

Media Release

6 December 2018

Basin plan destroys wealth of rural communities

Victorian irrigators would be about one billion dollars richer if they sold their water to the Commonwealth today rather than in 2008.

The Victorian Farmers Federation has compared the price the Commonwealth Government paid for water in 2008 as part of its water buyback scheme versus the value of the water today. The Commonwealth buyback for the Basin Plan coincided with the Millennium drought opportunistically buying water at distressed values when farmers were facing extreme financial hardship.

“Some water products in Victoria have more than doubled in value over the last ten years, particularly Murray Water below the Barmah Choke,” said Mr. Richard Anderson, VFF Water Council Chairman.

“It’s alarming that Victorian communities have lost almost one billion dollars from water buyback. The Commonwealth must finally start to acknowledge these negative impacts.

The VFF also analysed the value of water in NSW and SA in 2008 versus the value of that water today and found that NSW communities have \$450 million less as a result of water buyback and the SA Basin community has lost almost \$280 million.

“Victoria was unfairly targeted with buyback which saw the Commonwealth spend almost \$400 million more in Victoria than any other state.

“We have a very reliable water product in Victoria and the Commonwealth specifically targeted us and still want to target us.

“The Commonwealth has just wrapped up its road show in trying to secure even more water for the additional 450GL of up water.

“With less than a week to the Water Ministerial Council we are urging the Victorian Government to ensure a widened socio-economic test is adopted by the Basin States for any recovery of the 450GL.

“Again the Commonwealth is opportunistically trying to recover water at a time when farmers are experiencing severe hardship as a result of the dry season; the Commonwealth is ignoring their anguish and want to recover more water from them,” Said Mr. Anderson.

Previous VFF analysis of the MDBA’s community profiles demonstrated that when you examine full time equivalent job losses rather than percentage losses as reported by the MDBA, the job losses in Victoria were dramatically higher than the other Basin States. Over 5000 job losses in Victorian Agricultural production; compared with 2,877 jobs losses in New South Wales and 2,287 job losses in South Australia.

“These job losses cannot be ignored. The rate of job losses would be expected to increase at an increasing rate if more water is taken from the consumptive pool.

“It is time the Federal Coalition government started to protect jobs in regional communities rather than city dwellers in Adelaide,” said Mr Anderson.

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About the VFF

The Victorian Farmers Federation (VFF) is dedicated to representing the interests of farmers and making a positive difference to their businesses and communities. We strive to create an environment for our members, our farmers, that enables profitable, safe, sustainable production to ensure an enduring social licence in a community that respects and values the sector.