



**FORMAL COMMENT ON THE MURRAY-DARLING BASIN AUTHORITY (MDBA)
“SUSTAINABLE DIVERSION LIMITS – DISCUSSION PAPER”**

18 Dec 2009

ALARM BELLS :

Who will qualify for “Critical Human Needs” water?

The MDBA Discussion Paper on Sustainable Diversion Limits has entirely failed to address the issue of how to define and quantify “Water for Critical Human Needs”.

The “Critical Human Needs” category of high water security allocation is perhaps the single most important responsibility of the MDBA in devising its overall “Basin Plan”, as directed by the Council of Australian Governments (COAG) on 26 March 2008:

“The Basin Plan will recognise critical human needs as a priority and establish a decision-making process for determining the method for securing this water.”

SOURCE: http://www.coag.gov.au/coag_meeting_outcomes/2008-03-26/docs/attachment_a.rtf

The failure to directly address the issue of “Critical Human Needs” in the MDBA Discussion Paper on Sustainable Diversion Limits should serve as a stark wake-up call to every community in the Murray-Darling Basin.

It is clear that the MDBA has not made “Critical Human Needs” a priority for community engagement or attention within its consultation framework for Sustainable Diversion Limits.

Given the current rainfall and climate trends, this category of water security may be invoked in a number of contexts around Australia within the foreseeable future.

The required definition of “Critical Human Needs” goes far beyond providing minimum drinking water and domestic needs such as washing. “Critical Human Needs” must also include water for a balance of critical services and industries.

As such, a greatly increased level of community engagement is required.

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Attempts to define “Critical Human Needs” (2007-08)

As a category of security for water allocation, “Critical Human Needs” is only just being grappled with as a political concept in Australia. There may be ongoing conflict between various levels of government, communities and industries as the detail and full implication of this “water rationing mechanism” emerges.

A brief chronology of the definition of “Critical Human Needs” follows:

A broad, formal definition of “Critical Human Needs” was adopted by the Australian Federal parliament as part of the Water Amendment Act on 3 December 2008.

CRITICAL HUMAN WATER NEEDS are the needs for a minimum amount of water, that can only reasonably be provided from [Murray-Darling] Basin water resources, required to meet:

- (a) core human consumption requirements in urban and rural areas; and
- (b) those non-human consumption requirements that a failure to meet would cause prohibitively high social, economic or national security costs.

SOURCE : Section 86(2) - Commonwealth “Water Amendment Act 2008”

In the lead-up to the passing of this Act, different definition/s of “Critical Human Needs” had been used by the several states involved in negotiations with the Murray Darling Basin Commission.

States have defined their own critical human needs as household use on level 3 or 4 water restrictions (minimal or no outdoor water use); basic industry needs; and essential services provision. This includes businesses relying on town water supplies, which will be required to have a water saving plan. All states have included a small component for stock and domestic use in their calculations of critical human needs.

SOURCE : “Murray-Darling Basin Storage Report – 31 August 2008”, Murray Darling Basin Commission

A year earlier, in August 2007, the Murray Darling Basin Commission (MDBC) appeared to have been operating under a much narrower definition of “Critical Human Needs”. When questioned by this author on the subject of water for the “basic industry” of Food and Agriculture, the CEO of the MDBC, Wendy Craik (at a public presentation for Engineers Australia in Bendigo on 22 August 2007) clearly stated:

THE MDBC’S CALCULATION OF “CRITICAL HUMAN NEEDS” AT THAT TIME DID NOT INCLUDE ANY WATER ALLOCATION FOR FOOD PRODUCTION OR AGRICULTURE

Advice on “Critical Human Needs” from MDBA (Oct 21 2009)

A number of questions on “Critical Human Needs” were directed to the MDBA by the author Chris Poynton on 22 July 2009.

For the public record, the reply from MDBA (dated 31 October) is reproduced in part:

[Regarding the statement on the MDBA’s website that “State governments remain responsible for securing and providing the volume of water required for critical human needs”] ...

This is laid down in Section 86D(3)(b) of the Commonwealth Water Act 2007; “each of NSW, Victoria and South Australia is responsible for meeting the critical human water needs of that state, and will decide how water from its share will be used.”

.... Critical human water needs, along with other consumptive uses, will be addressed within the sustainable diversion limits; a key element of the Basin Plan.

Critical human needs will be addressed as the highest priority water use for communities who are dependant upon Basin water resources. Section 86 A (1)(a) of the Commonwealth *Water Act 2007* reflects the agreement about how the Basin States will prioritise allocations of water that are available in their jurisdictions for taking, within the sustainable diversion limit.

In addition the proposed Basin Plan will include a statement of the amount of water required in each Basin State to meet the critical human water needs of the communities dependent on the waters of the River Murray System.

The Plan will also include a statement of the amount of conveyance water required to deliver the water to meet critical human water needs. This statement will specify the water quality and salinity trigger points at which the River Murray System becomes unsuitable for meeting critical human water needs.

SOURCE: MDBA Letter Ref D09/19671 to Chris Poynton (31 Oct 2009)
Available on request in PDF format from chris.poynton@gmail.com

It is hoped that this information may help others in the community gain a better understanding of the division of responsibilities between States and the MDBA.

It remains to be seen whether State governments will make submissions to the MDBA regarding their proposed quantities for “Critical Human Needs” allocations in response to the MDBA discussion paper on sustainable diversion limits.

A new era of water management ... “The Critical Needs Economy” ??

Regardless of the actual definitions that may be applied or further developed, the adoption of the concept of water for “Critical Human Needs” flags a significant change of direction in water management in Australia.

“Critical Human Needs” clearly acknowledges the necessity for water to be regarded as a “common good” to be guaranteed and provided by governments to its citizens, at least for basic survival purposes.

“Critical Human Needs” signals that there must be a return to a basic “planned economy” such as water rationing and governmental directives to industry in order to meet these survival benchmarks.

This necessity for a “planned survival economy” presents a significant challenge to the “free market” approach to water that has been championed by successive Australian governments.

“Critical Human Needs” sets the platform for significant and direct government intervention in water markets, agricultural systems and broader industry in the near future, perhaps invoked under emergency or “state of disaster” legislative powers.

With “Critical Human Needs” now being the highest level water security available (in effect being a new “High Security Bulk Entitlement” system) - every industry will be trying to squeeze itself through the door as essential to the national security interest.

The question remains: “Who will guide the precise practical definition of Critical Human Needs”?

FEEDBACK ON THIS COMMENTARY PAPER IS ENCOURAGED.

Community Food and Water Security Australia **CFAWSA**

See: www.foodwater.org.au

