



Northern Region Sustainable Water Strategy

Fact Sheet 7

Modern irrigation for high value farming

Northern Victoria’s irrigation system supports \$3.26 billion a year in agricultural production and delivers water to many towns and stock and domestic customers. The Victorian and Commonwealth governments, regional irrigators and Melbourne Water are investing more than \$2.1 billion in irrigation modernisation for better efficiency, delivery and water savings.

A modernised irrigation system combined with water savings projects on farms will help farmers adapt to drier conditions and allow them to make decisions about crops and watering that reflect future climate variability. It will promote a profitable and resilient irrigation sector that in turn will support viable regional communities.

Key actions to safeguard our future

The \$2 billion Northern Victorian irrigation Renewal Project (NVIRP) to modernise irrigation distribution systems, and the Sunraysia Modernisation Project are key programs to support efficient and sustainable high value irrigation.

The projects will reduce water losses and the water saved will be used for consumption and the environment. The Strategy also identifies ways to help save water on farm, while maintaining or increasing productivity.

Key improvements in the Strategy include integrating programs to modernise the irrigation sector:

- the Commonwealth Government will be encouraged to purchase water from less productive irrigation areas by selectively exempting purchases from the four per cent trading limit.

- establish a Victorian Environmental Water Holder to coordinate and prioritise the delivery of environmental water across the region
- retaining the four per cent rule in all other circumstances will allow time for communities to adjust to the effect of water leaving areas

- implementation of the Victorian and Commonwealth government investment in NVIRP will be coordinated
- NVIRP will be linked to comprehensive on-farm programs, including integration with whole farm planning and the Commonwealth’s \$300 million on-farm program
- more flexibility in rationalisation and changed land management practices will be facilitated
- opportunities for structural works to enable delivery of environmental water and consumptive water en route for environmental benefit will be identified.

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The Strategy has facilitated a sound accounting method to formulate and verify water savings. The finalisation of the Water Savings Protocol for the Quantification of Water Savings from irrigation Modernisation Projects will be used by water corporations to account for, and ultimately, allocate water savings from irrigation modernisation projects.

Through the Water Savings Protocol for the Quantification of Water Savings from irrigation Modernisation Projects, projects are bound by rules and obligations to confirm and allocate water savings.

What happens if we do nothing – a future with less water

Irrigation is the backbone of northern Victoria, providing billions of dollars of revenue, and hundreds of jobs. In a future with less water, irrigation needs to adjust to be more efficient, more responsive and more flexible.

Northern Victoria's irrigation system is aged and leaky, providing lower service levels required by today's modern agricultural enterprises, and losing precious water through leaks and inefficiencies.

Less water in the future means there will be significant reductions in the areas of land being irrigated. This needs to be managed in a co-ordinated, cohesive manner to get the most benefits from modernisation programs, and assist farmers through structural change.

Figure 7.1 - Modernising irrigation

