

# **MEDIA RELEASE**

### Irrigators question recent efforts by Minister Plibersek to consider impacts of buybacks

**25 February 2025, Canberra, ACT** – Irrigators call out Minister Plibersek's decision to sign off<sup>1</sup> on purchasing another 100 GL of water in the southern Basin with questionable procurement processes and deliberately narrow evidence to support the decision.

"The advice before the Minister to inform the decision is flawed," said Zara Lowien, CEO of National Irrigators' Council.

"The additional 170 GL of water (from a 2024 round and this new one), will cause a significant increase in water allocation price of around 7.2% in the southern Murray Darling, and impact some industries particularly hard, such as rice, with an estimated 6.48% drop in water use."

"The narrow assessment only looked at buying back 170 GL/y of water and apportioned \$84 million annual production losses, ignoring that more than 2,100 GL/y is now recovered with an estimated annual farm-gate production loss between \$602 million - \$914 million."

"Can the Minister really say she has considered socio-economic impacts, if the impact assessment is designed to not capture the full impacts?" said Ms Lowien.

"Worse still, the evidence highlighted the range of government programs aimed at mitigating the known socio-economic impacts but failed to mention the minimal progress of these other strategies".

"Updates show there are no 'new' efficiency alternatives contracted, no land and water partnerships, and only NSW has signed up to their flagship program: Sustaining Basin Communities."

"The Government is spending billions on buybacks and promising no community will be left behind, yet they are progressing almost nothing on the other options, that is not 'prioritising non-purchase options' by anyone's standards," said Ms Lowien.

The updated trading strategy and purpose of the expression of interest process remains unclear and of concern.

"The updated trading strategy doesn't indicate how or where this additional 100 GL will be purchased (other than the Southern Murray Darling Basin) or how the government is using the expression of interest information".

"We are extremely concerned that the Federal Government is quickly acquiring the largest water market dataset for their eyes only and given their potential market influence and the previous questions over procedures<sup>2</sup>, this recent announcement looks and smells like a rushed attempt to show progress before the Federal Election, rather than good process", said Ms Lowien.

 <sup>&</sup>lt;sup>1</sup> <u>https://www.dcceew.gov.au/sites/default/files/documents/restoring-our-rivers-record-of-decision.pdf</u>
<sup>2</sup> <u>National Irrigators' Council - Auditor General report of buybacks shows a well-paved road, but to where?</u>

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"The Basin Plan also requires<sup>3</sup> that the Minister must be satisfied that buying back the water will contribute to enhancing environmental outcomes – given the Auditor General struggled to find this link – we ask what the Minister has changed before signing off on this, to meet those legislative requirements?"

"Basin communities are absolutely not convinced the socio-economic impacts of additional water recovery have been properly considered," said Ms Lowien.

Ends.

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#### Background:

In February 2025, the Auditor General's recent report of the Federal Government's water buybacks questioned the link between buybacks and realising the actual policy objectives, recommending to: revise the outcomes in the evaluation framework to enable an accurate measurement of the impact of the strategic water purchasing program on intended policy objectives.<sup>2</sup>

In September 2024, the Inspector General of Water Compliance's recent audit of the Federal Government's Controls Supporting Compliance for water purchases, and questioned procurement and probity procedures recommending to: review and enforce the requirement for conflict-of-interest declarations to be completed in all circumstances where required, and clearly outline their information barrier arrangements, the systems that should not be used to store information and ensure that access logs are periodically reviewed and audited.<sup>4</sup>

<sup>&</sup>lt;sup>3</sup> See 7.08B (3)(c) - <u>Federal Register of Legislation - Basin Plan 2012</u>

<sup>&</sup>lt;sup>4</sup> <u>https://www.igwc.gov.au/sites/default/files/2024-09/audit-snapshot-controls-supporting-compliance-basin-plan-requirements.pdf</u>

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