

Media Release

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Commonwealth loves Victorian water, but not Victorian irrigators

Analysis by the Victorian Farmers Federation (VFF) has found that Victorian water secured by the Commonwealth through water buyback over the last six years for the Basin Plan is making the largest contribution to the environment.

“We have long believed the Commonwealth specially targeted Victorian water given its ability to deliver more water in dry years,” said Mr Richard Anderson, VFF Water Council Chairman.

“If all systems in the Basin States were on a 100% allocation, South Australia would contribute 150,000 mega litres to the environment each year; NSW would deliver 1,000,000 mega litres and Victoria would contribute over 700,000 mega litres based on current water recovery efforts. However, contributions in dry years with low allocations are very different.

“This year, just over 788,000 mega litres have been allocated to the environment in the Southern Basin System.

“Victoria, with a 94% allocation on the Murray River and 88% allocation on the Goulburn River, is contributing over 575,000 mega litres which is 73 per cent of the total environmental contribution in the Southern Basin. Whereas, New South Wales is delivering 68,000 mega litres or eight per cent, and South Australia is contributing 145,000 mega litres or 19 per cent.

“Victoria is clearly doing the heavy lifting in the dry season in terms of the amount of water being contributed to the environment in dry years.

“No wonder Victorian irrigators are saying the Basin Plan is causing severe socio economic costs,” said Mr Anderson.

A simple way to estimate the scale of the direct cost impact to irrigators is to multiple the volume of water allocation by the current market price of \$410 per mega litre for water allocations.

This translates to a loss of \$235 million for Victorian irrigators, \$60 million for South Australian irrigators and \$25 million for New South Wales irrigators adding to a total direct loss of \$320 million.

“It is incomprehensible that the Murray Darling Basin Authority (MDBA) and the Commonwealth would develop and support a Basin Plan that has such an unfair distribution of cost impacts. It is even more unbelievable the Commonwealth is proposing to recover an additional 450 gegalitres of water.

“It is time the MDBA and the Commonwealth fixed the current plan before they attempt to recover a single drop of additional water.

“With State Water Ministers set to meet next week to discuss the Basin Plan, the VFF demands these Basin plan impacts are at the forefront of discussions,” 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.