

# The NRM levy

## Your questions answered



### What does NRM stand for?

Natural resources management (NRM)

### What is the NRM levy?

The NRM levy has two components:

- The Regional NRM levy – based on rateable property value and collected via council rates.
- The NRM Water levy – based on water licence and water allocation.

The NRM levies underpin our region's vision for a healthy living landscape for today and future generations.

### Who pays the Regional NRM levy?

Anyone who owns a rateable (pays council rates) property.

### Who pays the NRM Water levy?

Anyone who has a water management authorisation including a water licence or a water access entitlement.

### What is the NRM levy used for?

The NRM levy plays an important role in helping to secure our region's vision for a healthy living landscape meeting the social, environmental, economic and cultural needs of the community, and ensuring the rights and wellbeing of future generations.

Taking care of our soil, water, air and natural landscapes is everyone's responsibility, and the NRM levy allows for everyone to share the cost.

Funds raised through the NRM levy are used for a variety of regional NRM priorities including managing land, vegetation and water management, citizen science, community education and awareness.

The NRM levy is used to leverage significant external funds from many sources including the Australian Government and that money comes directly into the South Australian Murray-Darling Basin (SAMDB) region. At our most successful, in one year we secured \$40 million from the Australian Government – and they tell us, we are one of the most successful regions in Australia to



attract their investment that delivers environmental outcomes to benefit landholders within the SAMDB region.

The NRM levy is used to employ staff who manage a range of projects and look for other financial opportunities and grant funding. These staff are likely to be known to you around the community, you might even bump into them at the supermarket or at the local sporting club.

## How is the NRM levy helping me?

The NRM levy helps us to look after our soil, water, air and natural landscapes, this benefits everyone. There are many initiatives we are able to implement, below are some highlights.

We work hard to look after our water. Water is a precious resource to all South Australians and we all have an interest in making sure we have reliable access to good clean water, however there are many competing demands. The NRM levy is invested to help people share our water resources, to make sure there is water to sustain urban communities, to ensure continued economic activity and, importantly, to take care of the environment that supports our water resources.

The NRM levy is invested in local communities to take on the responsibility for looking after their environment and protecting natural resources. You are likely to know someone who's benefiting from NRM levy investment, from family members, friends and acquaintances, even if there is no direct investment on your property. For example, school programs and environmental grants.

We encourage and coordinate pest plant and animal control programs this provides assurance to individual landholders that their investment on their property is less likely to be jeopardised through reinfestation of pests from neighbouring land.

## Who makes the decisions about how the money is spent and how much the levy increases by?

The South Australian Murray-Darling Basin Natural Resources Management (SAMDB NRM) Board is a community based Board made up of landholders with different business interests. There are also non-voting representatives from SA Water, the Department of Primary Industries and Regions South Australia (PIRSA), the Department of

Environment, Water and Natural Resources (DEWNR) and local government. These people all pay the NRM levy too. They work with the local community to determine what the priorities are and what the levy will be spent on.

An extensive consultation was undertaken to test the community's opinions on the dilemma facing the Board (and most businesses) of trying to deliver the same services with a reducing budget and increasing costs. We engaged 15,000 people in the region using a range of tools; talking directly to stakeholders groups, an online discussion page, a deliberative panel consisting of a randomly selected group of 50 people who live in the SAMDB region to deliberate with us on our business.

Through the deliberative panel, after considering all the information available, just over half the panel members thought a levy increase was viable based on what gets done with the levy. The panel also recommended that the NRM levy be shared more equitably between ratepayers and water licence holders.

Based on all of the information presented, the Board agonised over the submissions and community sentiment. To increase the NRM levies was not a decision made lightly or quickly, it was an informed decision that ensures our natural resources remain viable for today and for the future.

## Why the big increase in one year?

In the 2015-16 State Budget, the South Australian Government announced that it would partially recover the costs of government water planning and management activities through the regional NRM Boards.

Faced with the dilemma of reducing NRM regional programs, we talked to many stakeholders (15,000) from across the SAMDB region, about what services they would like us to reduce our effort in or completely cut. The feedback was that there wasn't anything we were doing that people felt was not relevant, worth the time, effort or investment. We have reduced our program delivery in an effort to lessen the financial burden on our community – and to also highlight that we do understand the need to be strategic, prioritise investment and increase efficiency measures.

The SAMDB NRM Board made the tough decision to increase the amount of levy raised to partially cover this cost pressure. Many of the outcomes we are striving to achieve take time, requiring long-term focus and commitment from everyone. The Board is not prepared to let our natural and agricultural systems fall by the wayside, which is the risk if the NRM levy investment in our region was drastically reduced. Many people believe that it is not a viable option to suddenly drop program funding for many of our natural and agricultural systems that are already under stress. The Board has heard that our community values its natural resources and that there was capacity within the community to be able to pay more for the protection and management of our natural resources.

The Regional NRM levy will increase by 150% to an average of 18 cents per day per household, this equates to \$66 per year for the average household. The Regional NRM levy is based on the value of the rateable land that is owned, and is collected through council rates notices. Collection via council rates notices is by far the most efficient and cost effective way to collect the Regional NRM levy – which means that more money is reinvested into important NRM priorities across the region and back into our communities.

The NRM Water levy has increased by 10% with most licensed users paying \$6.30/ML. Our water levy payers told us directly how they feel about their current financial contribution to natural resources management and that they wanted to see a more equitable spread of the total NRM levies collected.

### [I don't have a water licence so why should I pay an increased levy for water planning and management charges?](#)

In 2016-17, the Board will collect a total of \$13.4 million in levies.

- \$7.8 million from water licence holders (NRM Water levy)  
and
- \$5.6 million from rate payers (Regional NRM levy).

The SAMDB NRM Board believes that the funds raised through both of the levies should be spent on natural resource priorities for the region including, soils, pest plants and animals, water,

biodiversity and habitat protection, volunteer and education programs. All money collected via both levies is pooled, and then redistributed based on the NRM priority – decisions on investment are based on the priority and not on where the NRM levy money comes from. We believe this to be sound governance and we pride ourselves on strategic decision-making.

Everyone benefits from healthy water resources and therefore we believe that everyone should contribute to the management of our water resources. We are all reliant on access to good quality water for our survival and prosperity, and we are all caretakers of these important resources.

### [My council doesn't seem to support the levy increase. Why?](#)

Local government are concerned for their rate payers. They've made a promise to their rate payers that there won't be an increase in rates. They are concerned that rate payers won't notice or understand the increase in the NRM levy collected via rates and will see it as an increase in council rates. Local government are alerting their rate payers to this.

However there is a lot of collaboration between us and local government across the region, be assured that lots of good work is done together. We assist and often act as a conduit for local councils to bring together multiple stakeholders in managing a local issue. For example, long-nosed fur seals, little corellas, mapping biodiversity assets, roadside vegetation identification and weed control, sharing of knowledge and resources – the list goes on.

### [Why is there a difference in NRM levy rates between regions?](#)

A strength of the NRM model is that it focusses on what's important to local communities. Community NRM Boards are established to work with their local communities to work on the priority natural resources management issues.

Each NRM Board focusses on what is important for their local communities. There are differences in what's important for each NRM region, and therefore what NRM levy money is required to care for the soil, water, air and natural landscapes. The Board also give concerted effort to connecting and supporting people's role in looking after our natural resources.

The *Natural Resources Management Act 2004*, provides six different options for raising the NRM levies and each Board makes its own decision about what is the best way for them to raise the levy. In the SAMDB region it was decided that the Regional NRM levy would be based on **capital value** and the NRM Water levy would be based on **allocation**. However each region is able to determine what the best option is for their region and community, for example the Adelaide and Mount Lofty Ranges region bases its collection on capital value - like us. Whereas in the South Australia Arid Lands region, they have in the past set a flat rate per property (for example \$65 per property).

### Why doesn't a flat rate apply across the SAMDB region?

We think this draws a larger inequity than applying a rate based on capital value. For example, a ratepayer who owns a house block pays \$65 per year and a large landholder owning many hundreds of acres of land also pays \$65 dollars. Our Board felt that was inequitable because the property owner who owns a large parcel of land is gaining many direct benefits from natural resources and should be encouraged to invest in their protection. Equally those who live in townships should also contribute towards the management of natural resources as they underpin their quality of life.

There is more equity in basing the NRM levy on property value.

### What's the difference between the Save the River Murray levy and the NRM levy, and why was the Save the River Murray levy scrapped?

The Save the River Murray levy was paid by all South Australian rate payers which partially funded our state's negotiations on [The Basin Plan](#) to ensure a good water outcome for all South Australians and the environment.

In recent times, the government made a decision that the Save the River Murray levy was no longer needed for this purpose and decided to abolish it. It is separate to the NRM levy which is collected for a different purpose and addresses regional priorities that include the River Murray but are far broader than the river.

### What does the NRM levy have to do with superannuation?

Superannuation is a necessary investment – that might be financially painful at the time you are paying the money, however, by the time you retire you are very thankful you made the investment.

Our environment can be viewed similarly, today's investment and commitment to leaving our natural resources in a better state than when we found it will assist future generations to survive and prosper, with food they can grow locally, water quality that will sustain them, plants, animals and biodiversity that reflects the Australian landscape for what it once was.

## For more information

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