

4% and 10% Limits

How the limits and any exemptions relate to your application



10% non-water user limit

The Victorian Government has announced it intends to legislate to remove the 10% non-water user limit on the volume of water shares that may be held separate from land. This decision recognised that the limit was being approached and that keeping it would significantly restrict opportunities for buyers and sellers.

This legislation is planned for introduction into Parliament by September 2009. The outcome of the legislation will be announced on the Water Register website (www.waterregister.vic.gov.au). Until the 10% limit is removed, any water share trade application that would cause it to be exceeded cannot be approved.

As a result some applications cannot be approved at the moment because they would move water into the non- water user category and cause the 10% limit to be exceeded in the water system.

Rather than refuse the applications, they are being set aside for when processing resumes, depending on whether Parliament passes the legislation. We will be in contact customers at that time to update on progress.

If customers have concerns about applications being held for processing later, please contact **Goulburn-Murray Water on 1800 013 357**.

4% annual limit on permanent trade out of irrigation areas

Separately, the Victorian Government has also announced some exemptions to the 4% annual limit on permanent trade out of irrigation areas. This is to coordinate the Commonwealth's Water for the Future buyback program with the \$2 billion investment in the Northern Victoria Irrigation Renewal Project to modernise Victoria's irrigation system.

Exemptions to the 4% limit are being given to applications to transfer water shares where:

- the water share is being sold to the Commonwealth and is associated with land in an area that is not a priority for modernisation, or
- where the water share is being sold to the Commonwealth as part of the Small Block Irrigators Exit Grant Package.

Current eligible applications will automatically be given an exemption without applicants having to take any action. Future eligibility for exemptions may depend on the applicants getting a certificate of exemption from their water corporation.

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Please Note:

If the 10% non-water user limit is removed by Parliament, processing of affected applications will resume in their original balloted order. Applications received after the ballot will be processed according to the date they were received.

Please note that applications retained by G-MW will fall into one of the following categories in relation to the 4% limit. Individual customers have been advised of the relevant status of their individual application by letter.

Of those applications being held there is a combination of the four categories listed below.

Applications which:

- **Will not be affected by any 4% limit**, because the water share is not in an irrigation area or district.
- **Will be given an exemption from the 4% limit**, because the water share is being sold to the Commonwealth and is not within a priority area for modernisation.
- **Will be given an exemption from the 4% limit**, because the water share is being sold to the Commonwealth as a requirement of its Small Block Irrigators Exit Grant Package.
- **Will be subject to the relevant 4% limit** and no exemption will be available.

For more information please contact

Goulburn-Murray Water on 1800 013 357 www.g-mwater.com.au