



Victorian
Farmers
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MURRAY DARLING BASIN PLAN

The Murray Darling Basin Plan (MDBP) was adopted in 2012 to be implemented over 12 years with a target to recover 2,750 gigalitres (GL) for the environment. The Commonwealth Government has committed at least \$13 billion to implement the Basin Plan. So far over \$9 billion has been committed to projects or water purchases. Almost \$7 billion of this has been contracted or spent, leaving about \$2 billion of committed funds to be spent.



Water recovery is divided between the Northern and Southern Basin. The Northern Basin target, originally set at 390 GL, was later reduced to 320 GL. The Southern Basin target is 2,360 GL.



On top of the 2,750 GL, in 2012 the MDBP also allowed for another 450 GL (called upwater) to be secured in the Northern or Southern Basin for the environment providing there are no negative socio-economic impacts. This was a last minute political deal between the Commonwealth and South Australia. In 2018, a detailed socio-economic test was unanimously supported by all Basin States and the Commonwealth Government at Ministerial Council to assess any water recovery for the 450 GL of up water.

Implementation of the Basin Plan without regard to socio-economic costs has:

- Reduced water available for irrigation
- Driven up the price of water on the water market making it unaffordable to many irrigators
- Dried off large areas of irrigation, stranding irrigation assets and increasing costs to those that remain
- Caused job losses on farm and in food processing and damaged local communities.

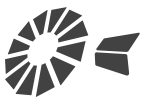
The MDBA’s own analysis shows that there is no improvement in environmental indicators in Northern Victorian River systems if a further buybacks occur to achieve full implementation of the Basin Plan (this could amount to a further 550GL of buybacks - See MDBA Assessment of Environmental Benefits of more Commonwealth water buybacks Fact Sheet).

2023 Basin Plan Changes:

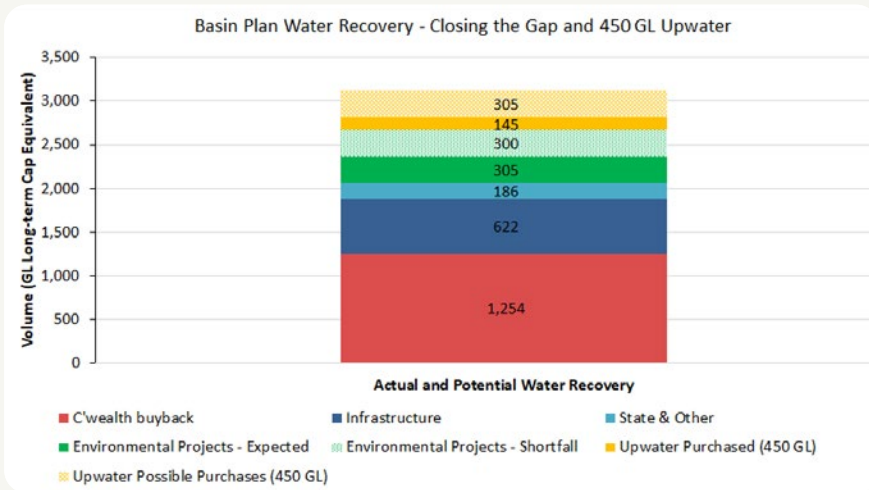
In 2023, the Commonwealth Labor Government made changes to the Basin Plan without the agreement of the Victorian government to:

- Purchase water to secure the 450GL upwater
- Bypass the socio-economic neutrality test adopted in 2018 for the 450GL of upwater
- Extend the deadline for recovering the 450 GL target from June 2024 to December 2027
- Grant an 18 month extension to state-run water-saving projects from June 2024 to December 2026
- Allow for new water saving projects to be established if they can be completed by December 2026.

These changes were a substantial shift with little regard given to those in rural and regional communities and the impacts of these water buybacks from the open market. There is clear evidence that water buybacks drive up the price of water on the allocation market as there is simply less to go around and they drive up the cost of using irrigation infrastructure as there are less people using water to spread the irrigation charges across.



Water Recovery Progress:



Over 2,060 GL of water for the environment has been recovered so far – that is four Sydney Harbours being returned to the environment. The SDLAM projects are forecast to recover 305 GL, leaving a shortfall of 300GL and 145 GL has been recovered towards the 450GL, leaving a 305GL shortfall.

What's Next for the Basin Plan?

The Basin Plan largely concludes by December 2026, except for an extra 12 months for proposed Commonwealth purchases for the 450 GL of upwater.

Currently the Murray-Darling Basin Authority is reviewing the Basin Plan and prepared a Basin Plan Review Discussion Paper that can be found at <https://www.mdba.gov.au/publications-and-data/publications/2026-basin-plan-review-discussion-paper>

From this Review, recommendations will be made to the Commonwealth Government as they look to amend legislation and the Basin Plan.

Why your Voice Matters:

This is a once in a decade opportunity to have your say on fixing the Basin Plan to protect irrigators and local communities. The MDBA are accepting submissions until May 1st 2026. The VFF has developed a template submission on its website.

Opportunities for Basin Plan Reform:

1. Stop all Commonwealth water buybacks and redirect funds allocated to water buybacks to environmental works projects.
2. Propose practical actions to support irrigated agriculture.
3. Commonwealth and MDBA consult on the costs and benefits of their proposed recommendations and who pays.
4. Ensure that projects reviewing the irrigation footprint and its viability across Northern Victoria are funded.
5. Ensure projects can be funded even if they cannot achieve the 31st December 2026 implementation date.
6. Ensure sufficient water remains for agriculture by not reducing sustainable diversion limits

