



Goulburn-Murray Water's response to the 2026 MDBA Basin Plan Review Discussion Paper

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The evidence and experience set out in this submission demonstrate a clear opportunity for the next Basin Plan to prioritise certainty, stability and outcomes-focused delivery over further non-strategic recovery. Basin Plan 2 must be built on the principle that healthy rivers and thriving communities go hand-in-hand and recognise that agriculture and secure food production are integral to thriving regional communities and the national interest.

The recommendations that follow are directed at strengthening both the outcomes delivered by the next Basin Plan and the confidence of communities tasked with implementing it.

Goulburn-Murray Water recommends that the Basin Plan Review:

- Commit to an immediate and permanent end to non-strategic water buybacks.
- Strengthen environmental outcomes by focusing on the effective use and delivery of existing environmental water.
- Support implementation of Victoria's Planning Our Basin Future Together prospectus.
- Increase funding under the Sustainable Communities Program to strengthen regional resilience and adjustment.
- Complete the Sustainable Diversion Limits assessments to confirm that no major changes are required to the current arrangements.
- Improve assessment of the contribution of irrigation to secure food production, using contemporary analysis that reflects economic, social and community outcomes.
- Require all Basin Plan projects to clearly articulate how they support food production, regional economies and community wellbeing, broadening understanding of food production's role in national resilience.
- Implement locally focused environmental strategies that respond to the specific conditions and needs of rivers and creeks across northern Victoria.
- Embed local knowledge and lived experience of Basin communities more directly in decision-making for the next Basin Plan.
- Strengthen the Basin Plan Review process by releasing draft recommendations for public comment, including an additional consultation round prior to finalisation.
- Complete the outstanding Victorian SDLAM projects with greater flexibility in implementation timeframes and delivery pathways.

Goulburn-Murray Water: Delivering water for a thriving northern Victoria

Goulburn-Murray Water is Australia's largest rural water corporation, managing water resources across the Murray Darling Basin's biggest irrigated agriculture region. We operate 23 Victorian water storages that can hold approximately 11,400 GL of water. Goulburn-Murray Water is also the appointed Northern Victorian Water Resource Manager, responsible for system operations and key water management decisions across the region.

We manage, store and deliver water through approximately 10,000km of delivery and drainage infrastructure to more than 25,000 active customers in northern Victoria, and manage more than 100,000ha of public land. Our region spans 68,000 square kilometres, bordered by the Great Dividing Range in the south and the River Murray in the north, stretching from Corryong in the east down river to Nyah. This area supports diverse agricultural commodities including dairy, cropping, horticulture, beef and sheep. We manage water for domestic use, to grow food and fibre, to protect flora and fauna and provide recreation. We service and supply a diverse range of Urban Water Authorities, Environmental Water Holders, Catchment Management Authorities (CMA) and the Murray-Darling Basin Authority (MDBA).

Goulburn-Murray Water is immensely proud to have contributed toward the water recovery achievements through the projects targeting water outside of the consumptive pool, such as the Connections Project and the Water Efficiency Project. The Connections Project delivered 433 GL of long-term average annual water savings and remains the Victorian Government's largest irrigation infrastructure project. The Water Efficiency Project is now expanding on the success of the Connections Project, providing another 15.9 GL of water savings.

The success of these projects exemplifies the benefits of investing in long-term water recovery projects with consideration to generating positive socioeconomic outcomes and strong customer support. The Connections Project was a significant commitment for stakeholders, including state and federal government and Goulburn-Murray Water. This commitment proved to be of immense benefit, as the Goulburn-Murray Irrigation District now has a world-class water delivery system that supports irrigator productivity, helps communities thrive, and fosters healthy waterways and wetlands. This experience demonstrates that durable Basin outcomes are achieved through strategic investment, strong partnerships and community-supported approaches, rather than blunt recovery mechanisms.

A shared path forward

Goulburn-Murray Water's response to the MDBA review calls for the Basin Plan to fully deliver on its legislated purpose: optimising environmental, social and economic outcomes in the national interest. This includes explicitly recognising the critical role irrigation plays in sustaining thriving regional communities and nationally significant food production.

Experience in Victoria shows that outcomes depend not only on how much water is recovered, but on how, where and when decisions are made. In a drying climate, Basin management must focus on managing a system with less water, using a broader range of tools than water recovery alone. Goulburn-Murray Water welcomes the clear shift in the Discussion Paper toward making better use of existing environmental water, alongside careful consideration of future recovery. With Commonwealth and State environmental water holders now owning around 27% of Basin entitlements, it is timely for the next Basin Plan to focus on how environmental water is used to achieve outcomes, rather than simply continuing to acquire more.

Evidence also shows that the way water is recovered has direct consequences for communities and affordability. Victorian analysis indicates that further non-strategic water recovery would place upward pressure on customer charges, with modelling suggesting average irrigation bills could increase by 10-15% as fixed network costs are spread across a smaller consumptive base. At the same time, ABARES analysis demonstrates that tighter consumptive supply and drying conditions significantly increase temporary water prices, with allocation prices projected to rise materially under future recovery scenarios, particularly in the southern connected Basin. These impacts reinforce the need for Basin Plan settings that deliver environmental outcomes without compounding cost pressures on irrigators and regional communities.

Healthy rivers and thriving communities are not competing objectives. They are mutually reinforcing. This submission responds to what Goulburn-Murray Water identifies as the ‘missing chapter’ of the Basin Plan – recognising thriving communities and secure food production as integral to achieving the Plan’s legislated environmental, social and economic objectives.

Long-term Basin Plan success depends on maintaining healthy river systems while recognising that agriculture underpins regional livelihoods, nationally significant food production and Australia’s broader resilience. Above all, certainty matters. Clear and stable policy settings give communities, industries and governments the confidence to invest, innovate and adapt to a changing climate.

A Basin Plan that balances these elements provides the strongest foundation for enduring environmental outcomes and thriving communities. This requires a Basin Plan that prioritises certainty, stability and effective implementation.

Thriving communities and secure food production cannot be ignored

Communities and food matter. More than half of Victoria lies within the Murray-Darling Basin. While total agricultural production across Northern Victoria is estimated at around \$14.5 b, the Planning our Basin Future Together prospectus highlights that irrigated agriculture alone contributes over \$3.2 b annually and underpins tens of thousands of regional jobs. The northern Victorian region is home to nationally significant horticulture, dairy and food processing industries that rely on reliable and well-managed water systems. This contribution sits within a Basin that generates approximately \$22 billion in primary production each year, underscoring the national significance of maintaining productive capacity and water reliability in key irrigation regions. Water reliability shapes not only farm production, but regional investment, employment, population stability and community confidence. These contributions warrant stronger recognition in the next phase of the Basin Plan and these outcomes should be explicitly recognised and assessed in Basin Plan decision-making, including when considering recovery mechanisms and project design.

Experience shows that large-scale, non-strategic water recovery can create a “Swiss-cheese effect” with uneven socioeconomic impacts across irrigation districts. This leads to increased costs for remaining customers, reduced production and heightened risk for communities. Too much change, too fast, can push permanent plantings and water-dependent industries past the point where they cannot adapt, with lasting consequences for regional economies and food supply chains.

This experience is occurring alongside significant structural change in how water is delivered through the system. As shown in Figure 1, water deliveries to the Goulburn-Murray Irrigation District have declined from around 1,750 GL on average in the year before the millennium drought to about 1,100 GL in the years after the millennium drought without a significant decrease in the delivery network. Over the same period, environmental water deliveries have increased, mostly delivered via the river networks.

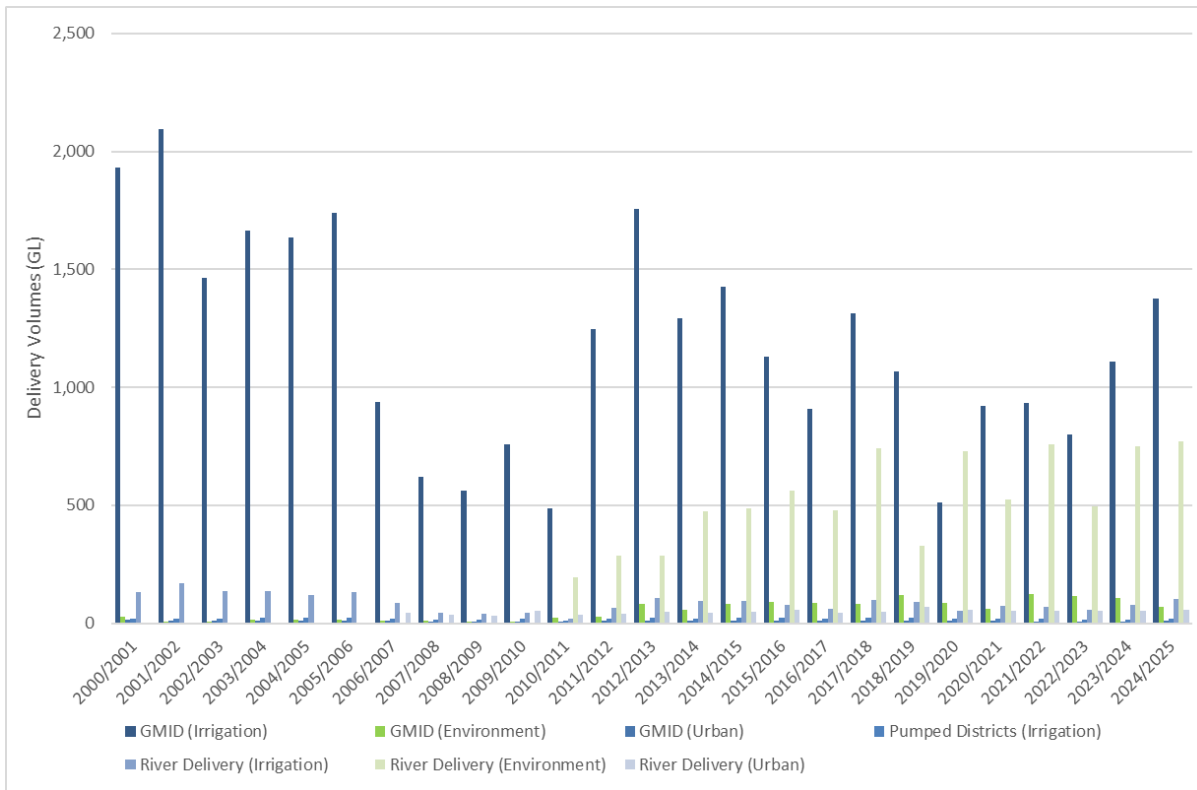


Figure 1: Water Use Delivery Segments

Victoria’s Planning our Basin Future Together prospectus demonstrates that there are practical, community-supported projects capable of delivering equivalent environmental outcomes while avoiding the permanent removal of productive water from irrigation districts. These projects demonstrate a viable alternative to further buybacks and provide a clear pathway for addressing remaining recovery tasks without compounding regional impacts.

With non-strategic water purchases continuing even as this submission closes, and without transparent assessment of socioeconomic impacts, including implications for food production or adequate transition support, Goulburn-Murray Water calls for the Basin Plan Review to take a more deliberate and community-focused approach. This approach must be evident in both recovery decisions and the processes used to develop, assess and communicate them.

Realising this more deliberate approach requires a clear and sustained commitment to funding and implementing the Prospectus, alongside significantly increased investment in the Sustainable Communities Program to strengthen regional resilience, support adjustment and enable long-term adaptation where change is unavoidable.

Complete Sustainable diversion limits assessment to consolidate reform and provide certainty

Goulburn-Murray Water recognises that the current Sustainable Diversion Limits (SDLs) have been implemented through substantial investment, reform and adjustment across Basin communities. These changes reflect a significant and long-term commitment by irrigators, water managers and regional communities to improve water efficiency while balancing environmental, agricultural and social outcomes.

As part of the Basin Plan Review, completing the SDL assessments is an important and necessary step. The Murray-Darling Basin Authority must be able to assess whether the current SDLs continue to maintain a sustainable level of take, and this requires accurate, robust and agreed data. Goulburn-Murray Water supports further work, in collaboration with the Victorian Government, to ensure the informing data and assumptions underpinning these assessments are sound and fit for purpose.

Undertaking this work accurately and in a timely manner is critical to consolidating the hard-won efficiencies already achieved and avoiding the reintroduction of uncertainty. Prolonged or unresolved SDL assessment processes risk undermining confidence for irrigators and investors, disrupting long-term planning, and creating additional pressure on regional communities and food production at a time when adaptation to a drying climate remains an ongoing challenge.

Providing clarity on SDL assessments will support confidence across the Basin, enable continued adaptation, and ensure that future discussions are grounded in evidence and shared understanding.

Complete Basin Plan 1 without further buybacks

Goulburn-Murray Water calls for an immediate and permanent end to continued non-strategic buybacks either to complete Basin Plan 1, or to deliver Basin Plan 2. Experience shows that buybacks result in negative community impacts, disrupt irrigation districts and undermine water security for irrigators and regional communities. Ongoing reliance on non-strategic buybacks also undermines confidence in the reform process by signalling continued change without clear end points or transition pathways.

Over more than 15 years of lived experience, there is effectively no support for non-strategic water buybacks across the spectrum – whether from politicians, Commonwealth and State-level bureaucrats, MDBA officials, local governments, business and community leaders or academic experts. The broad consensus is that buybacks fail to deliver balanced or sustainable outcomes.

Despite this, the Commonwealth continues to pursue water recovery through non-strategic buybacks without adequate strategic consideration, largely because they represent an expedient and administratively simple solution. Buybacks are easy and a lazy practice. They are a short-term approach that ignores the long-term consequences. The economic and social damage already caused, and likely to continue, to irrigation-dependent economies and communities within the Goulburn-Murray Water footprint is significant. These impacts are not abstract; they are being felt in reduced productivity (which may now be exacerbated with rising fuel costs), declining community confidence, and the erosion of regional resilience.

Non-strategic buybacks must cease if there is to be any credible pathway toward sustainable water reform and community stability.

There are valid Sustainable Diversion Limit Adjustment Mechanism (SDLAM) offset projects attributable to the remaining 605GL that will deliver equivalent environmental outcomes without further reducing the consumptive pool. One example is the Victorian Murray Floodplain Restoration Project (VMFRP), which comprises nine floodplain environmental works projects along the Murray River. These projects demonstrate how targeted infrastructure and operational measures could achieve SDLAM offsets by delivering environmental outcomes more efficiently, while retaining productive water within irrigation districts. Goulburn-Murray Water supports these projects being rolled into Basin Plan 2, rather than relying on additional buybacks to meet remaining recovery targets.

Rolling these projects into Basin Plan 2 would allow recovery objectives to be met in a way that is strategic, transparent and supported by affected communities. This approach would maintain productive water within

irrigation districts, build on existing investments, and provide greater stability for communities while continuing to achieve environmental objectives.

Maximising the benefits of water for the environment

Goulburn-Murray Water supports the move away from the “just add water” approach to environmental outcomes. Evidence increasingly shows environmental outcomes depend on how water is delivered, how it interacts with river operations, and the use of complementary measures such as infrastructure works, constraints management, habitat improvement and water quality interventions. This evidence supports a shift toward investment in delivery capability and complementary measures, rather than additional water acquisition alone.

A stronger focus on optimising the use of existing environmental water can deliver broader benefits, including improved water quality, native fish outcomes and river system resilience, particularly in a drying climate. Optimisation becomes increasingly important as water availability declines and competition between uses intensifies.

Basin outcomes cannot be framed solely around the Murray and Darling main rivers. Victoria’s rivers, including the Goulburn, Campaspe, Loddon and King, are environmentally and socially significant in their own right. They play a critical role in supporting environmental health, regional communities and connected Basin systems. These rivers and associated creeks should not be treated primarily as conveyance pathways for downstream outcomes, at the expense of local river health. Protecting their local condition and function is essential to achieving durable Basin-wide outcomes.

Goulburn-Murray Water therefore recommends implementing locally focused environmental strategies for the rivers and creeks of northern Victoria, tailored to local conditions and community values. Such strategies are most effective when developed and implemented in partnership with local communities and delivery agencies.

Local knowledge and lived experience strengthen basin outcomes

Working with local communities and understanding their lived experience is critical in the southern connected Basin, where communities are directly affected by water management decisions. Local knowledge provides essential insight into how policies and programs play out on the ground and helps ensure environmental strategies are responsive to local conditions and aligned with social, economic and cultural needs. Early and meaningful engagement improves decision quality by identifying risks, trade-offs and opportunities that are not visible at a Basin-wide scale.

Meaningful engagement builds trust and supports more effective and enduring outcomes. It also helps mitigate unintended consequences, such as job losses, reduced agricultural productivity or community decline, by identifying risks early and shaping more appropriate responses. Incorporating lived experience strengthens decision making and improves the effectiveness of Basin Plan reforms.

Listening to local voices supports resilience and innovation, enabling communities to actively participate in shaping their future. A Basin Plan that genuinely values local knowledge and experience is better placed to deliver outcomes that are equitable, durable and supported by the communities who live and work across the Basin.

Incorporating lived experience and community voices is essential to restoring trust and maintaining community participation through the next phase of Basin Plan implementation.

Basin Plan 2: A pivotal opportunity


The next Basin Plan represents a pivotal opportunity to consolidate reform, rebuild confidence and deliver enduring outcomes for rivers, communities and the nation. The evidence set out in this submission demonstrates that certainty, stability and outcomes-focused implementation are essential to achieving the Basin Plan's legislated environmental, social and economic objectives.

Basin Plan 2 must move beyond non-strategic recovery and prioritise effective use of existing environmental water, strategic investment, and genuine partnership with Basin communities. Healthy rivers and thriving communities go hand in hand, and long-term environmental success depends on the resilience of the regions that produce food, support livelihoods and steward river systems.

Goulburn-Murray Water is committed to working constructively with governments, the MDBA and communities to deliver a Basin Plan that is credible, durable and supported on the ground. Getting the next Basin Plan right matters for our rivers, our communities and Australia's future.

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Chair



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