

# 2026-27 Budget Estimates Hearing Water Portfolio

Public Accounts and Estimates Committee  
21 May 2026



Energy,  
Environment  
and Climate Action

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it.

We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

DEECA is committed to genuinely partnering with Victorian Traditional Owners and Victoria's Aboriginal community to progress their aspirations.



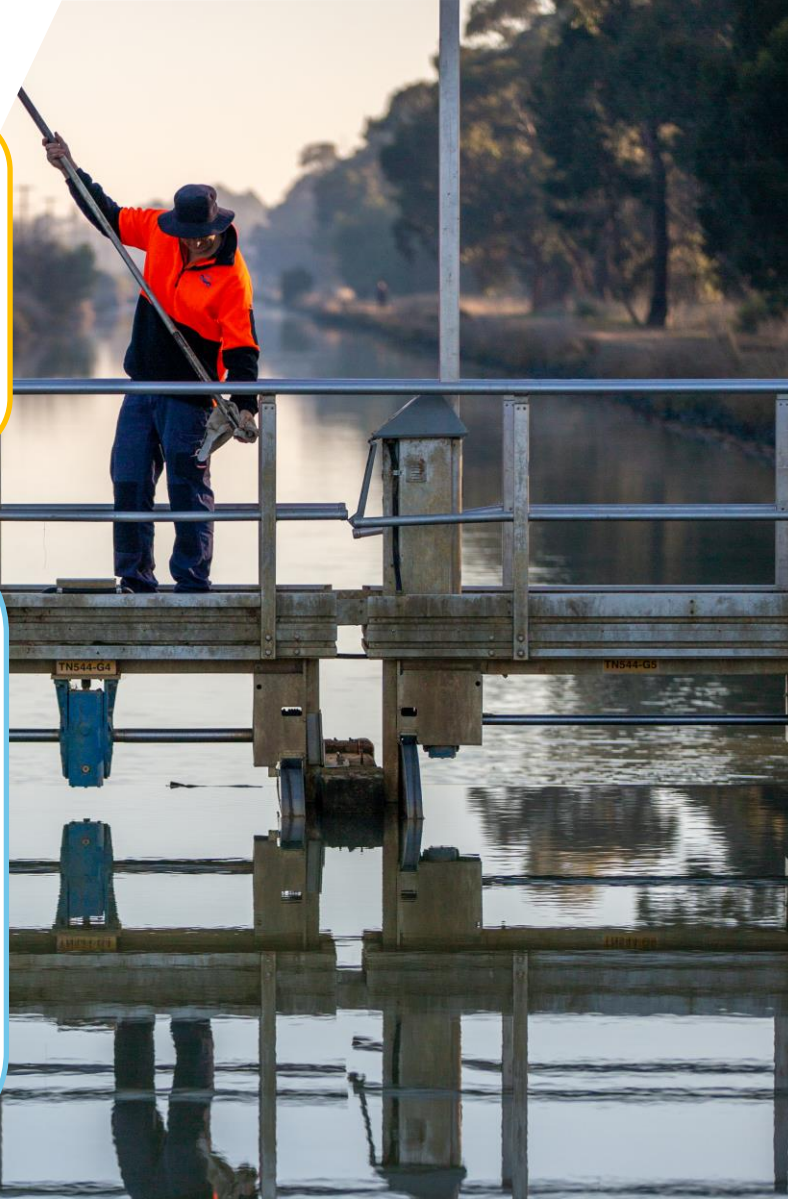
# Water Underpins Victoria's Economy and Livelihood

## Water challenges

- Population growth
- Global cost-of-living pressures
- Climate change
- Increased emergencies and extreme weather events

## Victoria's response

- Support for livability, housing and growth through infrastructure investment of almost \$4 billion in 2026-27
- Managing cost of living through independent price regulation, with Melbourne's water bills at least \$114 lower than any other capital city
- Maintaining thriving water markets and supporting an irrigation system which underpins \$5 billion worth of irrigated agriculture annually
- Processing of 15,998 applications for water connections and 526 development applications as at end of April this year
- Supporting communities through relief and recovery following the January 2026 bushfires and flooding



# Investing in Safe, Reliable and Productive Water Sources

**\$707 million** from the Environmental Contribution is being invested in sustainable water management priorities over 2024-2028, with **\$192 million** being delivered in 2026-27



Increased security and resilience of Victoria's water systems



Increased efficiency of water use



Increased inclusion of social & community values in water management



Improved environmental condition of Victoria's waterways and catchments



Increased implementation of Traditional Owner determined priorities for water management

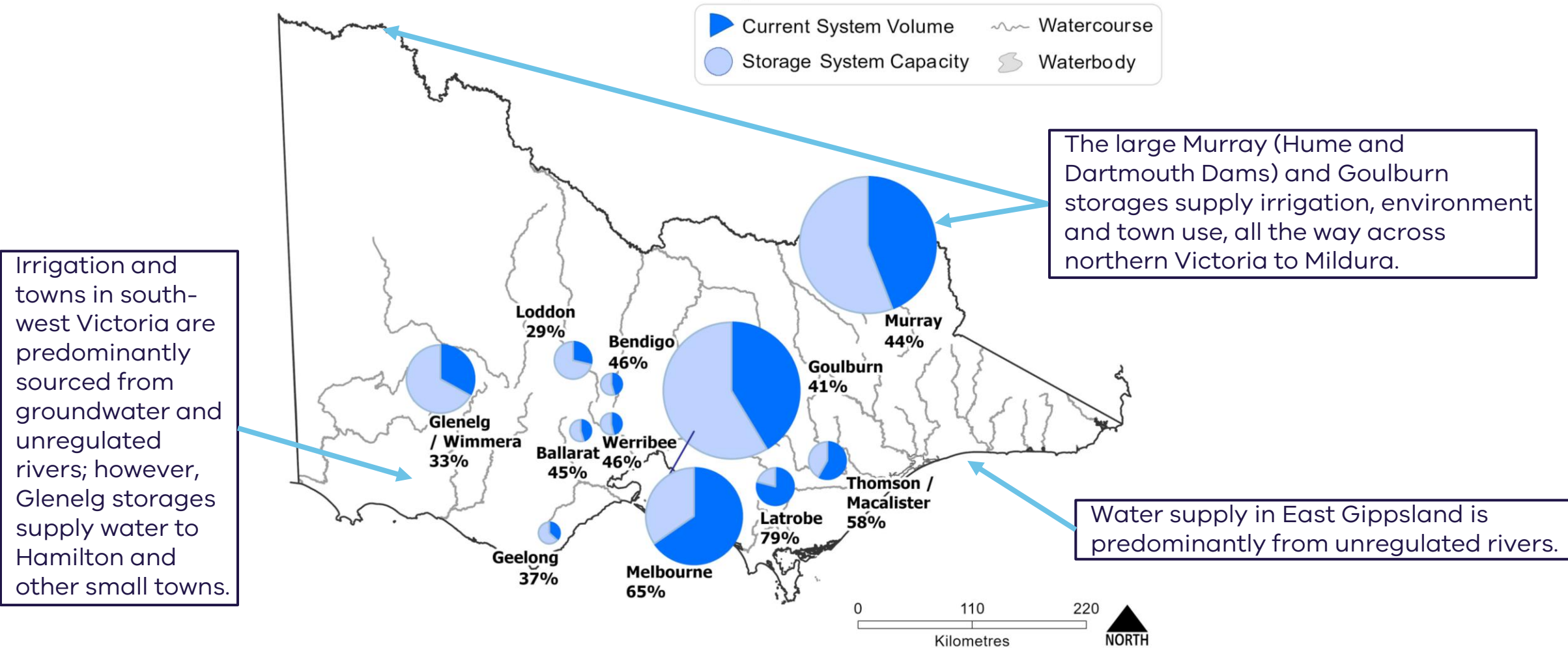
## Water portfolio highlights over the last 2 years of delivery include:

- Commenced delivery of the **Western Region Sustainable Water Strategy**.
- Delivering **\$24 million** in grants to Integrated Water Management projects to increase the use of alternative water supplies and protect waterways
- Funded self-determined water projects and Aboriginal Water Officer positions across the state, with **24 funding agreements** in place with Traditional Owner organisations and CMAs
- **1,668 gigalitres** of environmental water has been delivered to priority rivers and wetlands throughout Victoria.
- Delivered priority reforms to improve **flood preparedness and response**
- Provided rebates to **2,946 customers** in vulnerable and hardship situations
- Represented Victoria's interests in the **Murray Darling Basin** and supported regional communities and economies in the Basin Plan Review

# Across Victoria, major storages are now 47% full, compared with 57% at the same time last year

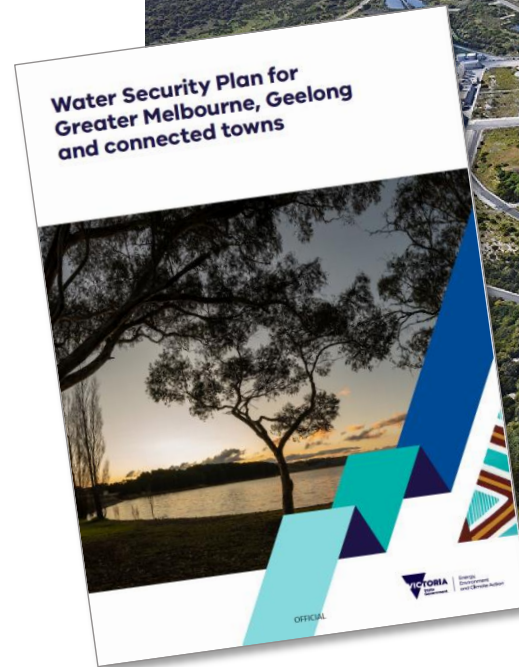
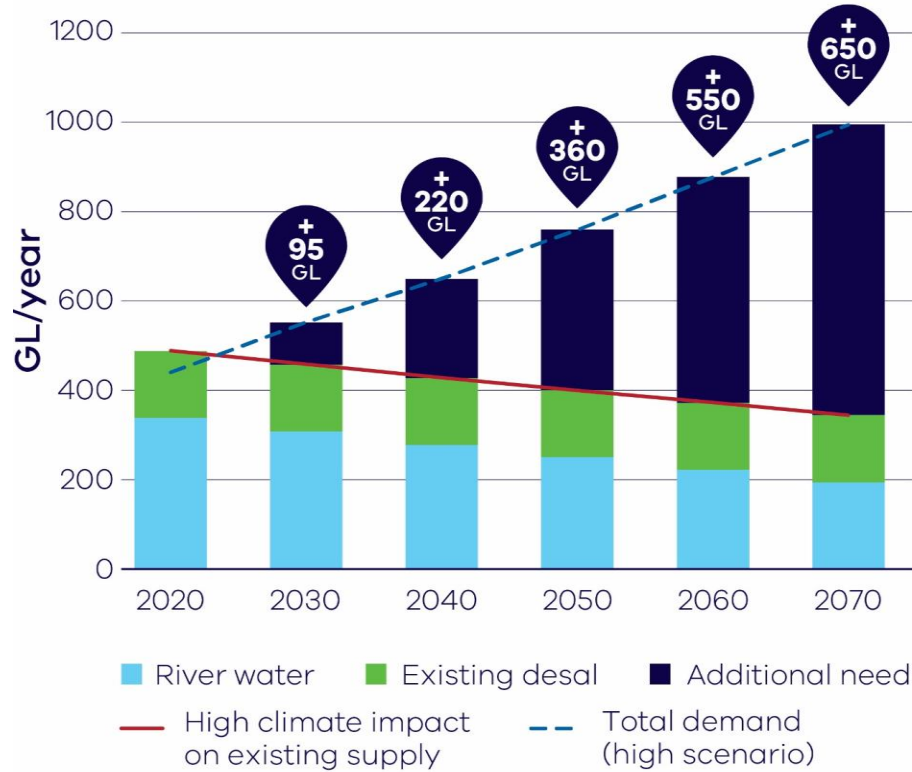
## Storage Levels

latest available - end April 2026



The Bureau of Meteorology's outlook predicts a low to moderate likelihood (30-45% chance) of June to August rainfall exceeding the median across most of Victoria.

# Melbourne's water security challenge



# Securing Investment in the Murray-Darling Basin

- The Victorian Government is investing an additional **\$43.2 million** in the Murray Darling Basin Joint Programs over 3 years.
- These works will ensure safe and functioning of major infrastructure that underpins the operations of the Murray River and security of water supplies.
- The 2026-27 Budget includes \$269.1 million (output and asset) of Commonwealth funding secured for the Water portfolio from 2025-26 onwards.



**\$120.1 million** for the Coliban Rural Water Efficiency Project to replace and upgrade sections of the Coliban rural supply system



**\$100.5 million** to complete the Victorian Murray Floodplain Restoration Project Stage 2



**\$39.7 million** to upgrade environmental watering sites and complete the Restoring Flows to the Mallee Floodplain program



**\$8.8 million** to investigate the benefits of the Victorian Constraints on environmental water delivery



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