

ISCC makes its recommendation



The Irrigators' Share Consultative Committee (ISCC) has made our recommendation on how to distribute the irrigators' share.

Our committee was convened by the Minister for Water to recommend a model for distributing the irrigators' share of water recovered through Stage 1 of the Connections Project.

We were appointed to the committee in our capacities as representatives of each of the six irrigation areas within the Goulburn-Murray Irrigation District (GMID), two representatives from the Victorian Farmers Federation, and an independent expert, with Paul Weller appointed by the Minister as our independent Chair.

What has the ISCC recommended?

We recommended that the irrigators' share be provided as a once-off distribution to all those holding delivery share within the six irrigation areas of the GMID, in proportion to the amount of delivery share held.

The irrigators' share will be 75 gigalitre (GL) long term annual average yield (LTTAY), issued as a mix of high-reliability water shares (HRWS) and low-reliability water shares (LRWS). This mix reflects the combination of fixed and variable water losses that have been recovered through modernisation works.

Based on indicative data provided to the ISCC, we anticipate that 4.0 megalitres (ML) of HRWS and 1.8 ML of LRWS will be issued per 1 ML/day of delivery share. These figures will be verified and confirmed once all the Connections Project works are complete.

The ISCC has recommended that the irrigators' share be issued directly to GMID delivery share holders as:

- Water shares, for those with delivery share of 0.25 ML/day or more.
- Financial benefits, equivalent to the value of the water shares, for those with less than 0.25 ML/day of delivery share.

Eligible recipients

We recommend that the irrigators' share is distributed to all parties who hold delivery share within the six irrigation areas of the GMID. This means that everyone who contributes to the cost of operating and maintaining the irrigation system (through paying the common Infrastructure Access Fee) receives the benefits of the irrigators' share. Areas that were not part of the Connections Project and have their own fees and charges are not included.

Threshold level

We recommended a threshold level for receiving water shares of 0.25 ML/day of delivery share, based on the amount of delivery share required to receive 1 ML of HRWS and 0.8 ML of LRWS using the indicative data provided to us. The ISCC considers this to be the smallest water parcel that is viable to issue, given the costs of water transactions, trade opportunities and the limitations of the Victorian Water Register.

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Water shares

We recommended that water shares are issued from within the recipients trading zone, to the extent that it is possible to do so. This helps make water accessible for productive use.

Financial benefits

We recommended that financial benefits be provided as credits on your Goulburn Murray Water (GMW) customer bill. Financial benefits will be generated by trading the water shares proportional to the total amount of delivery share on issue to people below the 0.25 ML/day threshold. Financial benefits will be distributed at a common rate across all six irrigation areas.

The full details of our recommendation are in the [ISCC Recommendation Report](#) available via engage.vic.gov.au/irrigators-share.

When will irrigators get their share?

The ISCC recommended that the irrigators' share is distributed as soon as possible, while making sure that existing entitlements remain fully protected. We have called for the census date and the issue date of water shares to be announced as soon as possible.

This decision will be made by the Minister.

A census date will be announced for when your delivery share will be recorded to calculate your component of the irrigators' share. The information will be taken from the Victorian Water Register.

To understand what you would receive, you need to know how much delivery share you hold. You can find this information on your GMW customer bill, by looking up your details on the [Victorian Water Register](#), or by contacting GMW's customer service team.

What we heard from the irrigation community

Our recommendation builds on the proposal that we put to the GMID irrigation community in April 2020. Over 200 of you took the time to let us know what you thought about the proposal for a once-off distribution of the irrigators' share. As a result of the strong positive response to this approach, we were able to refine the proposal and make our recommendation to the Minister.

An overwhelming majority told us that this was the most practical, fair and sensible approach to distributing the irrigators' share and delivering on prior commitments. The full results of consultation have been published online in our [ISCC Closing the Loop Report](#).

The ISCC worked through your comments and criticisms to refine the recommendation, balancing community concerns with the focus on recommending a model that is simple to understand and implement, is cost-effective to manage and maintains the existing management of water entitlements.

More information

We have made our reports available to you at engage.vic.gov.au/irrigators-share:

- Read our full report on what we heard during consultation, and who we heard from, in our [ISCC Closing the Loop Report](#).
- Find all the details about our recommendation in the [ISCC Recommendation Report](#) to the Minister for Water.
- For more information about the make-up of the irrigators' share, see [DELWP Fact Sheet: Water recovery for the Connections Project](#).

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