



MEDIA RELEASE

Senator the Hon Penny Wong

Minister for Climate Change and Water

PW 22/08

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\$50 MILLION DOWN PAYMENT ON THE MURRAY

Minister for Climate Change and Water, Senator Penny Wong, today launched the first round of water entitlement purchasing as part of the Government's plan to restore the health of the Murray-Darling Basin.

A public tender process will begin tomorrow, with the Australian Government allocating \$50 million to purchase water this financial year.

Senator Wong said irrigators who wish to sell water will be invited to submit offers to the Government at a fair market price.

"The River Murray and the other important rivers that make up the Basin desperately need more water," Senator Wong said.

"We've had 11 consecutive years of dry conditions and six consecutive years of record low inflow on the Murray, yet this will be the first time the Australian Government has ever directly purchased water.

"This is a down payment on the future of the Murray."

Senator Wong said the dry conditions of the past 11 years had exacerbated over-allocation issues in our rivers.

The water entitlements purchased will be held by the soon to be established Commonwealth Environmental Water Holder and delivered to key environmental assets like the Chowilla Floodplain in South Australia.

Senator Wong said providing water to these sites would improve the breeding grounds for thousands of colonial waterbirds and to restore River Redgums.

"The purchased water will also help keep the Murray mouth open and protect against algal bloom outbreaks, salinity and other water quality risks that threaten the health of our rivers and livelihood of our farmers," she said.

Senator Wong said the \$50 million would only be used to purchase water from willing sellers.

"Farmers wanting to raise capital to make their businesses more efficient, more profitable and more resilient to drought and climate change will now have the option of selling some of their water entitlement to the Government."

Senator Wong said today's announcement was an important first step in the Government's plan to tackle the issues facing the Murray-Darling Basin.

"Purchasing water from willing sellers is a crucial to addressing the over-allocation of water in the Murray-Darling Basin.

“But water purchase is just one part of our plan – we also want to get on with the job of modernising irrigation infrastructure and working cooperatively with other levels of government to set a new, sustainable cap on the amount of water taken from rivers in the Basin.”

The Australian Government also recently invested \$4.6 million to 14 irrigation water providers to identify opportunities to modernise water infrastructure and reduce water loss.

More information on the water entitlement purchase is available from:
www.environment.gov.au/water/programs/entitlement-purchasing/