Tom Crouch

Regional Manager

Northern Loddon Mallee Regional Development Victoria

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Dear Tom,

# RE: REVIEW OF DEDJTR REGIONAL SERVICE DELIVERY MODEL AND STRATEGIC DIRECTIONS FOR REGIONAL POLICY

We have recently received a letter from the Hon Jaala Pulford MP, Minister for Agriculture and Regional Development, inviting our comments on the service delivery model of DEDJTR and its strategic directions. We have been asked to respond to your office with our input to this first phase of the review.

Lower Murray Water is an urban and rural water corporation which operates in the region between Kerang and Merbein for potable water supplies and wastewater services and from Nyah to the South Australian Border for raw water licensing and irrigation water delivery.

## Rural Issues

As an.established utility service provider within the Loddon Mallee Region we have a specific sectoral interest in the future development of our region. We provide a 365 days/year service to an increasing proportion of our 4,700 irrigation district customers, who generate thousands of local jobs in a remote and disadvantaged region. It is stated that agriculture, forestry and fishing generates $850M in regional output in the Mildura Rural City Council boundary.

Future development is heavily-biased towards the need for agriculture to be sustainable and, in the case of Sunraysia, for it to grow beyond its current level. Clearly the growth of Mildura as a regional city is also related to the success of the irrigated districts. This appears to be a particular issue at the moment due to the level of commodity prices being earned locally being generally poor and this coming after many years of difficult growing conditions (including flood & drought). This has led to the withdrawal of highly-indebted growers from a high proportion of the land area available

Within the irrigated districts around Mildura. We, and other local agencies, are concerned that this trend may continue into the future unless there is consistent action to encourage investment. This is particularly important for us, with the current implementation of the $103M Sunraysia Modernisation Project provided by the Commonwealth as support to innovation in the region.

Within our remit we are seeking ways to address the challenges of increasing use of land in the irrigated areas, which may include an incentive scheme which we can provide for the use of water. We can also

encourage and support new investors. However we are also aware that the leverage and development capacity of all the agencies operating in the region would be increased by unity.

It is our belief that Regional Development Victoria (RDV) might make a major contribution in this region by acting as one of the key facilitators and deliverers of multi-agency approaches to encourage redevelopment of the irrigated districts. We see that RDV might focus upon this activity as a key function within Loddon Mallee, building upon experience both in its own regional office in Mildura and in other service agencies in the region such as ourselves.

A focus on this type of desired outcome might result in a number of different structural and resource implications for RDV, however the employment implications of successful economic development are so significant that they would justify innovative approaches

With regards to the contribution by the local Agricultural Department we suggest resources should be based in the region to assist in providing agronomic advice to customers on issues such as biosecurity, crop diversification and irrigation scheduling. As we have horticultural customers in our region from Nyah to the SA Border we see having technical advice and funds allocated for agronomic research as important to the development of the region.

## Urban Issues

To assist in the development of the Towns and Cities in our urban region we encourage economic growth in the manufacturing, mining and agricultural sectors as being important to the take up of new houses and business premises. This would then drive expansion of urban water and wastewater services in Kerang, Swan Hill and Mildura.

Regional development across our urban region will foster service delivery in health, education and transport availability in regional towns and cities and ensure that people will be willing to move to or stay within regional Victorian areas.

Yours sincerely,

**Phil Endley**

**Managing Director**