



**Media Release**

**27 August 2007**

## **\$4.31 MILLION FOR MURRUMBIDGEE RIVERREACH PROJECT**

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The Nationals Member for Riverina, Kay Hull, together with Murrumbidgee Irrigation Limited's Corporate Affairs Manager, Matt Linnegar, were thrilled to announce today that \$4.31 million will be provided under the Australian Government's Water Fund to assist with the Murrumbidgee River Reach Project.

Mrs Hull and Mr Linnegar made the announcement of funding for the project today in Griffith. Murrumbidgee *RiverReach* represents a partnership between the Federal Government, Murrumbidgee Irrigation Limited and the Murrumbidgee Catchment Management Authority to develop innovative water products for the environment while at the same time ensuring security for irrigators.

The project will explore the potential for a water options exchange for the Murrumbidgee Valley to trade new water products designed to better meet the needs of irrigators and the environment. The project aims to improve the security of irrigators in dry years while increasing the amount of water available to the environment particularly in wetter years. The project also seeks to better manage environmental water to ensure better outcomes per drop. In effect, it gives farmers in the MIA another alternative to consider with the added benefit of keeping the water entitlement in their region.

"I am delighted that this funding has been approved for the project as this contribution will be used to investigate, develop and trial an environmental water exchange and if appropriate will be used by the environmental water manager to purchase the innovative water products being trialled," Mrs Hull said.

"I have been working with the Minister for the Environment and Water Resources, Malcolm Turnbull, and Murrumbidgee Irrigation for some time to highlight the benefits of this project and ensure the a positive outcome with funding and I am just so pleased that the outcomes of this innovation have now been recognised.

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Mrs Hull said the project will:

- develop and trial innovative water market products
- make available up to 40 gigalitres of water during wetter years to improve environmental outcomes in the Murrumbidgee Valley and beyond
- deliver an alternative to the permanent purchase of water as a sole means of providing water to the environment – this will deliver more water for the environment without compromising irrigators' security
- promote complementary water use between irrigated production and the environment
- pilot a market mechanism and provide a model and framework that may enable the roll out of water exchanges to trade innovative water products nationally
- build the skills and develop the institutional capacity of the environmental water purchasers to engage in an options market

“The team at Murrumbidgee Irrigation have worked incredibly hard to progress *RiverReach* from concept to reality. We have worked closely with the Murrumbidgee CMA and the Federal Government in developing this project and welcome the announcement of funding by Minister Turnbull,” Mr Linnegar said.

“I would like to thank all of our project partners and contributors including our customers who have been very supportive of the concept. I would also like to thank Kay for her support of *RiverReach* since inception.”

Mrs Hull said the Australian Government Water Fund is a \$2 billion investment in water solutions for current and future generations.

Mrs Hull said the fund comprises three programmes – the \$1.6 billion Water Smart Australia programme, the \$200 million Raising National Water Standards programme and the \$200 million Community Water Grants programme. The Community Water Grants programme was extended by \$200 million in the 2007-08 Budget.

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*For further information contact Rosie Ellis on 02 6921 4600 or Matt Linnegar on 02 6962 0200.*