

2014-15 Budget Estimates Hearing

Water portfolio



Children attending the Right Water house at the Melbourne International Flower and Garden Show, 2014.
Flume gates as part of the GMW Connections project in the Goulburn Murray Irrigation District

DEPI – 2014-15 budget

The Department of Environment and Primary Industries (DEPI) advises and supports three portfolios:

- Agriculture and Food Security
- Water and
- Environment and Climate Change.



DEPI was created on April 9 2013 to:

- provide a better and more efficient management approach for public and private land and water for the people of Victoria
- boost service delivery to regional areas
- provide a “one stop shop” for environment and primary industries.

Management of water resources

Water Management and Supply Output

- Develops policies, provides strategic advice and oversees regulatory systems to drive the effective management and efficient use of Victoria's water resources.
- DEPI is working to ensure a safe, reliable and effective supply of water to meet future urban, rural and environmental needs.



Victorian Desalination Plant

- Zero gigalitre desalinated water order for 2014-15
- \$1.2 billion in cost reductions on the total contract costs of the project, including:
 - \$187 million from successful debt refinancing
 - \$419 million from withheld payments when the project finished late
 - \$625 million from negotiation of the project's electricity operation contract

Delivering on Government priorities for the Water portfolio

Improved efficiency of supply and use of water in cities and towns to improve liveability

- **Melbourne's Water Future** released on 17 December 2013.
- **Right Water** campaign to help Victorians make greater use of rainwater
- **Fairer Water Bills** a major efficiency program for the urban water sector to drive down household water bills in Melbourne from 2014-15.



Delivering on Government priorities for the Water portfolio

Basin Plan implementation

- Final plan was shaped from key Victorian input to ensure balance between Basin health and communities
- Focus is now on implementing agreed plan to ensure beneficial outcomes for Victoria – supported by Commonwealth funding



Delivering on Government priorities for the Water portfolio

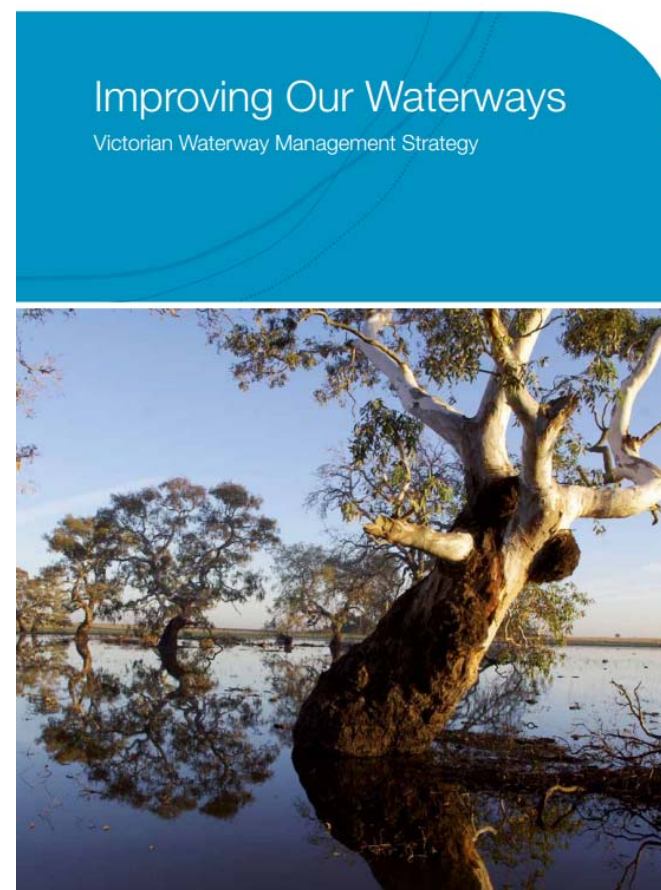
The Victoria Government has provided the framework for a secure future for irrigated production through our support for irrigation modernisation and on-farm efficiency programs:

- GMW Connections Project – \$2 063 million, due for completion in 2018
- Victorian On-Farm Priority Project – \$48.5 million, completing in 2014
- Victorian Farm Modernisation Project – \$111.1 million, due for completion in 2019
- Sunraysia Irrigation District – \$103 million, due for completion in 2016

Delivering on Government priorities for the Water portfolio

New **Victorian Waterway Management Strategy** launched in October 2013.

- A single, integrated management framework for rivers, estuaries and wetlands.
- The Strategy aims to maintain or improve the condition of our waterways so they can support environmental, social, cultural and economic values that are important to communities.
- Over \$100 million allocated to programs, onground works and environmental water management.



Delivering on Government priorities for the Water portfolio

Improving resilience of the state's water system:

- 'Managing risks to water availability'
- Surface and groundwater monitoring and assessment initiatives
- Improved accounting for Victoria's water distribution systems
- Improvements to water entitlement and allocation frameworks
- New flood policy, mapping, and mitigation works
- Review of Victoria's water legislation

2014-15 Budget Initiatives

Implementing the Government's commitments to flood related reviews and inquiries

- The 2014-15 Budget provides \$7.6 million to reduce the risk and exposure of urban and rural communities to flooding events. This funding will be matched by Commonwealth funding through the Natural Disaster Resilience Grants Scheme and co-contributions from beneficiaries.
- Implements key findings and recommendations from the Victorian Floods Review, Parliamentary Environment and Natural Resources Committee (ENRC) Inquiries into Flood Mitigation and Rural Drainage.
- The initiative includes funding for the construction of levees and other flood mitigation works to help improve community resilience to flooding and inundation.

2014-15 Budget Initiatives

Rural Water Management

- The 2014-15 Budget provides \$1.9 million to ensure a more productive, efficient and sustainable irrigation industry through the management of water used for irrigation on farms.
- The Rural Water Management initiative includes funding towards the monitoring of the Basin Salinity Management Strategy, which continues to address salinity issues in the Murray-Darling Basin.
- This initiative will also support the appropriate governance mechanisms as part of the Sunraysia Modernisation Project.

2014-15 Budget Initiatives

Victorian Government's contribution to the Murray-Darling Basin Authority

- The 2014-15 Budget provides an additional \$8.8 million towards the operating costs of the Murray-Darling Basin Authority.
- This is in addition to the \$21.8 million already committed as part of the Victorian Government's annual contribution to the Murray-Darling Basin Authority.
- Key changes to MDBA governance arrangements to ensure greater transparency and accountability for service delivery achieved as part of commitment to joint programs budget

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