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Lachlan Valley Water Inc

Sustainable, productive and efficient water use in the Lachlan Valley

Media Release

“Buybacks to Hit Everyone in the Hip-Pocket”

The recent announcement to go beyond the buybacks required under the Murray Darling Basin Plan by the Minister for Environment and Water, has the potential to lift the cost of living for everyone, and put some agricultural producers out of business according to Lachlan Valley Water Chairman, Tom Green.

Approx 40% of Australia’s agricultural produce comes from the Murray Darling Basin, including 100% of our rice, 74% of our grapes, and 30% of our dairy. Mr Green says “Having less water to irrigate with means higher costs for agricultural producers, which will translate into increased prices on supermarket shelves. Minister Plibersek’s announcement on Tuesday to go beyond the buybacks required under with the Murray Darling Basin Plan wont just hurt rural communities and regional producers, but also her city constituents at the checkout – all of whom are already experiencing high costs of living”.

The NSW Irrigators' Council (NSWIC) also strongly condemned the Federal Government’s plan for additional water buybacks and removal of the cap on water recovery to go beyond the Murray Darling Basin Plan requirements, saying the announcement has sent shockwaves through Basin communities.

“Basin communities have already lost 1 in 3 litres of irrigation water to get the Basin Plan Sustainable Diversion Limits in place, and the uncertainty of more, beyond what was required to reach the SDLs, is a major cause for concern,” said NSWIC Acting CEO Christine Freak.

“To put this in perspective, buying back the NSW share of an additional 450GL of water will remove the equivalent of nearly half of the remaining high-security water that’s left for farming in the NSW Southern Basin. This is very concerning, given the severe socio-economic and water market impacts, and implications for Australia’s food bowl.”

The most recent five-yearly review of the implementation of the Basin Plan found:

“Recovering water through efficiency measures has become increasingly divorced from the environmental outcomes it is meant to achieve. The current focus of the program is on meeting the legislated target of recovering an additional 450 GL by 2024. There is little evidence that it has been designed to recover water in the places needed to effectively achieve the enhanced environmental outcomes.”

Mr Green says “Producers are already doing it tough, and with a looming El Nino predicted and the continued escalating costs of state and federal reforms, it just doesn’t make sense to reduce the amount of water from the consumptive pool. Increased water prices coupled with drought conditions provides the very real risk to put some producers out business. And we’re talking about families here, multi-generational producers who’ve had a gut full.”

A 2022 report commissioned by the Victorian Government found that simply buying back Basin Plan shortfalls would result in over \$850 million in forgone production per year, with an extra 17,500 hectares of high-value horticulture being dried off.

For more information contact Lachlan Valley Water Chairman, Tom Green on 0427 877 971, or email eo@lvw.com.au

Lachlan Valley Water (LVW) is the valley-based industry organisation representing surface water and groundwater users in the Lachlan and Belubula valleys. Our members include irrigators, stock and domestic water users, other industries including mining, landholders exercising basic land rights and all categories of licences except for those held by environmental water managers.