# Basin Plan - GMID socio-economic impact assessment

The Murray-Darling Basin Plan is already seriously affecting the Goulburn Murray Irrigation District (GMID).



### **GMID IRRIGATORS PAYING**

\$20m a year more for temporary water

### LESS WATER =

\$550m in lost production every year since 2012, totalling \$4.4b by 2020



### **MIXED FARMING LOSING**

\$25m a year



## HORTICULTURE FUTURE GROWTH

limited in the next drought



#### DAIRY LOSING

\$200m a year at the farm-gate; \$360m in processed products



#### **ESTIMATED**

1000 jobs lost

## WHAT MUST BE DONE

The GMID Water Leadership Forum calls for the following:

- Deliver the full 650 GL in environmental offsets to benefit our waterways and catchments.
- 2. Accept the 450 GL 'upwater will inevitably cause additional negative socio-economic effects, and abandon the Commonwealth On-Farm Further Irrigation Efficiency (COFFIE) program.
- 3. Redirect the \$1.5 billion earmarked for COFFIE into environmental improvement projects and farm upgrade incentives with water savings remaining on farm.
- 4. No further water removed from production either through buyback or on-farm upgrades that require farmers to transfer entitlements to the Commonwealth.
- Develop a regional economic development plan to attract new agricultural investment to the GMID and retain HRWS in the region.

The GMID community will be the poorer again if any more water is recovered from irrigators. Future investment should focus on better environmental outcomes and farm upgrades with water savings remaining on farm.

## **Future impacts**

If another 750GL is recovered to make up a 300GL shortfall for environmental offsets and 450GL in 'upwater':

- Double the losses in GMID production, processing and jobs
- Next drought will be devastating:
  - > Only 270GL water available in GMID.
  - > Partial GMID shut down, and farms driven out of business.
  - Investment stifled for lack of secure water supplies.
  - Horticulture in Sunraysia and SA will shrink15% with too little water to sustain plantings.

The GMID water leadership forum was formed on 28 October 2015, at a water summit in Tatura convened by the Committee for Greater Shepparton and the Independent Member for Shepparton District, Suzanna Sheed. The summit brought together community, industry and government representatives concerned about dry conditions, low water allocations, rising water prices, the Murray-Darling Basin Plan's socio-economic effects, and the GMID's long-term viability. A working group was formed and commissioned RMCG to prepare this socio-economic impact assessment.