



Media Release

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## **Report confirms water efficiency trumps buybacks**

A new report has confirmed that investment in on-farm water efficiency projects leads to wider economic, social and environmental benefits than water purchases or 'buybacks.'

The report, released yesterday by Dairy Australia, shows that on-farm water efficiency programs result in longer lasting and more effective benefits to the farm and the region than simple buybacks can achieve.

President of the National Farmers' Federation (NFF) Duncan Fraser says the report confirms the NFF's long-held view that water purchases should be the option of last resort, not the first step in improving water efficiency.

"The NFF has been calling for a greater focus on Government investment in on-farm water initiatives in the Murray-Darling Basin for some time, and this report shows the benefits that such programs have," NFF President Duncan Fraser said.

"We have long said that making the water that is currently in the system more efficient is a far more effective outcome than simply removing that water from agricultural production altogether.

"As this report shows, the direct benefits of investing in on-farm water efficiencies are increased farm productivity and a reduction in water use.

"Importantly, there are also flow on benefits in an accelerated and more cost effective farm development, improved business resilience, and a greater chance of farm succession to the next generation – all positive steps in ensuring a strong future for our agricultural sector, while balancing the need to conserve one of our most valuable water resources," Mr Fraser said.

The report, compiled by consulting firm RMCG on behalf of Dairy Australia, consists of a cost-benefit analysis of farm irrigation modernisation on dairy farms in Victoria and NSW, and contrasts the benefits of the On Farm Irrigation Efficiency Program versus water buybacks when it comes to saving water for the environment, and overall productivity and return on farms.

The report shows that investment in on-farm water efficiency programs is also an investment in the regional economy, with a significant flow on to the regional economy – while water purchases were shown to reduce the regional economic activity.

"Farmers not only care about the environment, they also rely on it for their livelihoods, so they understand the need to take care of our natural resources for the long-term," Mr Fraser said.

"There is a way to make sure that the best interests of both farmers and the environment are taken care of, and it's through farmers and Government co-investing in on-farm water efficiency – not through water buybacks."

**Ends.**

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