

Media Release

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Consolidation a valuable option for farmers

More and more landowners are opting to consolidate properties to create more viable enterprises and maximise the on-farm benefits from the \$2 billion irrigation modernisation project's Connection's program.

The Northern Victoria Irrigation Renewal Project (NVIRP) will deliver a smaller but streamlined irrigation system for northern Victoria.

The Connections program, which connects landowners to the backbone network of large supply channels, will:

- develop a modernised public irrigation system
- facilitate ongoing farm improvements
- reduce the irrigation supply network footprint
- create water savings to be shared by irrigators, the environment and Melbourne.

NVIRP's Chief Executive Officer, Murray Smith, said the Connections program was making more and more landowners aware of the value of consolidating adjacent properties.

Consolidation allowed NVIRP to rationalise significant lengths of channel and provide more financial incentives for on-farm improvements.

"This can occur by amalgamating nearby properties in the same ownership, or, as is becoming more common, purchasing neighbouring properties, increasing farm area and consolidating the farm enterprise around the home property," Mr Smith said.

Rationalising channel infrastructure will improve the irrigation system's future affordability for farmers across northern Victoria.

"Many farmers are looking at innovative ways to benefit from the NVIRP program. Buying out a neighbour and modifying their farming operation, along with our financial incentives, can improve the viability of their farming enterprise.

"Some corporate players have now identified this opportunity and we know of at least three areas where large-scale property purchases and consolidation are occurring.

"This in turn allows significant asset rationalisation and frees up more NVIRP funds for farm improvement works through the Connections program," Mr. Smith said.

"A significant number of large, family-based properties operate at a similar scale to corporate farms, and we are encouraging them to look at the NVIRP incentives to strengthen their farm businesses.

"Consolidation also provides an opportunity for some farmers to consider relocating closer to the backbone channels, if this provides more security to their enterprise and is financially attractive.

“I know at the end of the day a landowner will only decide to sell if the price offered is right,” Mr Smith said.

“Landowners are encouraged to contact NVIRP to explore the many opportunities this project provides. Together we can ensure the irrigation system is not only world-class but affordable and is serving the community well into the future.”

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Media Contact:

Merrill Boyd
Executive Manager Communications
Northern Victoria Irrigation Renewal Project
T: 0438 678 323
E: merrill.boyd@nvirp.com.au