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Intention to present at SA Royal Commission on the MDB reforms

Dear SA Royal Commissioners

I would like to present evidence to your Commission.

Attached are several papers that focus on how to incorporate the best available science as required under the Water Act. I have had these published since departing my role as an executive at the MDBA. I worked in this role between 2008 and 2013 (see attached CV) after a distinguished career in natural resource management policy and research, including as a director of Land and Water Australia (a statutory corporation established to deliver R&D on enhancing the sustainable management of Australia's land and water.

In my role at the MDBA I had profound concerns about how climate change science was addressed in the MD plan and the planning processes and whether the decision to base future water availability assessments were in accordance with the requirements of the Water Act. These concerns are articulated in the paper published in Water Policy and Economics (attached). I also had concerns about the design of the monitoring and enforcement regimes. These proposals were actively discussed at the MDBA and again articulated in a brief article in the online journal the Conversation that proposed a modern enforcement regimes.

Since leaving Government I have been undertaking PhD research about the way that climate change is redefining challenges for water governance, altering the political and physical geographies of water, and racketing up risks and uncertainties. I have been examining how recent reforms in the Murray Darling Basin have understand and incorporated climate change as required under the Water Act. Drawing on my personal experience working in delivering MDB water policy reform, like you, I have been examining the policy and policy-making processes. My work has been informed by interviews and reviews of the published literature, and of technical and policy documents. The overarching question examined is: in what ways is climate change influencing water governance in Australia? The PhD is being undertaken by publication some of which are attached.

I trust the peer reviewed papers, summarised below and attached, and my offer to provide evidence, may be of value to you.

Yours sincerely
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Summary of attached papers.

In the paper, **Institutional Path Dependence and Environmental Water Recovery in Australia's MDB** published in Water Alternatives, Graham Marshall and I examined the ways institutional settings, extant policies and networks of relationships including of vested interests (defined broadly), determined the trajectories and shaped pathways and options exerting inertia on water reforms. We found that despite stated policy ideals for both reduced subsidies and improved environmental flows, vested interests captured substantial natural and financial resources through successive waves of reforms, due to their ability to exert sustained influence in shaping the discursive environment, reframing debates and setting policy agendas.

In the paper, **Risks, uncertainty and climate confusion in the MDB reforms** published in *Water Economics and Policy* I examined the ways that climate change risk were defined and responded to in the reform process. The paper documents the way the Basin Plan did not reduce future water availability on account of high quality science based climate change projections that established evidence of a pronounced drying trend. It articulates reasons why this occurred, including political risk minimisation and the nature of the science-policy relationships that determine what was counted (or discounted) as reliable and credible evidence in the reforms. This analysis demonstrates that the science that is trusted and acted upon depends on underlying perspectives and value-based positions. It illustrates the social production of knowledge and the way power based relationship can legitimise selective 'facts'. These deserve to be questioned in terms of their social construction and political purpose.

The paper, **Evolving Governance and Contested Water Reforms in Australia's Murray Darling Basin** published in *Water* in 2018, explores why there are such a deeply divided positions on the nation's relationships to rivers and what can be learnt from examining the dominant discourses (policy narratives) used in processes of policy contestation. The paper documents the way the MDB reforms encountered multiple challenges from commercial, ideological and bureaucratic interests that ensured slow, difficult and deeply contested progress. Affected parties who stood to lose in terms of influence, legitimacy or financially, actively resisted reforms. Importantly this includes senior decision makers who are mindful of their professional and reputational risks. Eventually some progress on both environmental flows and water markets was achieved, but at enormous public expense, and with some outcomes remaining doubtful. Even though water markets required fundamentally redefining water property rights, these reforms proceeded because they aligned with dominant political philosophies about the virtues of markets. In contrast, the difficultly and expense of introducing environmental water reforms demonstrates the powers of incumbent, orthodox policy settings. This inertia does not bode well for introducing proactive climate adaptive policies.

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This finding is of concern because climate change requires new modes of water governance. However, established policy settings embed logics, framings and values that exert substantial power to restrain reforms and demonstrate limited capacity for governing complexity or responding to wicked problems.
Australia's attempts to modernise established water institutions involved complex, multi-layered policies that embedded inherent tensions arising from fundamentally conflicting paradigms. The national development or boosterism paradigm promoted hydro-economic development; the economic rationalist paradigm sought to introduce water markets and reduce subsidies, and the environmentalism paradigm sought to conserve and restore rivers including via formalised allocations to environmental flows. Due to unresolved tensions, politicised contestations continued for decades. Regional and basin scale water planning processes became forums for attempting to resolve complex and contradictory policies.

IN 'Tax returns for water': satellite-audited statements can save the Murray-Darling Professor Martin and I argue that distrust between Murray-Darling Basin states has been made worse by a lack of transparency. Despite the States having signed up to the National Water Initiative it is proving difficult to ensure that all water users are complying with tighter arrangements for controlling water allocations. Our suggested system of annual water-use declarations, verified using satellite data, would provide this transparency because it could work at a range of scales, from individual farms right up to the entire Murray-Darling Basin.

Licence-holders, public agencies and communities all need reliable information. The evidence of what a licence-holder claims to have extracted needs to be unambiguous and verifiable, preferably using random audits that are fast and inexpensive. The system needs to be designed so that fraud can be detected and controlled efficiently.

Similar to a tax return or statutory declaration, the user would be legally responsible for the accuracy of their annual water statement. Random audits comparing declarations with information from telemetry and satellite imagery would provide the integrity checks.