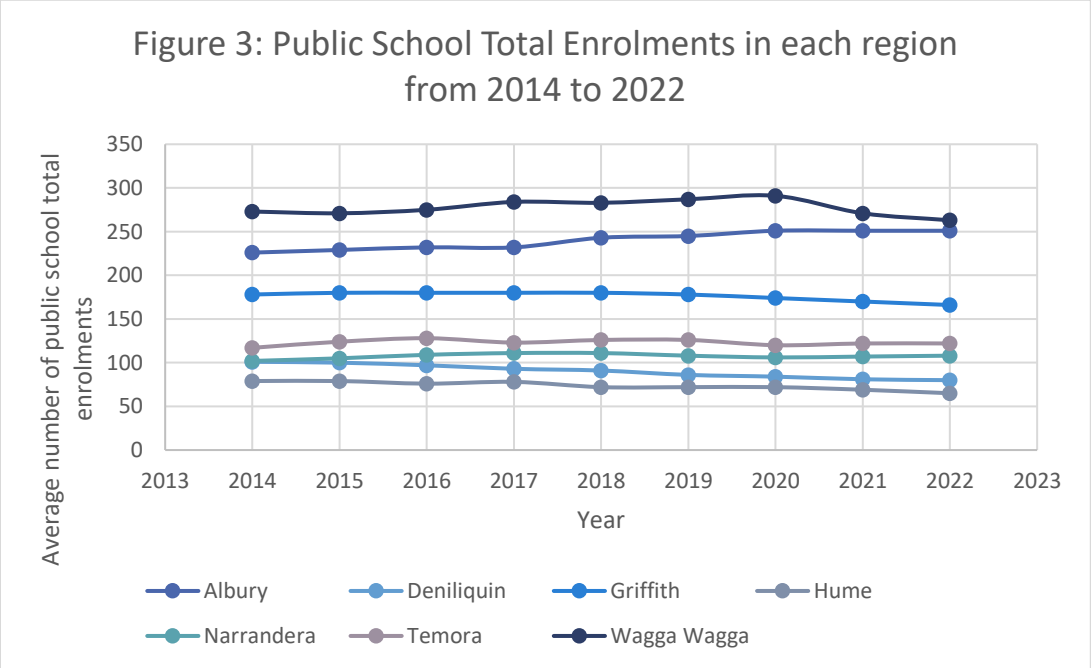
Table 2 demonstrates that in every region, the variability (enrolment range) in average total enrolments in high school exceeded the maximum class size of 30 students²³. The difference between Albury, Deniliquin and Griffith region high schools is comparable to two classes worth of students. Figure 2 illustrates this decline. This is a significant level of variability in these rural communities and demonstrates a significant decline of student enrolments.

²² [AdaptNSW - Climate change impacts on drought](#)

²³ [NSW Government Education – Staffing Agreement 2021-2024](#)



The range of average number total enrolments is lower in primary schools, likely due to the high number of smaller primary schools that feed into larger high schools. The higher number of primary schools result in a lower average of total enrolments and a smaller range between high and low average total enrolments as seen in Figure 3. It is evident that there is a reasonable amount of variation.



Interviews

Factors affecting school enrolments

Interviews with sMDB principals echoed the data uncovered in Table 2, with all principals agreeing that “A lot of our rural schools have declining enrolments because of what happens on farms”.

Three key factors were raised by principals when discussing the cause of declining school enrolments:

- A decline in the number of small family run farms due to water reform and drought.
- An increase in the average age of regional communities.
- A decline in community services.

Decline of small family run farms

Principals noted the change in operating model for farms in their area, shifting from a high numbers of small family run farms, to larger farming operations. Observations included:

- *“Land holdings went from family farms with many kids, to conglomerates.”*
- *“There used to be a large number of smaller dairy farms, their staff would live in houses on the property too... those farms are closed now, we’ve gone from 250 to 25.”*
- *“The number of rice farms have also gone down... there has been a move to less water-intensive crops.”*
- *“Now there is one owner who owns multiple properties and gets contractors in to look after them.”*

This closure of family run farms has been linked two main causes: water recovery efforts for the environment and drought.

Water Reforms

“Communities in the Riverina – Blighty, Finley and Holbrook, where I do believe there has been a negative impact on enrolments in the area [due to buybacks].”

Principals made several comments reflecting on the impact of water reforms on their communities, including

- *“I do think government policy and the impacts of the Basin plan are having impacts on the local community.”*
- *“Local kids went to rallies with their families about the impacts of the Basin Plan. Post-Covid it’s gone quiet though.”*
- *“Those who are making the policies [across the board] have no lived experiences in the affected communities.”*
- *“There’s no whole of government approach to these issues.”*

This reiterates the perceived negative socioeconomic impacts that water recovery efforts have on sMDB communities.

Drought

Some principals also noted the role of drought in causing families to sell their properties and water and move. One noted, *“Drought meant farms had to consolidate farmhands and let staff go.”* This corresponds with water allocation patterns during drought time, where irrigation farmers receive zero or low water allocations (as water is first allocated to town water supply and the environment under allocation hierarchies) as occurred in the recent (2019) drought years. The impacts of water reforms are also felt hardest during droughts, when an already smaller pool of water left available for farming dries up even more, and water prices soar.

Changing community demographics

Community demographics reflect the prosperity of the agricultural industry. Several school principals noted that their regional communities are getting older with fewer families with school-aged children moving into these areas²⁴. Comments from principals included, *“With more retirees moving into the area, it’s driving up house prices preventing young families from moving in”*, and *“our nursing home is the biggest provider of jobs”*, suggesting the future of the town might be in the service of this demographic.

Loss of community services

Government service availability has declined across the sMDB, reducing incentives for trained professionals to move their families to rural communities, or to remain in these locations. One principal said *“with less government services, there are less professionals in the area”* noting this was a loss of education and skill for the wider community. This demonstrates the loss of community services is deeply interconnected with the prosperity of the agricultural industry in sMDB communities.

Impacts of Declining School Enrolments

Challenges within the School

The declining school population presents several internal challenges, including difficulties with staffing arrangements, reduction in subject options and reduced allocation of resources.

Staffing arrangements

Due to a lack of incentives within the community, attracting new teachers to fill vacancies is difficult. *“There are classes every day that don’t have a teacher, or that need to be combined,”* said one principal, *“I also teach two days a week... it’s just something I have to do”*.

Low enrolments can mean a class, or a teacher are lost. *“Losing one family – that is three kids – could drop you a class or a teacher. The numbers are critical,”* reported another principal.

Reduced subject options

“We have to try to have staff onsite that can teach across as many subjects as possible,” reported one principal, explaining that this was to ensure high school students still had a breadth of subjects to choose from. Another principal explained *“If there aren’t enough subjects, they might move to a school that has more”*.

²⁴ [Goneski Institute - Rural and Regional Education Project Final Report \(July 2023\)](#)

Allocation of resources

Declining student enrolments directly impact allocation of Department of Education resources. The decline of student enrolments *“in the small communities like Finley and Blighty, it had a huge impact on the school. The funding we received lowered, teaching and school admin position entitlements lowered.”* This is a worrying trend as many regional schools are already under-resourced and short-staffed.

Another principal reported *“we have a high departure rate due to availability of apprenticeships into trade – any kid that wants it can get it.”* While the school celebrates these opportunities as a strength of the regional community, the Department of Education *“measures success by the number of year 12 graduates”*, demonstrating how total enrolment figures are used to determine resourcing.

Challenges beyond the School

In all regional communities, grief is experienced by the school and wider community when longstanding members of the community must move. *“People think oh my gosh not another one,”* one principal said, *“they worry about the flow on effects”*. Another principle noted *“the water buybacks create anxiety and worry ... there is a lot of angst in the community”*.

Many community businesses and organisations experience secondary impacts when a family unenrolls from a school and moves out of the community. One principal termed this experience as being a *“dislocation in the community”* - when the community's way of life is greatly disturbed, preventing it from continuing as normal²⁵.

During interviews, specific examples of dislocation included:

- *“With less people working at the piggery, that’s less people visiting the local shops and hairdressers.”*
- *“The local pub loses customers.”*
- *“Organisations like the local kids’ sport team don’t have people to run them.”*
- *“It impacts on the local stores, the football/netball clubs etc. Then families start leaving because there are no longer enough boys, girls or students in their grade.”*
- *“We have one bank in town, people wonder what will happen if it closes.”*
- *“We’ve got a small post office, and only the essential services.”*
- *“The hospital is only small. It once attracted doctors, but not anymore.”*

As one principal put it, when a family moves out of town *“they stop spending money in our small towns economy and spend it elsewhere”*. This continues the cycle of hardship and socioeconomic decline experienced in rural communities, where cost of living prices continues to increase.

The Goneski Report found school staff struggled to access services like *“community health services, social services, and specialist medical services to diagnose and treat acute issues”* to help students. Cost, location, and poor transport are cited as barriers to access services, resulting in a worsening crisis in rural communities²⁶.

²⁵ [Collins Dictionary – Social Dislocation](#)

²⁶ [Goneski Institute - Rural and Regional Education Project Final Report \(July 2023\)](#)

Conclusion

Overall, this report demonstrates that water reforms such as the Murray-Darling Basin Plan have tangible and ongoing negative socioeconomic impacts in rural communities in the southern Murray-Darling Basin.

These impacts are not isolated to farmers and their staff, but are experienced by the wider community beyond the farm gate, especially rural combined, primary, and high schools which represent the vitality of regional communities.

This finding is consistent with the growing body of literature that suggests that water recovery through buybacks has negative socioeconomic impacts²⁷. The nature and extent of the impacts on rural communities must be understood.

As one principal stated, *“we will always have a high school; we will always have public schools in our community as long as there are families”*.

The lingering question in these southern Murray-Darling Basin communities is whether decision-makers will provide a whole of government approach that listens and responds to the needs of their communities and provides a reason for families to stay.

²⁷ For example: 2020 ‘Sefton Report’ – [Final Report: Independent assessment of social and economic conditions in the Murray-Darling Basin](#)