



Mildura Community Water Bank Inc.
110 Eighth Street Mildura VIC 3500
email: hello@foodnextdoor.org.au
ABN: 98 340 735 059

Friday, 30 October 2020

Director
Murray-Darling Basin Inquiry
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

By email: waterinquiry@accc.gov.au

Dear Director,

Response to Murray-Darling Basin water markets inquiry interim report

We at the Mildura Community Water Bank ('**MCWB**') are of the view that the current state of the Murray-Darling water market is inequitable, unjust and defective. Our particular concerns relate to the information asymmetry and imbalance of bargaining powers that exist to the detriment of small-scale regenerative farmers who lack negotiating power to survive in a market of volatile water prices. The reality is that political and commercial interests are distorting a natural resource that, in principle, should be accessible on a needs basis.

In 2020, the importance of local food production has become increasingly obvious. We need to preserve our local food bowls, and we need to support farming practices that prioritise soil health. Small-scale regenerative farming is vital in our changing world. The health of local communities and geographical environments is directly benefited by farming practices in support of topsoil regeneration, increasing biodiversity, increasing resilience to climate change, strengthening the vitality of farm soil and improving water cycles. Furthermore, ensuring equitable access to water is crucial for many reasons especially in light of times of shortages when drought-stricken farmers are most affected by market forces that drive up water prices.

MCWB is committed to unshackling small-scale farmers from the burden of speculative water pricing. Donations to the Water Bank are allocated towards replenishing people and landscapes that nourish and sustain. Via the MCWB, water holders can donate temporary allocations, while small-scale farmers can apply for the allocations donated. We exist to strengthen the resilience of small-scale farmers. For more information please visit: <https://www.mcwb.org.au>

While we abhor the commodification of water, we support recommendations suggested by the Australian Competition and Consumer Commission ('**ACCC**') to improve the transparency and regulatory framework of market practices. In particular, the MCWB supports continuous pro-disclosure policies so that the market can be subject to full scrutiny, allowing for fairer and more informed decision making. We note that better governance may not be a panacea for remedying shortfalls in relation to improving equitable access to water. We call for political and corporate actors to respect and take tangible steps towards protecting vulnerable stakeholder livelihoods. Moreover, any regulatory body involved in overseeing this water market must

be adequately and proportionately responsive to misconduct or contraventions to relevant codes of conduct.

To reiterate, the current governance, regulatory and operational frameworks are not conducive to a sustainable future. Regenerative and local food futures depend on the maintenance of healthy ecosystems via equitable access to water. Water matters and small-scale regenerative farming matters. Political and corporate actors must take responsibility for the need to alleviate imbalances inhibiting access to water for our most crucial food producers.

We are all heavily reliant upon the wellbeing of our natural environments and, either indirectly or directly, all Australians are affected by water trading of the Murray Darling Basin.

Please do not hesitate to contact us in the event you have any queries in relation to the MCWB.

Sincerely yours,

The Mildura Community Water Bank Board