



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.

Drought:

UDV District Council's 1, 2 and 3 had another drought meeting last week to discuss drought activities and further drought action needed. Since submitting our drought submission to Government, DSE requested further information regarding paying for water we don't receive. We reiterated that the rebate must be more equitable between large and small water users than last year. We also highlighted that the rebate should cover charges relating to infrastructure access fees and entitlement storage fees on the percentage of water not received.

The group also discussed the importance of all farms doing a financial and feed budget. This is important so that farmers know the price they can pay for feed and perhaps negotiate with their supplier on what they can afford.

The group encourages farmers on the Goulburn system that deferred their water bills last season to be mindful that an installment will be due at the end of the year.

EC Interest Rate Subsidy:

The Federal Government recently extended the eligibility criteria for farmers wanting to qualify for the EC Interest Rate. This announcement saw the off farm asst limit increase from \$473 000 to \$750 000, which means more farmers are now eligible. For farmers on the Goulburn system there is only a small window if you want to claim the subsidy for 2006-07 with applications closing on 15th October. If you are interested in claiming the subsidy contact Rural Finance.

Foodbowl Modernisation Project:

Geoff Akers and Max Fehring have been involved in almost all of the Foodbowl Consultation meetings last week. We urge those who could not attend to have a look at the draft report on www.ourwater.vic.gov.au and for those inclined, submissions will be accepted until October 24.

Drought Contingency Plan:

The Federal Government recently released a "dry inflow contingency plan" which suggested that a "collective reserve" be established to ensure there is sufficient water in 2008-09 to enable a 696 gigalitre dilution flow to South Australia.

This puts irrigator's allocations at risk and we support the State Government's opposition to the plan. Unfortunately this just raises further concern that if the Federal Government did have a full referral of State Government powers under the National Water Plan then they potentially could just send this water to South Australia.

Groundwater Temporary Transfers:

After much lobbying, Richard Anderson has been successful in reducing the groundwater temporary transfer charges. G-MW has agreed to adopt a tiered pricing structure depending on whether the farmer's access to groundwater is a low, medium or high risk.

Carryover:

Richard Anderson attended a DSE meeting to discuss further implications on carryover. Based on the discussions, DSE are now finalizing a draft proposal for carryover that will be out for public discussion in coming weeks.

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.