

# Media Release



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## Water buybacks need a wider review

The Victorian Farmers Federation (VFF) is calling for bipartisan support of a judicial review of all water buybacks from 2008 onwards.

“Water buybacks have a disastrous impact on rural communities and threaten the viability of agricultural businesses. Buybacks take water directly out of production, which creates stranded irrigation assets, pushes most of the costs of adjustment onto taxpayers and rural communities, and drives up the price of water,” said Mr Richard Anderson, VFF Water Council Chair.

“Analysis performed by the VFF found that if Victorian irrigators sold their water to the Commonwealth today rather than in 2008, they would be about one billion dollars better-off.

“The 2008 buybacks coincided with the Millennium drought and allowed the Government to opportunistically buy water at distressed values when farmers were facing extreme financial hardship,” said Mr Anderson.

The VFF has compared the value of water in New South Wales (NSW) and South Australia (SA) in 2008 to the value of that water today, and found that NSW communities are \$450 million and SA communities \$280 million poorer as a result of water buybacks.

“All sides of politics must finally acknowledge the negative impacts of water buyback schemes,” said Mr Anderson.

“Victoria was unfairly targeted with buybacks because we have a very reliable water product. In 2008, Labor spent almost \$400 million more in buybacks from Victoria than any other state.

“1,200 gigalitres have been purchased from irrigators across the Basin since 2008 and over 500 gigalitres has come from Victorian farmers, which is equivalent to the all the water in Sydney Harbour.

“To make matters worse, the Australian Labor Party wants to purchase even more water from farmers, lifting the 1,500 gigalitre water purchase cap.

“There is an urgent need for both sides of politics to listen to regional communities and work through the serious issues the Basin Plan and water buybacks have created,” 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.

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