

A young boy with brown hair, wearing a blue and black plaid shirt, is watering plants with a green watering can. The watering can has a white nozzle with a circular pattern. Water is spraying out of the nozzle onto green plants. In the background, there are yellow flowers and a blurred garden setting. A large teal diagonal shape covers the left side of the image, containing the title and summary text.

Water for Victoria

SUMMARY







The Premier of Victoria The Minister for Water

Water is central to every community, powering our industries and economy, improving our quality of life, and nurturing our natural environment.

Over the past 18 months, the Victorian Government has been talking and working with communities around Victoria to understand what they want to see from a future of a sustainable and secure water supply.

Victoria has a long and proud history of effectively managing our water resources, particularly through the years of the Millennium Drought. Now we are facing increasing pressure on our water supplies from climate change and a growing population.

Over the long term, climate change will mean more extreme climatic events, less rainfall, and potentially 50 per cent reduction in streamflow by 2065. Victoria's population will almost double by 2051 placing further demand on scarce water resources. Our challenge is to do more with less water.

Water for Victoria is our strategic plan for management of our water resources, now and into the future. We will ensure we manage water to support a healthy environment, a prosperous economy and thriving communities.

To meet the challenges of climate change and population growth, the government will take action to ensure that our water system is efficient and innovative.

We will make better use of alternative water resources – like recycled water and stormwater – to reduce the impact on our rivers and environment.

We will recognise that water plays many roles in our communities, and will seek to make the most of our water, including for agriculture, the environment, Aboriginal communities and recreation.

We recognise that water has cultural importance for Traditional Owners and Aboriginal people, and will provide opportunities for greater Aboriginal participation in water planning and management.

I would like to thank the Reference Group, the Stakeholder Group and all Victorians who helped inform the development of *Water for Victoria*.

By managing water together, we will find smarter ways of ensuring water security for all Victorians.

The Hon. Daniel Andrews MP
Premier of Victoria

The Hon. Lisa Neville MP
Minister for Water

Aboriginal acknowledgement



The Victorian Government proudly acknowledges Victoria's Aboriginal community and their rich culture and pays respect to their Elders past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely. We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us. We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.



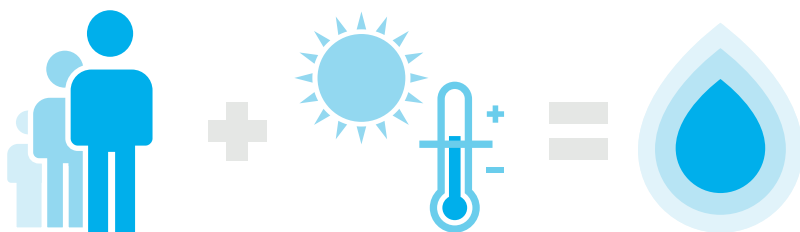
Our vision

Water for Victoria Sharing a precious resource

Water is fundamental to our communities. We will manage water to support a healthy environment, a prosperous economy and thriving communities, now and into the future.

Water is vital. Our health and wellbeing, the social fabric of our communities, the liveability of our cities and towns, our environment and our economy all depend on access to safe, reliable and affordable water.

Victoria is a great place to live, work and visit, but we face two big challenges – climate change and population growth. Victoria is becoming warmer and drier, and is now the fastest growing state in Australia. And as climate change continues to take hold we can expect more frequent extreme weather events, such as drought and flooding.



Population growth

Victoria's population is projected to reach 10.1 million by mid-century. That's a lot of extra people who all need access to water.

Climate change

Climate change will mean Victoria becomes drier over the long-term, with more extreme events including droughts, floods and heatwaves.

Less water

By 2065 streamflows to some of our catchments could reduce by around 50 per cent per year. This means less available water in our storages.



So we're taking action now

Planning for a future with less water and preparing Victoria for the decades to come.

Working together

Water for Victoria is a plan for everyone. It builds on our past and makes the leap into new, smarter ways of doing more with less.

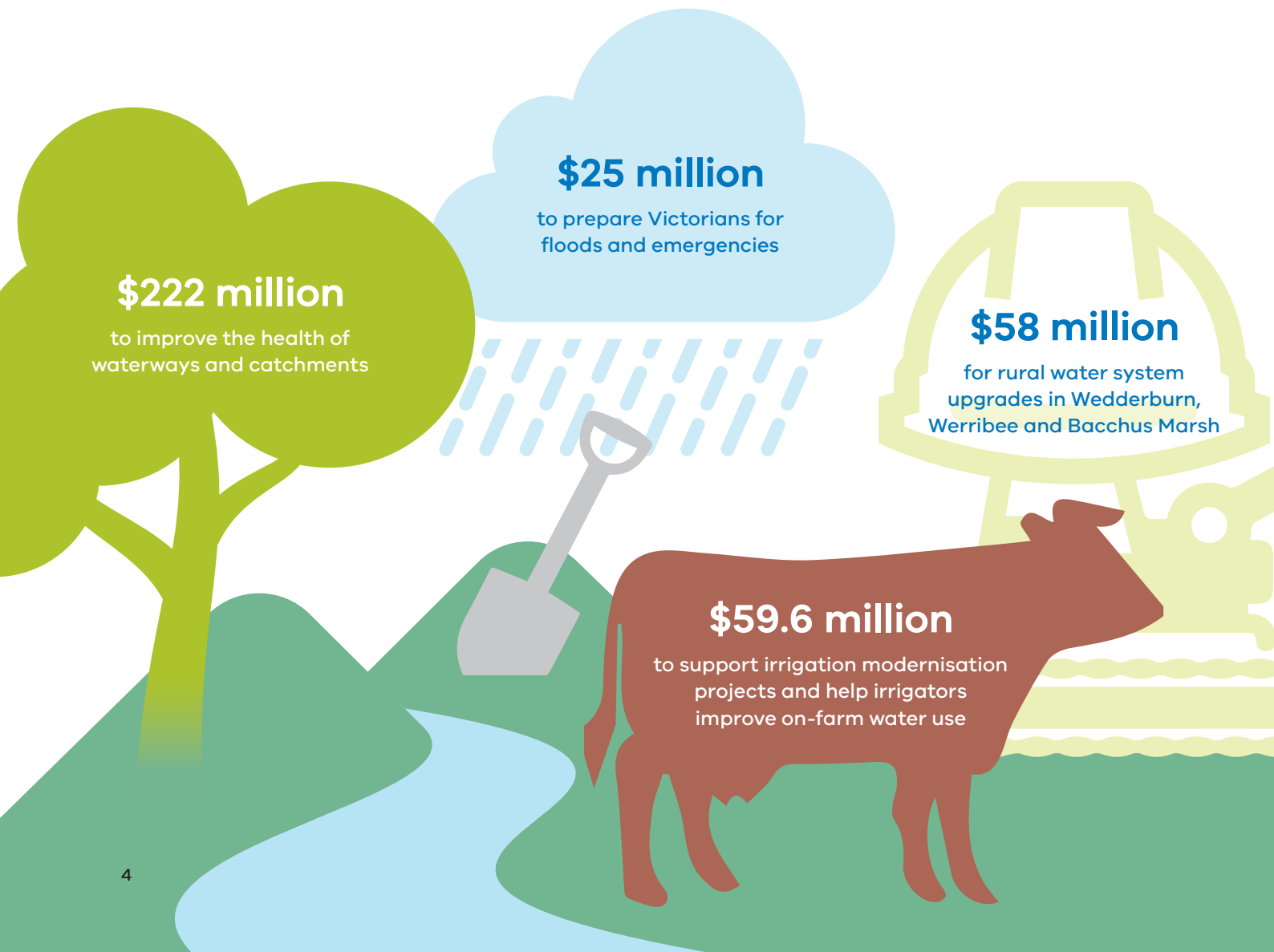
Industries such as agriculture, energy and manufacturing all depend on water. People expect liveable cities and towns, with trees and green spaces.

Aboriginal Victorians want their values of water to be recognised and to be involved in water management. Communities want healthy rivers, lakes and bays and to enjoy these places for recreation.

By working together to share Victoria's water, our current and future generations will get the most value from water so that we can thrive and prosper.

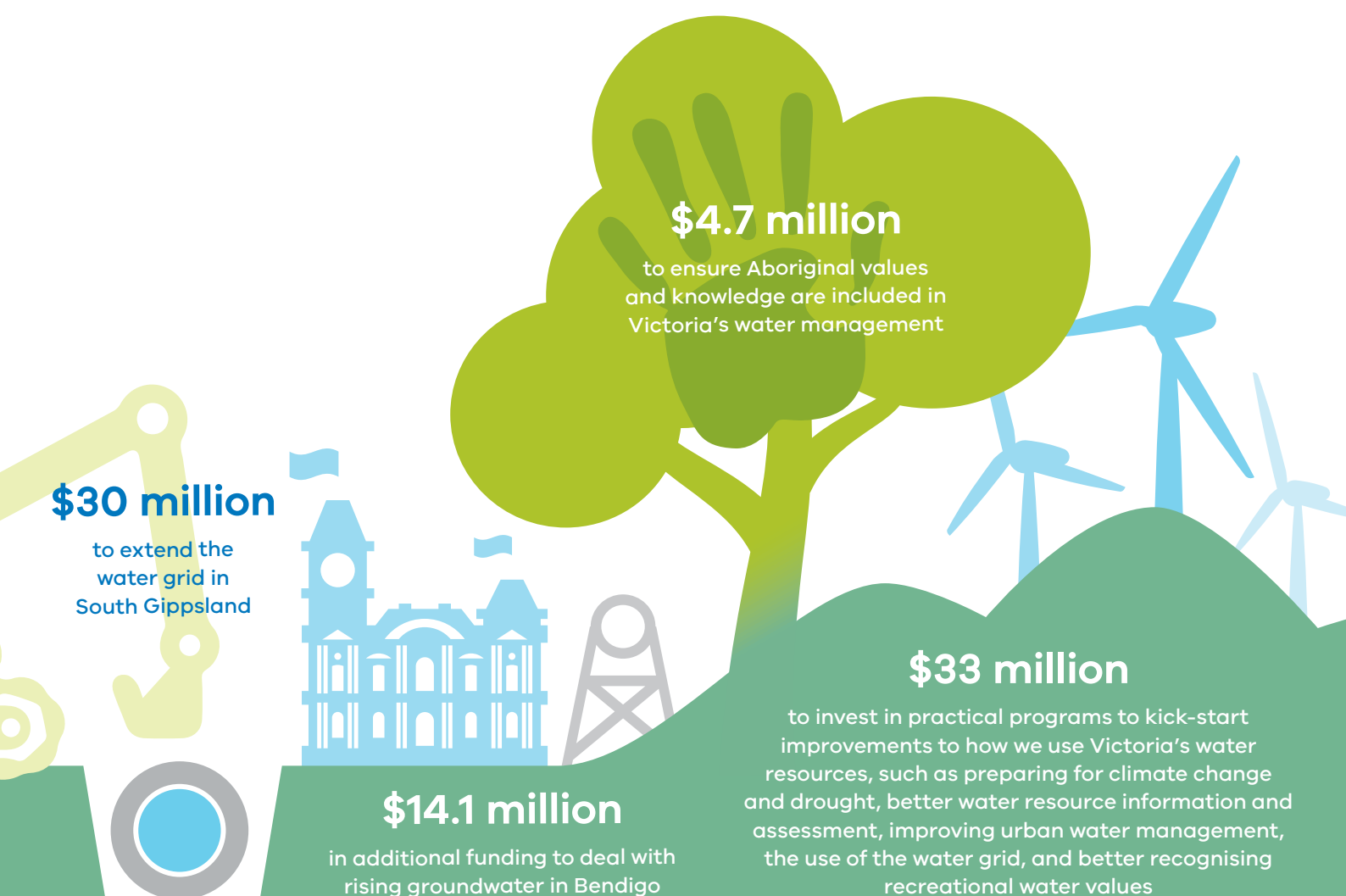
Victoria has a strong water management system developed over time, in partnership with communities and in response to changing needs. Our water corporations, catchment management authorities and the Victorian Environmental Water Holder all deliver important services to the community.

The Millennium Drought taught us about sharing water under extreme conditions; about not taking water for granted. Our cities and towns were running out of water so we expanded Victoria's water grid, including building the Victorian Desalination Project to provide extra water security.



Investing strategically to deliver real change on the ground

Through a fourth tranche of the Environmental Contribution, the Victorian Government will invest **\$537 million** over four years to deliver *Water for Victoria*. The 2016–17 State Budget has already allocated **\$447.5 million** of Environmental Contribution investment to achieve the objectives of *Water for Victoria*.



New directions for water

Water for Victoria outlines the actions we will take to create a modern and efficient, innovative, future-focused and affordable water system.



Tackling climate change

Water for Victoria is our climate change adaptation plan for the water sector. We will invest in climate science and continue to invest in research and partnerships. The water sector will lead the way with an ambitious target to achieve net-zero emissions before 2050.



Significant investment for a healthy environment

We will invest in waterway and catchment health, our largest ever investment in river health. This will help improve water quality and protect our environment.



Maximising the value of agricultural production

We will provide flexibility and support to farmers and communities to help them adapt and expand production with less water. The Victorian Government will invest, in partnership with the community, in infrastructure to support water security.



Water for liveability and recreation

Water for Victoria makes better use of all our water sources so our communities can enjoy parks, gardens, sporting fields and recreational activities. We will make decisions locally and use water efficiently so that our cities, towns and regional areas are liveable and resilient.





Water for Aboriginal wellbeing and economic development

For the first time we have a clear roadmap to deliver water for Aboriginal cultural, spiritual and economic values. The Victorian Government will invest to support Aboriginal participation in water management and improve outcomes for Aboriginal Victorians.



Strong entitlements and planning

We will strengthen our entitlement and planning systems to adapt to the impacts of climate change and population growth. Our long-term water planning will consider all values of water and engage more with communities.



Making the best use of the water grid and markets

As we learn more about the capacity of our water grid over time, there will be more options for Victorians to share water across the state. Our water markets will be more open and transparent and we will make long-term investment decisions carefully.



Water for a growing economy

Water for Victoria will help water corporations and catchment management authorities deliver better outcomes for the state. Our water sector will be innovative, inclusive and provide efficient and affordable water services to support jobs, our economy and our diverse communities.



2 Climate change



Our water sector will be a leader in the state's climate change mitigation and adaptation actions, equipped with the most up-to-date understanding of climate change and associated risks to water resources. Climate change considerations will be embedded in all operational decisions.

Over recent decades our climate has become warmer and drier. This is expected to continue, with less rainfall and higher temperatures. By 2065, our streamflows could decrease by up to 50 per cent in some catchments. This has impacts for everyone – households, agriculture, Aboriginal values, recreation, liveability and our environment.

Where are we now?

We are seeing warmer and drier conditions and more extreme events, such as bushfires and floods. All this can threaten communities, impact water quality, damage water infrastructure and disrupt essential water services. Increased temperatures can also affect the liveability of our cities and towns.

As we plan and manage our water now and in the future, we need to work with other sectors, such as land use planning, to build our understanding of climate change.

We will work together with Victorian communities to help address local issues and increase our resilience to climate impacts. The water sector will lead the way in climate change mitigation – with an ambitious target to achieve net-zero emissions before 2050.

Taking action now means we will avoid paying more in the future and will have a modern water system that continues to remain affordable for all Victorians.

What we will do

Lead climate change mitigation – the water sector will pledge a pathway to achieve net-zero emissions before 2050, adopt renewable energy use targets of at least 25 per cent by 2020 and 40 per cent by 2025, and explore green bonds and carbon offsets.

Invest \$1.6 million in research on climate change in 2016-17 and identify future research needs, as well as build partnerships with communities, local government, Traditional Owners, research institutions, and the water sector to share knowledge and apply research.

Water for Victoria is Victoria's climate change adaptation response for the water sector, setting the direction for adaptation for the coming decades.



Water for Victoria is our climate change adaptation response for the water sector. It sets out actions for the water sector so that we are prepared for the likely impacts of climate change and more extreme events on our water resources and water availability.

Photo: South East Water biosolids solar dryer



The Victorian Government will invest in climate change research and build partnerships to share knowledge and apply research to water management.

3

Waterway and catchment health



We will protect waterways and their catchments from the adverse impacts of future human use. We will improve the health of priority waterways and their catchments to support our environmental, social, cultural and economic needs and values now and into the future.

Healthy rivers and catchments are fundamental to our communities. They provide us with clean drinking water, water for farming and industry, spaces for rest and recreation, and a healthy environment for many plants and animals.

Where are we now?

We know that climate change will increase the likelihood of drought and other extreme weather events such as flooding. Climate modelling predicts that the trend of decreasing rainfall is likely to continue. In some catchments we may see streamflow reduced by about 50 per cent by 2065. Add to that our growing population and expanding urban areas and we have a real challenge for waterway health and water quality.

We are already exploring what future changes to water availability will mean for our environment. To improve the health of Victoria's waterways we need everyone's help. That's why we are increasing community participation in land, water and biodiversity management. It is also why we are improving monitoring and reporting. We are also investing in environmental works and measures, and improving how we report back to communities about the benefits.

Improving the environmental condition of our waterways can take decades and needs long-term investment and large scale projects with ongoing monitoring to show results.



Our Catchments, Our Communities is Victoria's new state-wide strategy for integrated catchment management. The strategy aims to improve the health of our catchments by encouraging better collaboration between government, catchment management authorities and the community.



Over the next four years, the Victorian Government will invest \$200 million to improve waterway health and \$22 million to strengthen integrated catchment management.

What we will do

Improve planning arrangements for waterways by considering new protections for the Yarra River corridor and other major urban waterways.

Protect water quality through a new State Environment Protection Policy and work with water corporations to consider water quality offsets more broadly.

Strengthen integrated catchment management, with catchment management authorities leading 10 new integrated catchment management projects across the state through Our Catchments, Our Communities.

Implement regional waterway strategies and improve long-term waterway health by focusing on large-scale projects for 36 waterways and implementing the Regional Riparian Action Plan.

Continue to invest in environmental works and measures, deliver existing environmental water recovery commitments, consider future environmental water recovery, and strengthen the Victorian Environmental Water Holder to improve environmental water management.

Improve how we report on the benefits of environmental watering, including increasing monitoring and reporting back to communities through digital reporting.

Work with water corporations and environmental water holders to ensure clear, transparent and equitable charging arrangements.

Invest in community partnerships, including Landcare, Waterwatch, EstuaryWatch, and citizen science initiatives to support local waterway priorities.

Improve knowledge and information about waterways and catchments, including establishing a waterway research hub and improving Victoria's existing waterway monitoring programs.

4 Water for agriculture



Victoria's water management arrangements will enable farmers to maximise the value of agricultural production with the available water, while supporting farming communities to adjust to change in a warmer and drier future.

Victoria's agriculture sector makes an important contribution to the economy. In 2013-14, Victoria's food and fibre sector was worth \$12.6 billion – the highest of any state or territory. Water is vital for agriculture and related industries, which supports jobs and growth, and Victorian families, communities and regions.

Where are we now?

Agricultural production in Victoria is growing, and the future export potential is promising. The sector is adapting to shifts in climate, changing costs, global market forces and new technologies, including a growing appetite for recycled water in some areas. Local communities are benefiting where new agricultural development occurs, but need to adapt where local production falls.

To support agricultural growth and help communities adapt, we will continue to provide information and work with communities and land owners to help them make decisions about water. Water corporations will also look for opportunities to improve water security through new projects.

The government is providing services, such as farm planning advice, rural financial counselling and hardship policies for water bills, to ease the impacts on farmers and communities.

By improving efficiencies and the way we manage salinity and water quality, we will support a healthy environment and Victoria will remain an attractive, sustainable place to invest in agriculture.



The government will work with water corporations and catchment management authorities to achieve balanced outcomes in implementing the Murray-Darling Basin Plan in Victoria. We will prioritise investment in water recovery through modernising irrigation delivery systems, improving farm water use efficiency, and maximising environmental offsets.



In partnership with the community, the Victorian Government will invest in infrastructure to help modernise our water systems to improve water security and recover water for the environment.

What we will do

Require water corporations to inform regional development processes about water resource opportunities and limits to support regional development and change.

Consider future investment in rural water infrastructure, guided by investment principles.

Ensure rural water corporations respond to the changing needs of their customers so that irrigation districts remain affordable, and attractive to new businesses.

Reduce barriers to change and enable agricultural development in irrigation districts investing in the sustainable irrigation program, identifying opportunities to increase efficiency and reduce administrative barriers for development.

Improve water delivery efficiency in irrigation districts by implementing water savings protocols, requiring rural water corporations to report on delivery system efficiency and improve monitoring and reporting of farm water use efficiency.

Work with the water sector to invest in water quality and salinity management, consult with landholders and stakeholders to develop irrigation drainage priorities, and ensure Victoria complies with the Murray-Darling Basin Agreement salinity and water quality commitments.

Partner with the water sector to manage irrigation development and ensure that regional irrigation development guidelines are contemporary and that water-use licence conditions are relevant to current and future regional risks.

Continue to improve the current approach to managing salinity in the Mallee, including working with the Murray-Darling Basin Authority in the joint management of salinity.

Partner with water corporations and local government to improve information on the availability of emergency water supply points.

Work with local government, catchment management authorities, the Victorian Farmers Federation, coastal and catchment councils and the community to develop a rural drainage strategy in dryland farming areas.

Partner with the water sector to balance outcomes of the implementation of the Murray-Darling Basin Plan in Victoria.



Investing in Victoria's water infrastructure for agricultural development

New investments are underway seeking to improve Victoria's water infrastructure for agriculture development. This includes Victorian Government funded projects and projects secured by the Victorian Government from Commonwealth funding.

\$16 million

Victorian Government investment in Werribee and Bacchus March irrigation modernisation

\$760,000

Victorian Government funding East Grampians West Wimmera feasibility study

\$50,000

Victorian Government funding Yanakie Secure Water Supply feasibility study

\$30 million

Victorian Government funding to improve Korumburra, Poowong, Loch and Nyora water security

\$20 million

For further modernisation of Macalister Irrigation District, plus \$675,000 Federal Government funding for Macalister Irrigation District 2030 Phase 2 Development feasibility study

\$40 million

Victorian Government investment in South West Loddon Rural Water Supply Project

\$300,000

Federal Government funding Coldstream Recycled-Water Pipeline feasibility study

\$540,000

Federal Government funding Agriculture and Job Growth West of Melbourne Feasibility Study, plus \$20,000 Victorian Government funding

\$750,000

Federal Government funding Mitiamo Reticulated Water Supply feasibility study, plus \$250,000 Victorian Government funding

\$91,500

Federal Government funding South East Melbourne Regional Water Plan pre-feasibility study

\$100,000

Federal Government funding Dilwyn Aquifer Infrastructure feasibility study

\$554,400

Federal Government funding Lindenow Valley Water Security feasibility study

\$1.7 million

Federal Government funding Sunraysia Modernisation Project Stage Two feasibility study

\$677,160

Federal Government funding Southern Victorian Irrigation Development feasibility study

\$180,000

Federal Government funding Moonambel Water Supply feasibility study

5

Resilient and liveable cities and towns



We will help transform Victorian cities and towns into the most resilient and liveable in the world. We will include all elements of the urban water cycle in the way we plan and manage water so that Victorian communities can continue to thrive in all climates.

Victoria is a vibrant place to live, work and visit. We want our cities and towns to support thriving communities and attract business and industry. Water is important for our health and wellbeing, keeping our trees, sporting fields and parks green, and supporting business and industry that rely on secure water supplies.

Where are we now?

We are planning for significant population growth with Victoria expected to reach 10.1 million people and our major urban centres to almost double by 2051. We need to improve the way we manage water to get the most value for our communities. This is even more important because of climate change and extreme events.

The Millennium Drought highlighted the essential role of water in urban landscapes. We need to find the best ways to use diverse water sources, including stormwater and recycled water, that are safe and suitable for our needs. We will prioritise parks, gardens and public open spaces to keep them usable even during drought.

Working together through integrated water planning means local issues and priorities will inform our decisions about water. We will improve the way we design our suburbs, including the way we manage stormwater. This will support healthier urban environments and help save our best water for drinking.



We will reinvigorate our water efficiency programs, working with schools, business, industry, and urban and regional communities to build on our strong water efficiency culture. Water corporations will roll out the next generation of Target 155 for Melbourne and develop a 'Target Your Water Use' program for regional Victoria.



The Victorian Government will invest in initiatives to strengthen urban water policy and the delivery of integrated water management.

What we will do

Work together to use diverse water sources, including recycled water and stormwater, to secure water supplies and protect our public spaces.

Urban water corporations will develop urban water strategies that consider climate change, population projections, drought preparedness and the best use for alternative water sources.

Build on our water efficiency culture by reinvigorating water efficiency programs for Melbourne and regional Victoria, and working with schools, business and industry to improve water efficiency.

Work with the water sector and local government to improve wastewater management and get the most from our investment.

Improve stormwater management to protect our urban environment, including reviewing planning and building regulations.

Work across government to better align land use and water management planning to support liveability.

Adopt integrated water planning across Victoria, with place-based planning supporting community values and local opportunities.

Put integrated water management into practice, working with water corporations to develop a common economic evaluation framework, promoting exemplar projects, building the capacity of the water sector and local government to participate, and continuing research to improve urban water management.

6

Recognising and managing for Aboriginal values



We will recognise the values that water has for Traditional Owners and Aboriginal Victorians. The water sector will support Aboriginal participation in Victorian water planning and management frameworks through consultative structures that address the rights and interests of Victoria's Traditional Owners.

Victorian Traditional Owners have cultural, spiritual and economic connections to land, water and resources through their associations and relationship with Country. Traditional Owners have managed land and water sustainably over thousands of generations. These connections are important for Aboriginal health and wellbeing.

Where are we now?

Until now, Traditional Owners and Aboriginal Victorians have had limited involvement in water management in Victoria. They want to be part of discussions and included in decisions about water.

For the first time, Aboriginal values of water will be recognised in the water planning and management frameworks. Initial steps have been taken to recognise Aboriginal values and ecological knowledge in waterway management strategies, sustainable water strategies and state environmental protection policies.

Working with Traditional Owners, the water sector will seek opportunities to deliver shared benefits and include traditional knowledge in water planning. This will help to protect Aboriginal water values and improve the sustainable management of our water resources.

We will build the capacity of the water sector and Aboriginal Victorians to develop our collective knowledge of Aboriginal culture and increase inclusive practices in water management.



Water for Victoria will lead the way in improving access to water for Traditional Owners and Aboriginal Victorians for economic development. We will seek seed funding and business finance opportunities for Aboriginal enterprises to invest in water to help promote the diversity and entrepreneurship of the Victorian Aboriginal business sector.



The Victorian Government will support Aboriginal participation in water management and improve outcomes for Aboriginal Victorians.

What we will do

Invest \$4.7 million over four years to establish a state-wide Aboriginal Water Program to better recognise and understand Aboriginal water values, uses, objectives, including investing in local Aboriginal projects across the state.

The water sector will partner with Traditional Owners to incorporate Aboriginal water values and traditional ecological knowledge in water planning, including through shared benefits and using Aboriginal Waterway Assessments.

Invest \$5 million and work in partnership with Traditional Owners and Aboriginal Victorians to develop a roadmap for access to water for economic development.

Build capacity across both the water sector and Traditional Owners to increase Aboriginal participation and inclusive practices in water management.

7 Recognising recreational values



We will support the wellbeing of rural and regional communities who enjoy the recreational benefits our regional waterways provide. We will consider these values in the way we manage water.

Connection to nature is important for the health and wellbeing of our communities. Our rivers, lakes and bays provide places for recreation where Victorians can fish, swim, camp, walk, and gather with family and friends. Recreation is also important for regional tourism and jobs and provides great places to live and work.

Where are we now?

In dry conditions and in drought, less water is available for all water users. But as we saw during the Millennium Drought, it is often at these times that water and recreational activities provide the greatest relief and are most important for our communities. A warmer, drier future with less water is likely to impact on water-related recreation.

We will support the wellbeing of our communities by considering recreational values in the way we manage water. This means including communities in conversations about water and waterway planning to understand how people want to use water for recreation.

The water sector will share its knowledge and expertise with communities to help people connect with the right agencies and find ways to meet their recreational goals. Water corporations will also share information about water levels and water availability, for example to help tourism operators plan events or fisheries make decisions about where to stock fish.

What we will do

In partnership with the water sector, the government will incorporate recreational values in water planning, including engaging with communities to identify and prioritise opportunities to deliver recreational outcomes, and providing information, such as water condition, to help people plan their recreational activities.

Public land managers and the water sector will support communities by sharing knowledge, expertise, and information to help communities to connect with the right people, such as local government, tourism boards and potential investors to find ways to achieve their recreational goals.

Water corporations will maintain infrastructure and facilities to support recreational objectives at their water storages under existing arrangements, and will prepare land and recreation management plans for all major water storages of recreational value.



Working with local user and community groups, the Lake Marma Committee of Management developed a management plan for Lake Marma – an important recreational lake and regional tourism attraction. The committee obtained funding from the Victorian Government, local government and local community to implement the management plan for the lake.



As part of the \$10 million Drought Support Fund, the Victorian Government is funding three recreational water projects – Donald Weir Pool, Taylors Lake and Green Lake near Sea Lake – to help reduce the impacts of low rainfall on recreational activities.

8

Water entitlements and planning



Secure rights to water and a responsive planning framework will enable us to adapt to climate change and the changing values and uses of water, as well as protect the environment.

In Victoria, water is shared and managed in a way that provides both certainty and flexibility for water users to manage their own needs in a changing climate. The *Water Act 1989* is the legal foundation of Victoria's water management arrangements and defines the rights to take and use Victoria's surface and groundwater resources.

Where are we now?

The strength of our water entitlement and planning frameworks was reinforced during Victoria's driest 13 years, the Millennium Drought. Together with water resource information, water markets and water supply infrastructure, these frameworks provide security and confidence for communities, the environment, business and industry.

With climate change and population growth we need to strengthen our water entitlement framework. We will provide more flexibility and certainty to give stakeholders and communities confidence in how water is managed. This will support transparency and accountability for water users and the community.

We will retain the integrity of our water planning framework. We will look at better ways to share information and data, including climate change scenarios, to improve the way we plan and manage water. We will increase community participation in long-term water planning, including representation of Traditional Owners, and seek opportunities to achieve shared benefits.



Water for Victoria will align long-term water resource planning so that the processes to review sustainable water strategies and undertake long-term water resource assessments deliver the best outcomes for Victoria.



The Victorian Government will invest in practical programs to improve the way we use Victoria's water resources, such as preparing for climate change and drought, and better water resource information.

Photo: Lake Bellfield

What we will do

Work with the water sector to simplify regulation to improve transparency and clarify roles and responsibilities, including seeking opportunities to increase community involvement and achieve shared benefits for Traditional Owners and recreational users.

Work with stakeholders to investigate converting take and use licences to water shares to provide greater flexibility and choice for licence-holders.

Explore opportunities to increase flexibility for licence-holders to take water during high flow periods within sustainable limits.

Capture better information about emerging significant uses of water and land use changes, including considering a reasonable use limit for domestic and stock rights.

Modernise the compliance and enforcement regime to give stakeholders and communities confidence in how water is being managed.

Commence the long-term water resource assessment process, including a long-term water resource assessment for southern Victoria in 2018, and aligning the long-term water resource assessment for northern Victoria with the Murray-Darling Basin Plan.

Start the sustainable water strategy reviews, including the review of the Central Region Sustainable Water Strategy in late 2016 and five-yearly assessments of the sustainable water strategies beginning with the Gippsland and Western Sustainable Water Strategies in 2017.

Align the sustainable water strategy and long-term water resource assessment processes.

Improve rural water supply planning, including through better information and reporting about water availability.

Provide clear and transparent information on the condition and use of Victoria's water resources, including improving public reporting on water condition and using new technologies and pathways to provide timely, user-friendly information.

Improve water resource information to support planning and decisions by investing in ongoing state-wide surface water and groundwater monitoring.

9 Realising the potential of the grid and markets



Victoria's water grid and markets will help us realise the greatest benefit from our valuable water resources.

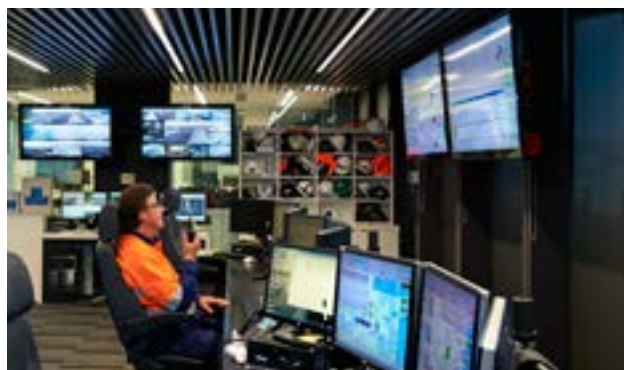
The water grid provides Victoria with a greater level of water security. Victoria's water grid works much like a road network connecting water sources via pipes and pumps with rivers and waterways. Our water markets allow water to move to where it is most needed.

Where are we now?

Water is increasingly being bought and sold via water markets and moved through the grid to meet community needs. Over the past decade, we have made significant investments in the grid to enhance water security and give water users more options to manage risks.

As we deal with climate change and population growth, we need to get the best value from all sources of water and existing infrastructure. We have opportunities to share the benefits of our increased water security and improve drought resilience for Victorian communities. We may also need to increase the connectivity of the water grid with new investment.

The new oversight function for the water grid will inform strategic and regional system-wide water resources and investment decisions. We will improve water markets and provide opportunities for water trade and regional development. This will help improve Victoria's water security and get the best outcomes for our communities.



The Victorian Desalination Project is a rainfall-independent source of water that can supply up to 150 billion litres a year. The desalination plant reduces our need to use river water and underpins the water security for Melbourne and connected towns.



The Victorian Government will invest \$30 million to extend the water grid in South Gippsland.

What we will do

Develop, in partnership with water corporations and stakeholders, strategic oversight of the water grid to inform strategic and regional system-wide water resources and investment decisions.

Explore options for additional connections to better use the state water grid to more broadly share the water security benefits across Victoria.

Improve the effectiveness of water markets, including expanding reporting and reviewing the operation of our markets.

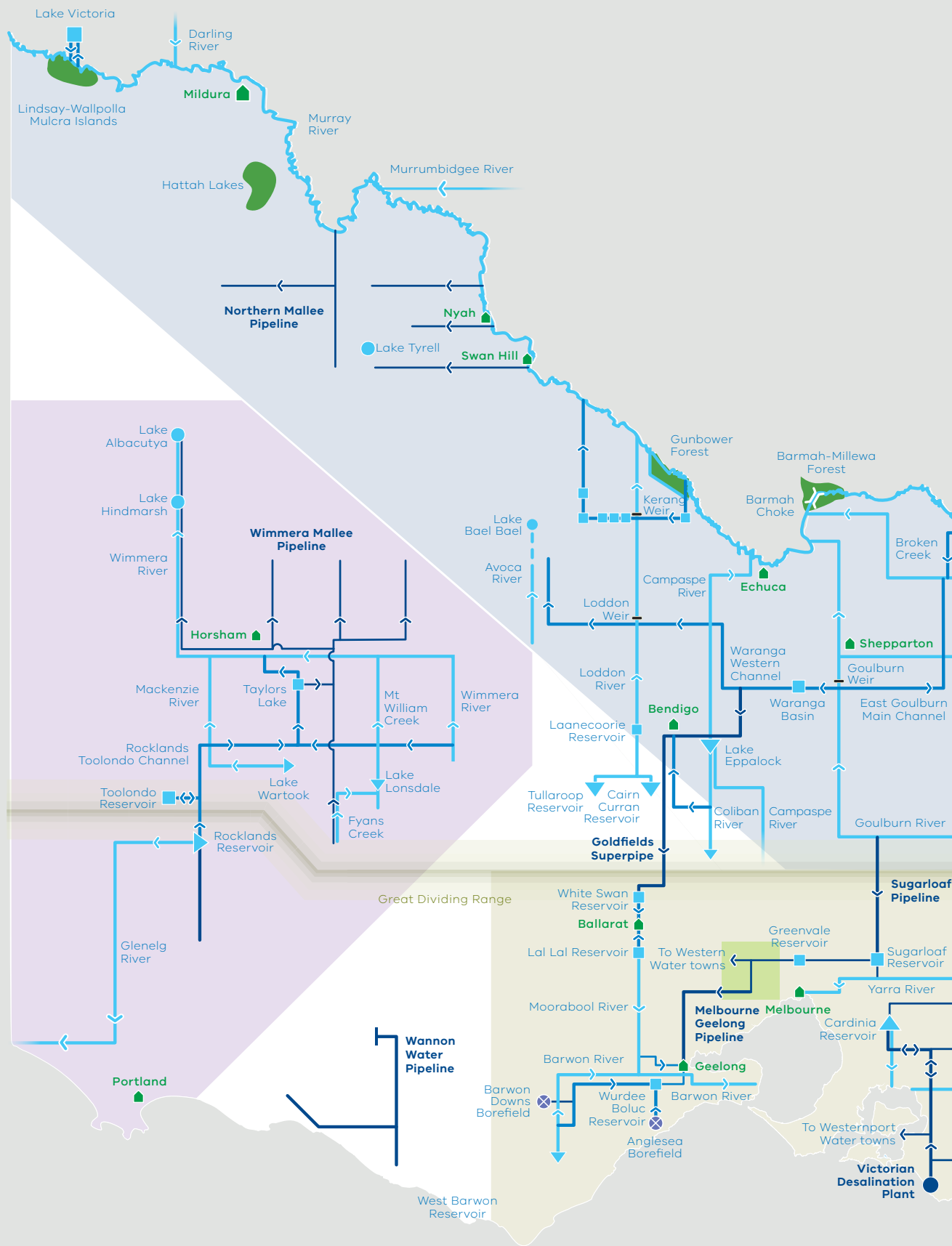
Increase water market transparency and timely and accessible information for market participants and the community.

Establish a south central Victoria water market trial in 2017, in collaboration with stakeholders, to encourage market development in the region.










Improve trading rules in northern Victoria, including increasing transparency and information for water users to make decisions and adapt to change.

Refine trading rules, review unregulated surface water trading rules, and develop policy to facilitate trade in groundwater systems.







Victoria's water grid and markets A schematic

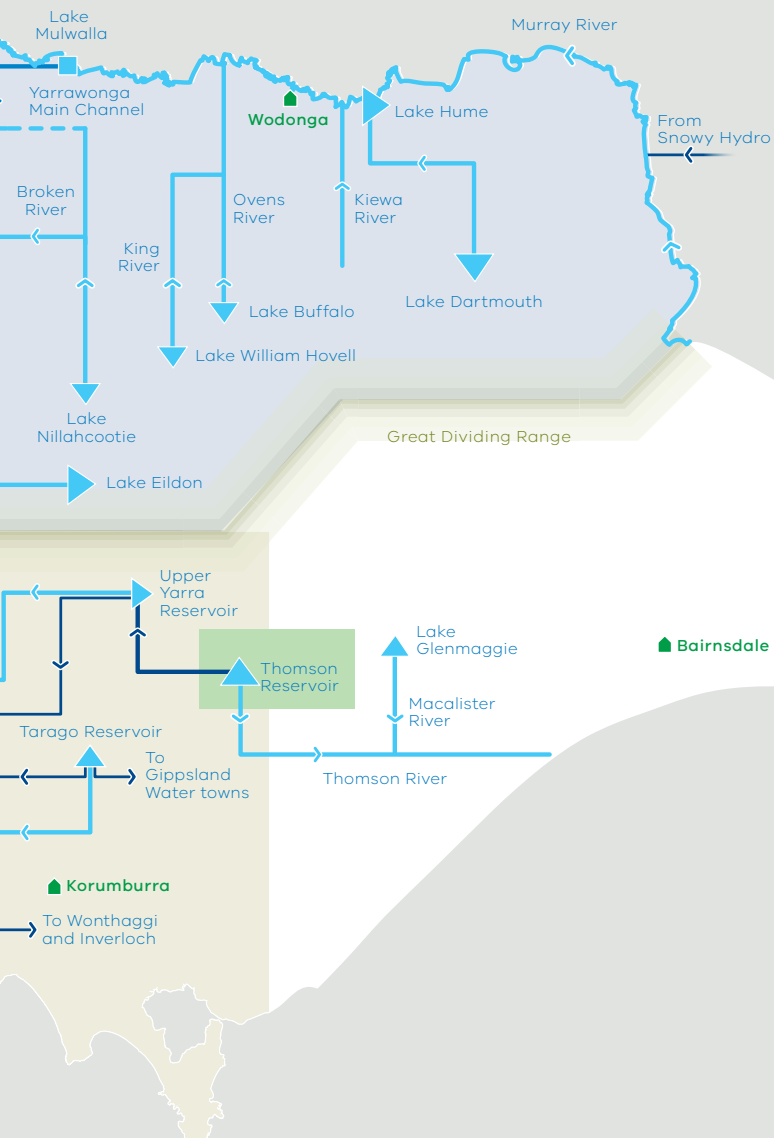


Grid

-  River
-  Channel
-  Piped connection
-  Drainage line/ephemeral stream
-  Catchment storage
-  Operational storage
-  Other lakes
-  Groundwater extraction location
-  Desalination plant
-  Living Murray Icon site
-  Weir
-  Town

Markets

-  Northern
-  Western
-  South Central
-  Macalister irrigation district
-  Werribee irrigation district
-  **Statewide** Not shown on figure
 - Unregulated water
 - Groundwater



10 Jobs, economy and innovation



Victoria's water sector will support jobs, economic growth, the environment, and our health and wellbeing by continuing to deliver efficient services with a focus on innovation, performance and affordability.

Water is vital for our economy. Many productive businesses and industries, including manufacturing, agriculture, food processing, energy, and mining, rely on safe, secure, affordable water supplies. Water security is also important for our health and wellbeing, a healthy environment and Victoria's prosperity, attracting business and investment to our state.

Where are we now?

Our water sector is an important sector in its own right, particularly for many regional communities, employing almost 5700 Victorians and investing about \$1.2 billion 2014-15.

To continue to provide high quality, affordable water services the water sector needs to reflect Victoria's diverse communities, including improving gender equity and increasing representation of Aboriginal Victorians in water management. There are also opportunities to partner with Traditional Owners to increase Aboriginal employment.

It also means better community engagement, together with good governance, and a greater focus on understanding customer and community needs. Across Victoria, we will work with communities to build regional partnerships and tackle local issues and priorities.

Building a modern and efficient, innovative, high performing, future-focused water sector that provides affordable water services, will help us meet the challenges of climate change and population growth and provide better water security for Victoria.

What we will do

The water sector will improve engagement with customers and communities and participate in Regional Partnerships to inform strategic water-related economic opportunities.

Water corporations will consult business customers on future water needs and provide information to support investment decisions.

Promote innovation, including supporting existing initiatives, continuing to participate in the Cooperative Research Centre for Water Sensitive Cities, and promoting Victoria's expertise.

The water sector will work with delivery partners to build the right skills and capacity for the sector, including through apprenticeships and traineeships.

Establish a framework for other potential service providers to access existing infrastructure.

Drive strong governance and performance of the water sector, including setting clear expectations and priorities and building a culture of continuous improvement.

Promote gender equity within the water sector, including focusing on gender diverse boards and gender equity in executive leadership positions.

Increase Aboriginal inclusion, including opportunities for Traditional Owners to participate on water sector boards, appoint an Aboriginal Victorian as a fourth commissioner of the Victorian Environmental Water Holder, and develop knowledge of Aboriginal culture.

Support Victorian Aboriginal economic development, exploring opportunities for business arrangements with Aboriginal enterprises, training and employment for Aboriginal Victorians.



Victoria has established Liveability Victoria International to promote and support the export of Victorian services, leadership and expertise in liveability to countries around the world. The new centre will focus on our strengths in water management; environment protection, clean-tech; planning and urban design. It will bring together government, industry and universities in partnership.



The Victorian Government will invest \$537 million over four years through a fourth tranche of the Environmental Contribution to deliver *Water for Victoria*.

The Essential Services Commission and the water sector will improve support for victims of family violence by continuing to develop good practice in dealing with hardship and implementing family violence policies.

Find opportunities to cut red tape and streamline business and planning processes.

Improve the emergency management capability and resilience of the water sector by clarifying roles and responsibilities, building water sector capacity and continuous improvement.

Establish a project office to oversee the implementation of Environmental Contribution funded initiatives and publicly report delivery of *Water for Victoria*.

What this plan means for Victoria's regions





Greater Melbourne

Yarra River – priority waterway for long-term investment

Yarra River Protection Project (Birrarung)

2015 environmental water recovery targets for Werribee and Maribyrnong Rivers

Aboriginal Water Program – mapping Wurundjeri cultural values on Yarra River

Invest \$16 million in Werribee and Bacchus March irrigation modernisation

\$300,000 Federal Government funding – Coldstream Recycled-Water Pipeline feasibility study

\$91,500 Federal Government funding – South East Melbourne Regional Water Plan pre-feasibility study

Reactivate Target 155 for Melbourne

South central Victoria market trial

Green priority spaces for community health and wellbeing using stormwater and recycled water

Better designed suburbs and new developments to support liveable communities

Integrated water management forums for Werribee, Maribyrnong, Yarra, Dandenong and Westernport

Improved planning arrangements, linking to Plan Melbourne and Yarra River Protection Project

Commence long-term water resource assessment for southern Victoria in 2018

Review the Central Region Sustainable Water Strategy in late 2016



North west Victoria

Merbein Common Wetlands – priority waterway for long-term investment

Integrated catchment project – Lake Tyrrell to Birchip in Southern Mallee Waterways

Aboriginal Water Program – scoping six Aboriginal Waterway Assessments

\$1.7 million Federal Government funding – Sunraysia Modernisation Project Stage Two feasibility study

Support viability in Mildura pump districts

Continued salinity management

Emergency water supply points for dryland farmers

Green priority spaces for community health and wellbeing using stormwater and recycled water

Better designed suburbs and new developments to support liveable communities

'Target Your Water Use' program for regional Victoria

Regional integrated water management forums

\$1 million partnership between catchment management authorities and recreational anglers

Regional floodplain management strategy led by Mallee Catchment Management Authority

Regional flood mapping – Avoca River and Charlton

Riparian works led by Mallee Catchment Management Authority

Implement Murray-Darling Basin Plan

Align the long-term water resource assessment for northern Victoria with Murray-Darling Basin planning

Focus on open and transparent water markets and use of trade rules to manage constraints



Western Victoria

Upper Wimmera River – priority waterway for long-term investment

Aboriginal Water Program – Barengi Gadjin Wimmera River Project Stage One

\$760,000 Victorian Government funding – East Grampians West Wimmera feasibility study

\$180,000 Federal Government funding – Moonambel Water Supply feasibility study

Continued salinity management

Emergency water supply points for dryland farmers

Green priority spaces for community health and wellbeing using stormwater and recycled water

Better designed suburbs and new developments to support liveable communities

'Target Your Water Use' program for regional Victoria

Regional integrated water management forums

\$10 million Drought Support Fund – invest in Donald Weir Pool, Taylors Lake and Green Lake

Grampians Wimmera Mallee Water management plan for Lake Marma to support recreation

\$1 million partnership between catchment management authorities and recreational anglers

Regional floodplain management strategy led by Wimmera Catchment Management Authority

Regional flood mapping – Lower Wimmera River

Regional flood mitigation project – Donald

Riparian works led by Wimmera Catchment Management Authority

Five yearly assessment of Western Region Sustainable Water Strategy in 2017

Focus on open and transparent water markets and use of trade rules to manage constraints



South west Victoria

Moorabool River – priority waterway for long-term investment

Budj Bim Landscape – priority waterway for long-term investment

Integrated catchment project – new information technology

Deliver additional 1 gigalitre in environmental flows for Barwon River

Aboriginal Water Program – Gunditj Mirring and Barenji Gadjin cultural flows project

Geelong-Melbourne Pipeline providing additional water security for Geelong

\$540,000 Federal Government funding – Agriculture and Job Growth feasibility study

\$100,000 Federal Government funding – Dilwyn Aquifer Infrastructure feasibility study

Continued salinity management

Emergency water supply points for dryland farmers

Green priority spaces for community health and wellbeing using stormwater and recycled water

Better designed suburbs and new developments to support liveable communities

'Target Your Water Use' program for regional Victoria

Regional integrated water management forums

\$1 million partnership between catchment management authorities and recreational anglers

Regional floodplain management strategies led by Glenelg Hopkins and Corangamite Catchment Management Authorities

Regional flood mapping – Heywood, Fitzroy River, Darlot Creek, Deans Creek and Barongarook Creek

Regional flood mitigation projects – North Warrnambool

Riparian works led by Glenelg Hopkins and Corangamite Catchment Management Authorities

Commence long-term water resource assessment for southern Victoria in 2018



Northern Victoria

Campaspe, Strathbogie and King River – priority waterways for long-term investment

Aboriginal Water Program – three projects underway: Barapa Barapa Water for Country (ongoing), Dja Dja Wurrung Bendigo Creek capacity building, Dhudhuroa and Waywurru Aboriginal Waterways Assessment

Aboriginal Water Program – scoping six Aboriginal Waterway Assessments

Goulburn-Murray Water Connections Project

Invest \$40 million in South West Loddon Rural Water Supply Project

\$750,000 Federal Government funding – Mitiamo Reticulated Water Supply feasibility study

Emergency water supply points for dryland farmers

Further \$14 million investment to help manage Bendigo's rising groundwater

Continued salinity management

Green priority spaces for community health and wellbeing using stormwater and recycled water

Better designed suburbs and new developments to support liveable communities

'Target Your Water Use' program for regional Victoria

Regional integrated water management forums

\$1 million partnership between catchment management authorities and recreational anglers

Regional floodplain management strategies led by North Central, Goulburn Broken and North East Catchment Management Authorities

Regional flood mapping – Loddon, Upper Ovens, and Upper Murray Rivers, and Granite Creek

Regional flood mitigation projects – Charlton, Numurkah, Rochester and Violet Town

Riparian works led by North Central, Goulburn Broken and North East Catchment Management Authorities

Implement Murray-Darling Basin Plan

Align the long-term water resource assessment for northern Victoria with Murray-Darling Basin planning

Five-yearly assessment of Northern Region Sustainable Water Strategy

Focus on open and transparent water markets and use of trade rules to manage constraints



Gippsland

Thomson River and Cann River –
priority waterways investment

\$10 million to improve health of
Gippsland Lakes

Deliver additional 8 gigalitres of
environmental water for Thomson River

\$30 million to Korumburra, Poowong,
Loch and Nyora to improve water
security

Invest \$20 million for Macalister
Irrigation District modernisation,
including \$675,000 Federal
Government funding for Macalister
Irrigation District 2030 Phase 2
Development feasibility study

\$677,160 Federal Government funding
– Southern Victorian Irrigation
Development feasibility study

\$554,400 Federal Government funding
– Lindenow Valley Water Security
feasibility study

\$50,000 Victorian Government
funding – Yanakie Secure Water Supply
feasibility study

Continued salinity management

Green priority spaces for community
health and wellbeing using stormwater
and recycled water

Better designed suburbs and new
developments to support liveable
communities

'Target Your Water Use' program for
regional Victoria

Regional integrated water management
forums

\$1 million partnership between
catchment management authorities
and recreational anglers

Regional floodplain management
strategies led by West Gippsland
and East Gippsland Catchment
Management Authorities

Regional flood mapping –
Avon River and Snowy River

Riparian works led by West Gippsland
and East Gippsland Catchment
Management Authorities

Commence five-yearly assessment
of the Gippsland Sustainable Water
Strategy in 2017

Commence long-term water resource
assessment for southern Victoria in 2018

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