



# Victorian Farmers Federation

*United Dairyfarmers of Victoria*

## District Council 2 and 3 Regional Update



Over the past two weeks, your dairy and water leaders from DC 2 and 3 have been involved in the following activities.

### **Federal Water Plan:**

Richard Anderson continues to discuss revised draft legislation with Government officials. Unfortunately promises committed verbally are still not reflected in the legislation and further negotiations will continue.

One concession the Federal Government committed in parliament last week was they will not meter stock and domestic water. Richard Anderson worked closely with the National Farmers Federation to achieve this change and now stock and domestic water will be deemed rather than metered.

Debate continues to focus on the funding available under the \$10 billion water plan for infrastructure upgrades. The VFF has long maintained that there is not sufficient money for infrastructure upgrades. When you look into the detail, the Federal Government is only offering \$3.1 billion for "delivery system efficiency gains" (see *Attachment A, A National Plan for Water Security*). This \$3.1 billion will be spread across the whole of Australia over ten years and farmers must contribute \$750 million to receive 50% of the water savings.

### **Foodbowl Modernisation Project:**

The VFF and its members last week reaffirmed their opposition to water being piped from Northern Victoria to Southern Victoria as proposed under the Foodbowl Project.

As many are aware the State Government announced last week the Food bowl modernisation project. \$1 billion has been committed for the first stage of the project; the full project will cost up to \$2 billion and is predicted to save over 450 gegalitres. The water savings from stage 1 of the project will be equally shared (1/3rd) between irrigators, the environment and Melbourne. The water savings for Melbourne will be delivered via a pipeline at Sugarloaf.

As a consequence of Minister Brumby stating the project will go ahead, Richard Anderson and Geoff Akers met with Minister Thwaites and Treasurer Brumby and secured a number of concessions from the State Government.

- Water savings from Stage 1 of the project and any subsequent water savings will be accrued as additional water entitlements for farmers in the form of a water share; this will give farmers a tradeable asset that will add value to their farm.
- Once Melbourne's water savings are achieved, which is 75GL, this water will be held as a bulk entitlement for Melbourne.
- Government and Melbourne urban water authorities will not enter the permanent or temporary water market to secure water for Melbourne.
- The project will be managed as a 'whole of region' project.

Discussions also focussed on environmental water being available to farmers in dry years as well as the need for consultation with farmers and funding for on-farm upgrades.

*We will continue to keep you informed of our lobbying activities with regular inserts in Country News. If you want further information please contact your branch or district council representatives.*