



Australian Dairy Industry Council Inc.

Media Release

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Basin Plan cannot leave dairy communities high and dry

For Immediate Release

AUSTRALIA'S dairy industry is warning that any plan to drain an extra 450 gegalitres (GL) of water from the Murray Darling Basin for the environment must be viewed as a last resort, once the primary 2750GL target set by the Murray Darling Basin Plan has been secured and only if there are no negative socio-economic impacts.

Peak advocacy group the Australian Dairy Industry Council (ADIC) has urged, in a submission to the Department of Agriculture and Water Resources consultation on efficiency measures, for a stronger socio-economic test to assess the neutral or positive impacts of all efficiency projects, including a cost-benefit analysis and consideration of any future effects on communities.

The ADIC submission stated that there was "compelling evidence the loss of up to 450GL of water in the absence of a robust social and economic test would have severe impacts on milk production, processing and the viability of communities in the Basin."

The Murray-Darling Basin is home to approximately 1,405 dairy farms, representing more than 1.8 billion litres, around 20 per cent of Australia's total milk pool.

ADIC Water Taskforce Chair Daryl Hoey said while the organisation supported the goal of achieving better environmental outcomes, there was little evidence that extracting 450GL of water out of the consumptive pool before first securing the Basin Plan's 2750GL target would benefit the environment.

"Dairy farmers value our rivers and support the improvements that have been made to the Basin, but there may be more pain to industry with little gain for the environment if we try to take out an extra 450GL of water before we even reach the legislated target," Mr Hoey said.

"The Australian dairy industry is our third biggest agricultural industry, worth \$4.3 billion at the farm gate, and we must cautiously assess the potential effects on farmers the broader Basin communities."

The federal Government previously compiled a report capturing feedback from Basin communities regarding the current socio-economic neutrality test.

Mr Hoey said the ADIC was pushing the Government to immediately release the report.

"All information and relevant reports need to be made available to ensure that industry, Government and communities have an informed debate; this is only fair," he said.

The ADIC is also requesting that the proposed timeframe for constraints projects be pushed out from the mandated 2024 deadline, in line with a recommendation handed down by the Productivity Commission in its five-year review of the Basin Plan.

"We acknowledge there is a great degree of difficulty associated with assessing the impacts of projects on the viability of the connected irrigation system in the southern Basin," Mr Hoey said.

"It is necessary to review the original timeframe to accommodate the delivery of constraints projects."

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