







C09/10104

Mrs Julia Irwin MP Chair Standing Committee on Petitions Parliament House CANBERRA ACT 2600

24 JUL 2009

Dear Mrs Irwin

Thank you for your letter of 9 June 2009 referring to a petition that was considered by the Standing Committee on Petitions on 25 May 2009, requesting funding for a piped stock and domestic water supply scheme for the Cosgrove/Cosgrove South and Pine Lodge districts.

The Australian Government recognises the immense challenge in tackling water scarcity in Australia, especially in the Murray-Darling Basin. The Government's response is 'Water for the Future', a \$12.9 billion strategy that aims to secure the long term water supply of all Australians through investment in strategic water programs, improved water management arrangements, and a renewed commitment to water reform nationally.

I am aware of the problems faced by users of the Shepparton Stock and Domestic Community Water Supply Scheme (the water supply scheme), including those within the Cosgrove/Cosgrove South and Pine Lodge districts. Within the Government's overall strategy there are three initiatives which may be of interest to the water supply scheme members and their local councils.

As part of 'Water for the Future', the Government has agreed in-principle to fund ninety per cent of the cost of Stage Two of the Victorian Government's Northern Victoria Irrigation Renewal Project (NVIRP), up to a maximum funding amount of \$1 billion. The Department of the Environment, Water, Heritage and the Arts is in discussion with the Victorian Government regarding implementation of this commitment.

While Stage Two of the NVIRP is yet to commence, the Victorian Government began work on Stage One in May 2008. The water supply scheme members may wish to contact the NVIRP managing organisation at: http://www.nvirp.com.au to discuss their needs and whether this project can assist their situation through any of the upgrades planned for Stage One or Stage Two.

Secondly, as part of the Nation Building and Jobs Plan, \$200 million will be provided from 'Water for the Future' for local governments in the Murray-Darling Basin to undertake planning for a future with less water and for associated local water savings initiatives under a program titled 'Strengthening Basin Communities'. The guidelines and eligibility criteria for the Strengthening Basin Communities program will soon be available on the Department's website at: http://www.environment.gov.au.

In addition, I understand a proposal from the water supply scheme was considered by Water for Rivers but did not, in its current form, attract investment from that program. However, I am advised that the Water for Rivers organisation has indicated that it may be able to facilitate a meeting of key stakeholders in the project to review and discuss options for the future of the Cosgrove water supply system. I encourage the members of the water supply scheme to follow up on this offer.

Thank you for bringing the petition to my attention.

Yours sincerely

Penny Wong