MEDIA RELEASE

Senator the Hon Penny Wong

Minister for Climate Change and Water

PW 199/09 24 July 2009

STRONG RESULTS ON GOVERNMENT WATER PURCHASE

In total to June 30 this year, the Rudd Government has secured the purchase of some 446 billion litres of water worth $660 million as part of a water buyback designed to put the Murray-Darling Basin back on a sustainable footing.

Minister for Climate Change and Water, Senator Penny Wong, said that in the 2008-09 year alone, the purchase of more than 408 billion litres of water worth over $613 million was secured.

The purchases were made through tenders conducted under the Government's Restoring the Balance in the Murray-Darling Basin program.

"To help meet the challenges posed by climate change, drought and over-allocation, the Government is investing $3.1 billion over 10 years in purchasing water to return to the Basin's stressed rivers and wetlands," Senator Wong said.

"This is in addition to a significant investment in making irrigation infrastructure more efficient, including $3.7 billion already committed to specific state projects and $300 million to on-farm infrastructure projects.

"The combination of this infrastructure investment and our water purchase program is playing a crucial role in smoothing the transition for irrigation communities as they adjust to the lower diversion limits that we expect under the new Basin Plan."

Currently under preparation by the Murray-Darling Basin Authority, the Basin Plan will be implemented from 2011 and will include a new, sustainable, scientifically-based limit on water use in the Basin.

Senator Wong said the Government was pleased to have received such a strong positive response from willing sellers of water entitlement to the buyback.

"As water becomes available, water entitlement purchased by the Government will help improve the health of the Basin's rivers, wetlands and floodplains," Senator Wong said.

"Around 90 percent of purchases were from catchments that scientists have assessed as having high priority needs for environmental water."

The Government's largest purchase was 240 gigalitres of entitlement from Twynam Agricultural Group.

Of the remaining purchases, 55 per cent of the irrigation entitlements purchased through the 2008-09 tenders were from Victoria compared with 44 per cent from irrigators in New South Wales.

Senator Wong said the Government welcomed the good progress in its water purchase program, and remained keen to see more action on irrigation infrastructure.

"The Rudd Government committed $3.7 billion towards Basin state priority irrigation projects over 12 months ago," Senator Wong said.

"We look forward to receiving the States' comprehensive proposals as soon as possible."

A breakdown of key water purchase facts is attached. Further information on the outcomes of the 2008-09 water tender is available at www.environment.gov.au/waterpurchasing

Purchases secured under the Restoring the Balance in the Murray-Darling Basin program
As at 30 June 2009

Catchment	Entitlement Type	Purchases (ML)	Expected average annual volume of water available for the environment (ML)	MDBC Sustainable Rivers Audit Health Rating
Gwydir	General security	70,538	25,394	Poor
	Supplementary	16,324	3,102	
Barwon-Darling (a)	Unregulated	28,603	28,603	Poor
Namoi	General security	4,805	3,700	Poor
Macquarie	General security	47,215	19,830	Very Poor
	Supplementary	1,888	397	
Lachlan	General security	75,371	31,656	Very Poor
Murrumbidgee	General security	47,606	30,468	Very Poor
	Supplementary	20,820	2,915	
Murray	High reliability	45,471	43,197	Poor - Very Poor
	Low reliability	5,102	1,224	
	NSW General security	30,615	24,798	
	SA High security	1,899	1,709	
Campaspe	High reliability	2,573	2,444	Very Poor
Goulburn-Broken	High reliability	42,996	40,846	Very Poor
	Low reliability	3,325	1,164	
Other (b)	Various	1,165	1,018	
TOTAL		**446,315**	**262,464**	

(a) Includes the water entitlements acquired from Toorale Station

(b) This category includes details of purchases where there are less than five individual trades of that entitlement type, and the details of these purchases have not yet been made public. These trades are not listed separately by catchment to protect the privacy of the individuals involved in these trades.