



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.

Foodbowl Modernisation Project Moves Ahead

The Victorian Government announced December 19, 2007 that the Foodbowl Project would move ahead with the creation of a State Owned Entity (SOE) to manage the project.

The State Owned Entity consists of six Board members; Richard Guy (Chairman), Barry Steggall, Terry Francis, Peter McCamish, Miranda Douglas-Crane and Geoff Akers.

'Foodbowl Recommendations adopted by the Victorian Government:

The Victorian Government adopted 50 of the 52 recommendations outlined in the Foodbowl Steering Committee's final report. Unfortunately, two critical recommendations were not adopted.

Environmental Headwork's charges:

The VFF lobbied strongly that for any environmental water savings made, Government must pay its headworks charges. Unfortunately the Victorian Government did not support this. This means that storage costs for environmental water will be unfairly spread across irrigators. This results in an inequitable situation where farmers have to pay for storing the environment's water which is providing a benefit to the whole community, not just agriculture.

Despite a number of outstanding problems with the Federal Water Plan, one issue the VFF did resolve with the former Howard Government was the payment of headwork's charges for environmental water. The former Water Minister, Malcolm Turnbull confirmed in writing that "the Australian Government will pay the standard charges for water entitlements that it holds".

The new ALP Government is yet to confirm if they will honour this commitment. In the meantime, we must all maintain pressure that it is unreasonable to expect farmers to pay the headwork's charges of environmental water when it benefits the whole community.

Water savings beyond 225GL:

The VFF also lobbied that any savings beyond 225GL should be split 50/50 between the environment and farmers given Melbourne is capped at 75GL. The Victorian Government made no decision on the distribution of water savings in excess of 225GL.'

DC 2 & 3 Water Infrastructure Principles:

When we first started writing this column last year we developed 3 key principles to evaluate upgrades to our irrigation systems. The DC's believe that any irrigation infrastructure upgrade must firstly create better service. This includes improved service height when water is delivered, increased volumes of water onto farms and water delivered on demand. Secondly, the upgrade must provide for cheaper water and increased efficiency within G-MW. Finally, the upgrade must ensure the region is more competitive to encourage new agricultural investments.

DC 2 and 3 will be closely monitoring the activities of the State Owned Entity to ensure our principles are implemented.

Christmas and New Year Greetings:

We hope you all had a happy Christmas last week and wish you all the best in 2008. Fingers crossed the rain continues!