



Senator David Van
Senator for Victoria

MEDIA RELEASE

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Senator Van reaches agreement with Minister Plibersek

Yesterday Senator Van reached agreements with Minister Plibersek on the Restoring Rivers Bill. These agreements offer our farmers flexibility and options while supporting a productive, sustainable future where natural resources and commercial activity coexist.

The first amendment Senator Van successfully introduced and passed on Thursday 30th November involved the introduction of a 'leasing' option as water recovery instrument. This presents farmers with three choices: selling their water entitlements (ie 'buybacks'), leasing water to the Commonwealth or selling an entitlement and leasing back water from the Commonwealth.

These leasing options offer farmers genuine choice and adaptability, allowing them to determine the most beneficial approach for their operations. The lease arrangements enable farmers to develop robust succession plans, mitigating the need to rely solely on short-term asset sales during challenging times. The Minister has affirmed that the leased water will be considered as Held Environmental Water.

"The problem with buybacks is they remove water rights from a farm in perpetuity rendering it almost useless as a farm. Leasing allows farmers to give their water entitlement to the Commonwealth for a period of time, which could be 1, 5, 30 years, that provides them an income while assisting the environment," said the Senator. With leasing as an option this makes buybacks pretty much redundant.

Senator Van also negotiated bringing a socio-economic factor back into the water recovery process. This socio-economic factor requires the Minister, when undertaking buybacks, to consult with affected communities and industry groups impacted, consider the impact on all levels, provide structural adjustments or 'make good' if negative impacts are indicated, the final element being a full report to Parliament and the people of Australia.

Minister Plibersek when discussing the socio-economic factor was clear the community assistance packages will be focussed on structural investment. The focus is to provide economic stimulus back into the affected communities to build long term value to our rural and regional communities.

Visit to Echuca:

In October Senator Van visited irrigation areas around Echuca, Kerang and Sheparton and met with representatives of the Murray River Group of Councils as well as business owners and industry

leaders to discuss their concerns about the potential reintroduction of water buybacks on the wider community during this cost-of-living crisis.

During this visit, the Senator gained insight in to how the Restoring Rivers Bill would threaten the very existence of many family-owned dairy farms in Victoria. These businesses often operate on razor-thin margins, any disruption in their water supply can have catastrophic consequences. As a result of buybacks many farmers have been forced to sell their farms, leading to the loss of valuable agricultural assets that have been in families for generations. The loss of farm and farming families leads to lost communities and increased cost of living. Not to mention loss of supply to processing plants which may have to shut down wreaking major damage on the towns that rely on them for employment.

“To solve the environmental issues with the Murray-Darling Basin, we need a solution to effectively address the dichotomy of our river systems. The Darling is parched and the Murray is overwhelmed. Both rivers are suffering from mismanagement, killing the ecosystems and the communities that depend on them. Farmers are doing everything they can to farm sustainably,” said Senator Van in a statement he made earlier in November.



Image credit: Aidan Briggs

Quotes:

“The simplistic just add water approach of Restoring the Rivers Amendment is not the answer. We need to be walking hand in hand with the people who farm our land and waterways. If buybacks alone had been allowed to go through it was likely that we were going to see 25 per cent of the Victorian dairy industry disappear.” Said Senator Van

“I’ve had a very good interaction with the Ministers office finding ways to improve this bill and I am pleased to say that the Government has agreed to my amendments on this for a better outcome for the communities of the Basin” Said Senator Van

“The ability that I now have as an independent senator to focus on improving legislation and to look at policy and improve it, rather than simply focus on the politics, is an incredibly liberating path to

take and one I am enjoying thoroughly. I'm also enjoying the intellectual rigour that I get to bring to policy. Rather than being hamstrung by the politics of the party room agenda and by those words only given to you by leadership. I can now take legislation and policy to debate and improve it as well as I am able for the people of Victoria and, indeed, for all Australians. Hopefully, that is what I have been able to do with this bill.' Said Senator Van

Amendments Reached:

“The first is to make it very clear that leasing water rather than buying it, is an option available to us to achieve the targets in the Murray-Darling Basin Plan. I've said all along the voluntary water purchase is not the only tool in the box that we are looking at on farm, and I've found efficiency measures and a range of other options.” Said Minister Plibersek

“And with this clarification about leasing, that puts another option on the table. Senator Van has also asked me to clarify that I will consider the social and economic impacts of any water purchasing program and that I will report to the Parliament annually about the way that I have considered any such impacts and I've agreed to that amendment as well.” Said Minister Plibersek

“By losing the ‘in perpetuity’ part that goes with buybacks, farmers are more likely to want to lease the water back to the Commonwealth holder of environmental water and it gives them flexibility in their business.” Said Senator Van

1. The relative vulnerability of each local government area (LGA) to further water recovery programs. Relative vulnerability is a function of the dependence and adaptive capacity of each LGA. It is an indicator of how well each LGA is likely to be able to handle changes in water availability, and
2. The changes to the irrigated agriculture sector from water recovery programs. This includes likely changes to water allocation prices and irrigated agriculture production and gross value by sector and region.

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