



RESPONDING TO THE MURRAY DARLING BASIN PLAN

Adapting to a Low Water Future

Challenges and Opportunities

The implementation of the Murray Darling Basin Plan (MDBP) continues to be a complex and challenging endeavour, reflecting the intricate interplay of environmental, social and economic factors for our region. Stakeholders, including the Victorian Government, local communities and agricultural and associated industries, face ongoing challenges in balancing water allocation and usage while ensuring sustainable practices that protect the health of river systems.

Importantly, the Greater Shepparton community has taken the position to strongly oppose water purchasing occurring within the Murray–Darling Basin. Initially there was an understanding that any water buybacks would come from river diverters but now we see the Federal Government trying to buy water out of irrigation networks which threatens the viability of the entire system.

It is anticipated that buybacks will drive up the cost of water, increase the cost of maintaining irrigation networks, and ultimately raise food prices. The policy is also expected to reduce farm production and lead to job losses in both agricultural and secondary industries.

Victoria has already contributed more than its fair share to water recovery, having returned 440GL more than South Australia and 170GL more than New South Wales.

We know there are alternatives to open tender water purchases which is also acknowledged by the Victorian Government, as detailed in the *Planning our Basin Future Together Prospectus* which is in direct response to these changes to the MDBP. This plan needs to be fully funded so that our region can deliver on its water recovery obligations, while minimising the economic and social impacts on our community and industries.

Any further buybacks need to be paused to make way for the implementation of the Prospectus that provides alternative water recovery solutions.

As a priority we request that the Federal Government increases its transparency regarding the implementation of the MDBP and Restoring our Rivers Act. Despite the Act being coming into play in December 2023, it has still not been communicated how much and where water will be taken from our region.

As the nation's Agricultural Powerhouse, our role in providing secure food supply is under threat. The reality for Greater Shepparton is a future with less water. We need to understand the impacts and how we adapt to this while continuing to provide food to Australia. We can't risk this occurring in an ad hoc and untimely manner, we need to start planning for a different future now!

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MICHAEL CRISERA

Grower Services Manager
Fruit Growers Victoria



“Further buybacks would mean even less water is available on the allocation market - the impact on permanent horticulture, which has fixed water demands, and is highly reliant on the allocation market, especially in seasons when allocations are reduced, is potentially disastrous. In years of drought, with less water allocations/availability and higher water market prices, the horticulture businesses in regional communities are particularly vulnerable because permanent plantings require water to keep trees alive.”

Solution

While we contend that the \$300 million Sustainable Communities Program to be rolled out over four years is insufficient in providing adjustment assistance to minimise socio-economic impacts on Basin communities, with the Australian Government recently awarding \$160 million to New South Wales and \$93 million to South Australia, there is some urgency for the Greater Shepparton region to develop a strategic plan or business case in readiness to access this funding program. This strategic plan or business case will:

- Assist impacted industries to adapt to a future with less water
- Diversify our industry base
- Ensure the resilience of our community
- Secure a sustainable future for our region
- Consolidate our strategic importance to the region, state and nationally
- Ensure that the significant investment that has been made into the \$2B state of the art irrigation infrastructure across the GMID to safeguard the Agricultural Powerhouse of Australia is not wasted.

Council sees value in utilising the existing model undertaken with Murrindindi Shire Council to facilitate its transition from a forestry-based industry. By leveraging the insights and frameworks developed through this model, we can effectively inform a strategic plan for the Greater Shepparton region. This model was endorsed by the Victorian Government and we can anticipate it's also relevant to our challenges and opportunities, and will assist in positioning Greater Shepparton to thrive in an evolving economic landscape.

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ANDREW MANN

Co-Chair of Goulburn Murray Irrigation District Water Leadership Group

“Community is critical to the region's successful transition and requires a skilled ongoing focus in its own right - to work with and complement the work with irrigators and industry.”



Investment

This is a pivotal point in the future of our region, and it is critical that we strategically plan for our future. To implement a similar approach to the Murrindindi Model, we require specialised expertise and adequate resources to ensure planning is informed, robust and inclusive.

As highlighted, time is of the essence, therefore we are seeking a contribution of \$250,000 per annum over the next two years to fund the capability needed to enable us to respond to the impacts of the continued implementation of the MDBP and Restoring our Rivers legalisation.

The Greater Shepparton region is eager for the opportunity to work with the Victorian Government on achieving the outcomes outlined in the Planning Our Basin Future Together prospectus. This initiative represents a significant step towards sustainable development and effective resource management within our basin.

CONTACT US

Fiona Le Gassick

Chief Executive Officer
Greater Shepparton City Council
90 Welsford Street, Shepparton

Phone: (03) 5832 9850

Email: Fiona.LeGassick@shepparton.vic.gov.au

Web: www.greatershepparton.com.au

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BEN HARNWELL

Manager Economic Development, Murrindindi Shire Council

“Shaping Murrindindi's Future project is about empowering the community to explore opportunities that reflect our strengths and potential. The project was initiated from the impact from the cessation of native timber harvesting. Using Smart Specialisation, the project has focused on evidence based data, with community driven insights and empowering decision making that explored opportunities that will create new innovative industries within the impacted communities.”

