



**The Hon. Barnaby
Joyce MP**
Minister for Agriculture
and Water Resources



**The Hon. Lisa Neville
MP**
Victorian Minister for
Environment, Climate Change
and Water

MEDIA RELEASE

Review of progress on Victorian irrigation infrastructure project

An independent mid-project review of the Goulburn-Murray Water (GMW) Connections Project Stage 2 has recommended changes to the way the project is delivered.

Minister for Agriculture and Water Resources, Barnaby Joyce, and Victorian Minister for Environment, Climate Change and Water, Lisa Neville, said the GMW Connections Project Stage 2 was a key element in upgrading water infrastructure and recovering water for the environment under the Murray-Darling Basin Plan.

“The Australian Government and the Victorian Government have reviewed the project to make sure it is delivering on its intended results—including generating 204 gigalitres in genuine water savings through modernisation and rationalisation of the water supply system,” Minister Joyce said.

“Disappointingly, the independent review found that there are concerns about the ability of the project to deliver the agreed outcomes on time and within budget.

“The Australian Government has provided \$953 million in funding for this project, and delivery of the project within the existing budget is the responsibility of the Victorian Government, through Goulburn-Murray Water.

“Both the Australian and Victorian Governments will now work together to find the best way forward for this vital project, ensuring funds are used in a way that represents the best value for money. We also want to ensure that as many irrigators and industry representatives as possible in the Goulburn-Murray Irrigation District are consulted and are able to access the benefits of the programme and broader Commonwealth support for on farm irrigation efficiency activities.”

Minister Neville said the mid-term review of the project had identified that some of the original assumptions that underpinned the original business case are no longer valid and that a reshape of the project was necessary.

“The GMW Connections Project is the most significant irrigation infrastructure upgrade in Victoria’s history and will play a vital role in helping our irrigation communities adapt to the challenges posed by climate change,” Minister Neville said.

“The project remains a highly important initiative for the future of northern Victoria irrigators but we acknowledge there have been difficulties and delays that have caused frustration and that changes are required.

“We are not placing the project on hold but some aspects of it need to change and we will closely involve irrigators in those changes to ensure the best possible outcomes are achieved for communities in northern Victoria. I look forward to meeting with irrigators and industry groups to hear from them directly about the best future direction for the project.”

Minister Neville has requested the Victorian Department of Environment, Land, Water and Planning and Goulburn-Murray Water (GMW) consult with irrigators and industry groups on the future direction of the project. In addition, GMW will hold a series of sessions with irrigators for them to gain an update on their progress in the Connections project. Letters will soon be sent to GMW

customers informing them of the details of their local sessions.

Stage Two is intended to build on the \$1 billion Victorian funded stage 1 of the project. A joint Commonwealth and Victorian Government initiative, the GMW Connections Project is a \$2 billion investment to ensure the future of the region's irrigated agriculture, while recovering water savings of 429 gigalitres annually.

The Commonwealth and Victorian Governments expect that the reshaped project will, under Stage 2:

- provide a best practice water supply system for the GMID including affordable, value-for-money connection solutions
- as originally envisaged recover 204 GL of water savings for the environment
- support regional growth and prosperity through building on the region's competitive advantages in supplying and processing food
- be delivered in a transparent, fair and equitable manner.

Stage One of the project is already achieving significant benefits including increasing water-use efficiency in some parts of the GMID and is delivering savings for the environment and communities of the Murray-Darling Basin.

For more information, visit the Victorian Department of Environment, Land Water and Planning at delwp.vic.gov.au/gmw-connections-project.

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