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The Basin Communities Association Limited (BCA) is a Public Company Limited by guarantee. It commenced operation on the 18 February, 2011.

The Board is comprised of Chairman David Michaelis and Ross McPherson, Gillian Kirkup, Scott James, Ray Najar, Malcolm Jackman, Bruce Simpson and Andrew Gregson.

The BCA was formed after a Summit held in Sydney on 25 October 2010. The summit was attended by farming groups, productive water user groups and commodity groups along with wider community groups in the aftermath of the release of the Guide to the Basin Plan.

The stated aim of the BCA is to commission and assist in a campaign to ensure the Government delivers a long term balanced Basin Plan process that preserves the integrity of the Basin for business, communities and the environment, which will likely involve amending the Water Act. The campaign is in two phases, the first of which is to directly engage with communities across the Basin (and Australia) to understand what their expectations are of the Basin Plan and how it should be delivered. The results of this phase will assist in analysing the Draft Plan when it is released in mid 2011 to determine if a more extensive phase two – changing the *Water Act* – is necessary.

The BCA is open and upfront about its activities. You can access the communiqués that it has issued subsequent to each Board meeting below;

18 May 2011

9 May 2011

31 March 2011 Media release

3 February 2011

14 January 2011

<u>16 November 2010</u>

For further background information, try these;

- The NSW Irrigators' Council CEO Andrew Gregson wrote an Opinion Piece explaining what farmers and Basin communities want which is available <a href="here">here</a>. For a video version of the issues at play, you can see Mr Gregson addressing irrigators in California <a href="here">here</a>
- A recent Four Corners episode covered the issue. You can view that online by clicking here.

#### Communiqué

#### 18 May 2011

The Board met via teleconference on 16 May.

#### **Recent Activity**

The Board reviewed the qualitative report prepared by consultant Toby Ralph subsequent to a series of forums across the Basin. Confidence was expressed that the report captured what the Board also believe are the key concerns across businesses and communities inside – and outside – the Basin.

Toby spent much of last week in Canberra on behalf of the BCA briefing key decision makers on the report and hence the expectations of Basin communities and businesses.

#### MDBA Chairman Craig Knowles

Mr Knowles, together with his Engagement Team, received the report positively. Knowles noted that it was "entirely consistent with what we've found." In response, Toby asked "can you deliver on it?" to which Knowles replied "I don't know."

#### Federal Water Minister Tony Burke

Minister Burke had the relatively newly appointed Deputy Secretary David Parker join the meeting along with his staff. Receiving the report and acknowledging the content, it was noted that the Draft Plan will not be released until after the Regional Affairs Committee has reported and a "decent" time has been provided for consideration by the MDBA.

Shadow Minister Senator Barnaby Joyce

Senator Joyce is very familiar with the issues and supportive of the BCA position.

Meetings were also held with the Victorian Water Minister Peter Walsh, National Farmers Federation, the National Irrigators Council, Michael McCormack, Senator Russell Trood, Mark Coulton, John Cobb, Liberal Party Federal Director Brian Loughnane and Senator Fiona Nash. The report was provided to Tony Windsor, Bob Katter, Senator Sarah Hansen-Young and Regional Affairs Minister Simon Crean.

#### **Next Steps**

In essence, Phase One is complete. We have captured the expectations and requirements of businesses and communities across the Basin. We have delivered those to decision makers in Canberra and have left a clear impression that they must be implemented.

Our attention now turns to the determination that must be made on the release of the Draft Basin Plan. An exact date for this is not known, but it should be anticipated now in June or early July. No indication was provided by either the MDBA or the Minister of exactly when or how the Draft Plan will be released.

The Board has determined that it will adopt a 5 day plan to respond to the release;

Day Zero Release of the Draft Plan
Day One Consideration of Detail

Day Two Receive Analysis and Consider

Day Three Board Meeting to Consider Reaction
Day Four Preparation for Stakeholder Meeting

Day Five Meeting and Determination

For stakeholders, the key event is the meeting on Day Five. We anticipate holding that meeting in Griffith. We intend to broadcast it with interactive software enabling participation via the internet for stakeholders nationwide. Both Minister Burke and MDBA Chairman Craig Knowles will be invited to that meeting.

Full details on the meeting, including how to attend both physically and virtually, will be provided in the near future.

#### What You Can Do

We're at the "hurry up and wait" stage. All that we can do to influence the Draft Basin Plan has been done. Decision makers are well aware of what it is that Basin communities and businesses expect and require. It is now up to those decision makers to present a Draft Plan, knowing that we will use our report to judge it.

The purpose of the Day Five meeting is to determine what the BCA does next. If the Draft Plan delivers against our report, we know our communities and businesses can embrace a positive future. If it doesn't, we have a fight on our hands.

To make that decision, we'll need your assistance. Please plan to attend the meeting physically our virtually to have your say and be part of this important decision.

#### The Views of Businesses and Communities on the Basin Plan

#### 9 May 2011

The Basin Communities Association has conducted a series of independent, impartial consultation forums with communities and businesses in the Murray Darling Basin, with the objective of determining criteria by which the Basin Plan should be developed and evaluated.

In summary, communities and businesses want:

- A rationale
- Balance
- Detail
- Local input
- Broader solutions
- Transparency and
- Certainty

Communities care about the environment and want it protected, but not above all else.

They see water as their lifeblood, and have not had a sufficient or credible explanation of why a lower

diversion limit is needed, or detail about what it will achieve.

They are deeply concerned that an ill-considered Basin Plan will cost tens of thousands of jobs, not just for

family farms, but for corner shops, schools, doctors, truck drivers, pubs and hundreds of other non-farm

businesses.

Building community trust, confidence and participation in the Basin has been eroded by lack of detail and

input. Further, some sections perceive a Capital City dominated political agenda.

They are concerned that mismanagement by Government will wreck lives, businesses and communities.

They believe it is imperative to get the Plan right, and that the recent breaking of the drought has reduced the imperative to get a Plan immediately. However, if other conditions are met it will be acceptable to act now. In any event the community must be given time to assess and absorb the full impact.

• **A rationale** means an explanation of exactly why water should be taken from communities. What, exactly, is it for? What, specifically, will it achieve? Is it really necessary? There has been a comprehensive failure to explain the underpinning need for buybacks in a compelling and unambiguous manner.

- Balance means equal consideration of social, economic and environmental outcomes, locked in legislation, rather than at Ministerial discretion. Each valley needs a socio-economic impact study to match with a local environmental plan.
   Consideration should be given to adjustment for non-irrigator community members affected by the policy. Importantly accounting for previous contributions must be undertaken.
- Detail means that communities need to see a Plan and have the opportunity for thorough scrutiny of the science and assumptions on which it is based, on a valley by valley basis. It means questioning issues such as the lower Lakes strategy, a determination of the environmental assets that should be protected, the 2/3rd end of system flow assumption, as well as micro local issues. Once such issues have been considered there must be modification or rejection of flawed assumptions. There must also be detail around maximising the efficient use of environmental water.
- Local input means genuine valley by valley consultation (which must include listening and hearing) and input at every stage to the priorities, problems and solutions.
- **Broader solutions** means considering more than just water acquisition. They must include consideration of how much water is actually required, and other methods to achieve environmental outcomes. These must include, but not be limited to, infrastructure upgrades (including private irrigator schemes), innovative market solutions, finding new water sources, efficiency in environmental water use, subjectively determining environmental assets and parallel domestic cuts.
- **Transparency** means full access to, and robust debate and rigour around, all discussions, proposals and decisions at all times. Investigations should be at arm's length to the MDBA and Government wherever possible, and subject to peer review. If there is an agenda to close communities, make it clear now rather than delivering death by a thousand cuts.
- Certainty means a plan that can be relied on for several decades, not tied to the
  political cycle, because people need to make long term plans and investments with
  confidence. The complexities of water management, trade, interstate sharing and
  Federal/State interaction give rise to a range of concerns with no independent capacity
  to investigate. Communities recommend that a Water Ombudsman with investigative
  and reporting powers be appointed.

There is unquestionably deep latent anger in the communities which has the potential to become serious if their concerns are ignored or the process is mismanaged by Canberra.

Toby Ralph May 2011

#### Communiqué

#### 31 March 2011

The Board met via teleconference on 29 March.

#### **Board Changes**

Scott James has joined the Board. Whilst each Director is appointed to the Board individually and is not representative of another entity, Scott is Head of Agribusiness Segment at Westpac.

Stephen Mills has tendered his resignation from the Board. Following events at GMW, Stephen felt it inappropriate to continue, although he notes his continued support of the BCA.

#### **Fundraising**

Our corporate fundraising program has been operational for close to two weeks. We are pleased to report that it has achieved its first milestone and hence the campaign will now commence in earnest.

The Board is grateful for the support of those corporate entities who have committed funds to date, but notes that we have not yet achieved our optimal target. Contributions must still be sought and will be most usefully applied when received.

#### Phase One

Phase One involves a series of regional forums with the primary aim of developing a broad based view of community and business needs in respect of the Basin Plan. That will include how it is developed, how it is reviewed and what it contains. The forums are very much a "listening" undertaking where communities and businesses are encouraged to attend not to listen but to speak up and be heard – something that has been painfully absent from the process to date.

The Board has instructed the campaign team, led by Toby Ralph, to commence this phase as soon as possible.

Forums will be open to the businesses and communities in each of the following locations;

Deniliquin
 7 April
 RSL at 5.30pm

Echuca 8 April TBA

In the following week, commencing 11 April, forums will be held in;

Griffith

- Moree
- St George

Dates and venues are currently being arranged.

Further forums are being planned, including in South Australia. Details will be provided as soon as they are confirmed.

For details on each individual forum, including location and time, please check www.basinplan.com.au

#### What You Can Do

It's time for action.

We need you to attend a forum – and we need you to bring key people with you.

The forums aren't solely about numbers in attendance (the time for that will likely come again – but not yet).

These forums are about genuine and inclusive engagement. We need to hear from businesses and communities as to what they want. What we take from these forums will guide the balance of our campaign — and hence will have a strong influence on what the Basin Plan finally looks like.

The website (<a href="www.basinplan.com.au">www.basinplan.com.au</a>) will have both details of the sessions and posters advertising them. The posters, in PDF form, can be displayed anywhere and can also be attached to an email.

The campaign team will look forward to seeing you soon.

(Formerly Basin Plan Response Collective) **Communiqué**3 February 2011

The Board established to pursue a collective response strategy to the Basin Plan met via teleconference on 24 January.

#### **Board Meeting**

#### **Structural Matters**

The first order of business was to determine a name for the organisation. The Board discussed a range of options, settling on **Basin Communities Association** as best capturing the broad range of interests that it seeks to represent.

The organisation will be structured as a Public Company Limited by Guarantee and will be properly registered for tax purposes. It will not pursue Deductable Gift Recipient Status, but its operations should allow contributions as normal business expenses.

#### **Aim of Campaign**

The Board determined that it needed a straightforward Statement of Aims to ensure that all stakeholders can understand what it seeks to achieve. Following some discussion, the following was resolved;

To commission and assist in a campaign to ensure the Government delivers a long term balanced Basin Plan process that preserves the integrity of the Basin for business, communities and the environment, which will likely involve amending the Water Act.

#### **Fundraising**

The meeting considered the matter in some detail, determining that this is a matter best dealt with in a face-to-face manner. To that end, it will be dealt with on 8 February.

#### **Analysis of Recent Basin Plan Related Events**

#### **Regional Affairs Committee Hearings**

The House of Representatives Regional Affairs Committee, Chaired by Tony Windsor, has completed a number of sessions taking evidence. Transcripts of sessions can be accessed via the Inquiry website (here).

#### **Appointment of MDBA Chairman**

Former NSW Minister Craig Knowles has been appointed MDBA Chairman, replacing Mike Taylor.

Taylor resigned from the position when he recognised that his role under the *Water Act* was to deliver a Basin Plan that was not balanced, but favoured environmental use above social and economic impacts.

Knowles has publicly stated that he intends to deliver a balanced Plan regardless. Whilst a commendable intent, dismissal of the experience of Taylor is not quite so simple – nor is such a position likely to deter the Authority Chief Executive (and Board Member) Rob Freeman who was very clear in the Senate Estimates Hearing that 3,000 gigalitres is an absolute minimum.

To some extent, Taylor's position supported our Aim. The position of Knowles may therefore represent a challenge.

## Basin Plan Response Collective Communiqué 14 January 2011

Following the determination to pursue a collective response to the Basin Plan at the Sydney Summit on 25 October, an Interim Steering Committee (ISC) proceeded to detail how that campaign and its administration should be structured. Much of that work was concluded by the end of November.

#### **Appointment of Board**

David Michaelis has been appointed as Chairman of the response campaign. David was asked by the ISC to select a skills-based Board from a list of nominations and volunteers that was received. David has now completed that task; the Board comprises the following;

☐ David Michaelis President, ACCI Sydney
☐ Malcolm Jackman CEO and MD, Elders Ltd Adelaide
☐ Bruce Simpson Director, Peppin Planners Deniliquin
☐ Ray Najar GM, Murray-Darling Association Adelaide
$\square$ Gillian Kirkup Chairman, MI and Director, Sunrice Griffith
$\square$ Ross McPherson Director, McPherson Media Sheppartor
☐ Stephen Mills Chair, GMW Numurkah

Note that each of these Directors serves in an individual capacity, not as a representative of the entities noted above which they also serve.

Please also note that one position is not yet confirmed. We are in discussions with individuals from southern Queensland involved in both business, community and cotton interests to join the Board.

#### **Aim of Campaign**

Recent political events have suggested that the first iteration of the Basin Plan may become a political negotiation between parties in order to secure passage of the Regulation through Parliament. Whilst this may result in an acceptable outcome for Basin communities and businesses, it is a short term outcome as the current Parliamentary balance will not necessarily survive the next election. The campaign must target the *process* for the development of a Basin Plan (and its future amendments) to ensure a long term outcome for communities and businesses; that likely means changing the *Water Act*.

The stated aim of the Board will be:

To commission and assist in the delivery of a campaign to pressure government to deliver a long term balanced Basin Plan process that preserves the integrity of the Basin for business, communities and the environment, which will likely involve amending the Water Act.

#### **Immediate Actions**

The campaign will clearly involve significant resources. One of the first actions of the Board will be to design, implement and monitor a program to raise funds. We anticipate commencement of this program in the very near future and encourage you to be part of it if at all possible. We will initially be seeking the support of larger entities in order to get the campaign underway. A small donors program will be established soon after that. With funding commenced, the Board will instruct the preferred campaign operative (Toby Ralph) to formally commence work. A professional campaign team will be in place soon after that, subsequent to which stakeholders in the collective will receive regular updates on progress.

#### **Basin Plan Current Events**

You will all be aware that the House of Representatives Regional Affairs Committee, Chaired by Tony Windsor, is currently in the process of inquiring into the social and economic impacts of the proposed Basin Plan. That Committee will be holding regional hearings, to which the attendance of large numbers is both anticipated and encouraged. Promotional material for that can be found at <a href="https://www.basinplan.com.au">www.basinplan.com.au</a>

The Murray-Darling Basin Authority is currently reviewing the many submissions that they received on the Guide. Whilst being told to take the Inquiry result into account, they are still guided by a May (ish) deadline to release the Draft Basin Plan. The Prime Minister has stated that a final Plan is scheduled to be in Parliament early next year.

### Basin Plan Response Collective Communiqué from Interim Steering Committee – 16 November 2010

On 25 October, a Summit of parties supportive of a collective response to the Basin Plan process appointed an interim steering committee (ISC) to establish a pathway which might occasion that result.

The ISC considered that its role was to consider four matters;

- 1. The defined aim of such a campaign;
- 2. A recommended structure;
- 3. The funding models for a campaign; and
- 4. The campaign professionals in whom to entrust the campaign.

The ISC noted that it was to report back in around three weeks from the Summit. It considers this communiqué to be that report.

#### 1. The Defined Aim of a Campaign

The ISC considered the outcomes of the Summit to define what it was the potential supports of a campaign were seeking to achieve. The following was agreed; A campaign to pressure government to deliver a balanced Basin Plan that is consistent with the National Water Initiative (triple bottom line approach) which will probably include amending the Water Act.

#### 2. A Recommended Structure

Whilst giving some consideration to issues of membership and influence, the ISC determined that a decision to support the campaign or not will rest with individual groups who will be swayed by the merits (or otherwise) not of the structure but by the action of the campaign.

To that end, the ISC recommends a relatively simple structure – a discretionary trust overseen by a corporate trustee (proprietary company) with a Board of Directors. The role of the Board should be corporate governance, funding and keeping the campaign on track. The ISC recommends David Michaelis as Chairman and seeks nominees for appointment to other positions. It recommends that Mr Michaelis be assigned the task of selecting other Directors on the basis of merit to form a Board that covers requisite skills. The ISC notes it is available to assist Mr Michaelis.

#### 3. Funding Models

The ISC noted that the campaign will necessarily require the expenditure of a significant sum. To that end, it noted that a large part of the role of the Board will be to assist in attracting funding. This role must also include the campaign professionals, noting that any campaign must be scalable to deal with uncertain contributions.

Both large and small scale contributions ought be sought across the lengthy period for which the campaign is expected to operate.

#### 4. Campaign Professionals

The ISC sought and considered proposals from three separate campaign teams. The three were selected to give a broad range – a government relations firm, an integrated public relations/advertising agency group and a campaign strategist.

The ISC unanimously selected campaign strategist Toby Ralph, who presented to the Summit. Mr Ralph identified a comprehensive strategic approach to the campaign aim. Key points of his proposal were a full analysis of the science and data behind the Plan (which stakeholder groups were likely to have to undertake in any event) together with the assembly of a dedicated campaign team.

#### Recommendation

It is the recommendation of the ISC that;

- A collective approach is the best way to achieve the change that is in the interests of
- all stakeholders;
- The structure identified above be established immediately;
- The campaign commence immediately; and
- That all stakeholders embrace the concept of a collective approach and support this campaign through both public association with it and the contribution of funds.

16 November 2010