

Murray–Darling Basin Plan Review: Balranald Shire Council

1. Purpose

Balranald Shire Council welcomes the opportunity to provide input into the review of the Murray–Darling Basin Plan.

This submission focuses on the local government perspective at the downstream, community interface, where national water policy settings are ultimately experienced as economic, demographic, and service delivery outcomes.

2. Core Position

Balranald Shire Council supports the objective of a healthy and sustainable Basin system.

However, Council submits that:

Current policy settings **have removed economic capacity from Basin communities** faster than replacement strategies have been delivered.

This structural imbalance is now materially impacting:

- Community viability
- Local government financial sustainability
- Long-term regional resilience

3. The Three Critical Challenges

3.1 Externally Driven Water Policy Impacts

Local government is required to manage the consequences of water policy settings over which it has **no control or influence**.

Key issues:

- Water recovery (including buybacks) reduces irrigation activity and regional economic output
- Policy volatility creates uncertainty for investment and planning
- Decision-making is centralised, while **impacts are decentralised and localised**

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Implication:

Councils are increasingly responsible for **managing decline rather than enabling growth**.

3.2 Structural Infrastructure Funding Deficit

Remote Basin councils face a **high-cost, low-revenue environment**, particularly for:

- Water and sewer infrastructure
- Roads and freight networks
- Community services and facilities

At the same time:

- Rate bases are eroding due to reduced economic activity
- Grant programs often require co-contributions beyond local capacity

Implication:

There is a growing mismatch between:

- Infrastructure obligations, and
- Financial capacity to deliver and maintain them

3.3 Demographic and Workforce Decline

Population declines and workforce shortages are accelerating, driven in part by:

- Contraction in irrigation-dependent industries
- Reduced employment opportunities
- Diminished confidence in long-term regional viability

This results in:

- Reduced service demand thresholds
- Increased per capita costs
- Difficulty attracting and retaining skilled staff

Implication:

Council's capacity to deliver core services and plan strategically is being progressively undermined.

4. Policy Settings Contributing to These Outcomes

Council notes that the following policy settings are materially contributing to these challenges:

- Water recovery policies, including buybacks
- Recent acceleration of recovery settings, including expanded buyback mechanisms
- **Shift from infrastructure-based recovery to market-based recovery**

While these settings may be economically efficient in isolation, they are:

Socially and regionally disruptive when implemented without adequate transition mechanisms.

In particular:

- Infrastructure programs historically **retained productive capacity locally**
- Buybacks **permanently remove productive capacity across the agricultural value chain**

5. The Critical Policy Gap – What is Missing

The Basin Plan framework remains deficient in one critical respect:

There is no comprehensive, long-term regional transition strategy commensurate with the scale of economic adjustment being driven by water policy.

Specifically missing are:

5.1 Place-Based Transition Frameworks

- Long-term, region-specific adjustment planning
- Integration of water policy with economic development and land-use planning

5.2 Sustained Economic Diversification Investment

- Industry development beyond irrigation-dependent agriculture
- Enabling infrastructure to support new economic activity

5.3 Local Government-Led Adjustment Programs

- Direct resourcing of councils as place managers
- Empowerment of local government to lead transition responses

6. Erosion of Community Confidence

Across Basin communities, there is a consistent and growing sentiment:

Trust in governments to support communities through reform is diminishing.

This is not anecdotal; it is a repeated and consistent theme across:

- Regional forums
- Intergovernmental discussions
- Community engagement processes

Implication:

Without visible, credible transition strategies, further reform risks:

- Increased community resistance
- Reduced policy legitimacy
- Poorer long-term outcomes

7. Policy Design Considerations for Plan (Mk II)

Balranald Shire Council recommends that the revised Basin Plan:

7.1 Rebalance Recovery Mechanisms

- Greater emphasis on **infrastructure-based recovery** where feasible
- Recognition of the **regional economic multipliers** of retained production

7.2 Integrate Socio-Economic Outcomes as Core Objectives

- Move beyond mitigation to **co-equal consideration of community sustainability**
- Establish measurable socio-economic performance indicators

7.3 Establish a Basin Communities Transition Program

- Long-term (10–20 year) funding commitment
- Place-based delivery model
- Alignment with local government planning frameworks

7.4 Strengthen Local Government Involvement

- Formal role for councils in Basin planning and implementation
- Direct funding pathways to local government

7.5 Address the Supply-Side Constraint

Council notes that current policy settings focus almost exclusively on **reducing demand (water recovery)**.

Consideration should also be given to:

- Strategic augmentation of supply where feasible
- System efficiency improvements at scale

8. Conclusion

Balranald Shire Council reiterates its support for a sustainable Basin.

However:

Sustainability must apply **equally to rivers and to the communities** that depend on them.

Plan Mk II represents an opportunity to correct the current imbalance by:

- Aligning environmental outcomes with regional sustainability
- Restoring confidence in government policy
- Ensuring Basin communities remain viable into the future

9. Final Statement

The success of the Murray–Darling Basin Plan will ultimately be judged not only by environmental outcomes, but by whether Basin communities continue to exist, function, and prosper.

Balranald Shire Council urges the Authority to ensure that the revised MDBP delivers both.