



The Goulburn Valley Environment Group Inc.

Po Box 2073 Shepparton Vic 3632

e-mail gveg@shepparton.net.au

Environment and Communications Legislation Committee Secretariat
Parliament House
Canberra, ACT 2600

Submission to the Inquiry into the Water Amendment Bill 2015

Goulburn Valley Environment Group (GVEG) is gravely concerned that the proposed amendments included in the Water Amendment Bill 2015 will seriously compromise the delivery of the Murray Darling Basin Plan as intended.

Imposing a cap on the purchase of water entitlements by legislation removes future flexibility and puts at risk the recovery of water for the environment as agreed and included in the Basin Plan.

At the moment the Murray Darling Basin Authority's infrastructure upgrades and on-farm efficiency measures programs, in our region, are coming under financial pressure due to the price increases of temporary and permanent water entitlements. Many Irrigators are electing to fund their own on-farm efficiency upgrades and retain water saving for permanent sale or trade.

The price of water is expected to continue this trend as highly profitable agriculture enterprises replace older less efficient operations.

This further increase in the price of water entitlements will both reduce irrigator support of efficiency projects and increase the cost to taxpayers of returning water to the environment.

It is well proven that purchasing water entitlements is by far the most effective way to obtain water for the environment. Any decision to impose a limit on the quantity of water to be purchased will dramatically increase the cost of implementing the Basin Plan.

In addition GVEG is concerned that taxpayers' will be unwilling to fund the additional cost of implementing the Basin Plan if a cap on the purchase of water is imposed.

The Goulburn Valley Environment Group reiterates that a cap should not be imposed on the purchase of water entitlements associated with the implementation of the Basin Plan.

Yours faithfully

Terry Court
Vice President
Goulburn Valley Environment Group