



The Hon Dr Jim Chalmers MP
Treasurer of Australia
Parliament House Canberra
ACT 2600

May 14, 2026

Dear Treasurer,

I write on behalf of the Murray Regional Strategy Group (MRSG), a coalition representing industry, community, and irrigation organisations across the NSW Murray Valley in the southern Riverina region of the Murray-Darling Basin.

MRSG wishes to raise urgent concerns about the national economic and resilience impacts of the Murray–Darling Basin Plan. While the public often hears about the \$13 billion allocated to deliver the Plan, the far greater cost is the ongoing loss of productivity caused by reducing the consumptive pool of water that drives Australia’s food and fibre industries.

Productive water is the backbone of regional economies and national food security. Irrigation systems were designed to protect Australia during drought, yet the scale of water recovery has weakened that protection. Communities across the Basin report that our drought resilience has been eroded at the very time climate risk is intensifying.

The 2018–2020 drought demonstrated the consequences. With irrigators unable to afford the water needed to grow pasture, hay, and silage, feed shortages escalated rapidly. Australia, a major exporter of rice and cereal crops, was forced to **import wheat and rice** to meet domestic needs. Reducing the productive pool further will only deepen this vulnerability. Less affordable water means less fodder and staple foods grown, higher prices, and a diminished capacity for farmers to support one another through drought, flood, and fire.

Despite this experience, there is little evidence that Australia has strengthened its drought preparedness since the last major dry period. Many regional stakeholders fear that the lessons of 2018–2020 have not been incorporated into current policy settings, and that continued water recovery will leave the nation exposed.

With the Bureau of Meteorology signalling the likelihood of a Super El Niño, these concerns are now pressing. Communities are seeking clarity on the Government’s plan to ensure Australia has the productive capacity, fodder availability, and regional resilience required to withstand another severe drought. This includes how environmental objectives will be balanced with the essential economic and food-security functions of the Basin.

Treasurer, decisions made now will shape Australia's economic stability and drought resilience for decades. I urge the Government to consider the full economic cost of diminishing the productive water pool, reassess the impacts of water recovery on national preparedness, and outline a clear strategy to safeguard food and fibre production in the face of emerging climate risks.

Please find attached a briefing note and MRSG's Basin Plan Review Submission, which provides evidence to supporting our concerns. We would welcome opportunities to work through these issues with you.

Yours sincerely,

Geoff Moar

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