

Kevin Anderson MP

MEMBER FOR TAMWORTH ELECTORATE



TO WHOM IT MAY CONCERN

The draft price increase for the Peel Valley of 43.8% is of significant concern to me as the elected State Member for Tamworth. In my past decade of service to this community, this city has experienced extreme stress and concern over our water resources. I understand the regulatory temptation to push the price of water up in a valley that has required significant investment to provide water security for the towns and city that rely on the Peel, however such a dramatic and sudden increase in the water pricing in our valley would have devastating impacts on residents and businesses who have chosen to make the Peel Valley their home.

Our valley is home to a billion dollar protein processing industry which makes up a significant portion of the state's food bowl. This is an industry that provides around 15% of Tamworth's jobs. We are seeing significant increases in investment in the region from businesses like Baiada and Thomas Foods International putting their faith in the people of Tamworth to provide for consumers across Australia and the world. These are businesses that are actively looking for solutions to decrease their reliance on raw water by way of investing in recycling and looking at ways to reduce water usage.

The NSW Government has identified the Namoi region as one of four Regional Job Precincts which will help boost the state's economy at a grassroots level through agriculture. There is significant positivity and investment in our region that has been led by the State Government's acknowledgement that agriculture contributes to one fifth of this state's economy. To substantially increase the price of water in the Peel would heavily stifle that growth.

Water usage in processing and manufacturing makes up for around 50% of Tamworth Regional Council's water usage. This is a number businesses, Tamworth Regional Council and the State Government are looking at actively reducing. However, putting this kind of price hike on these businesses would further tighten the belt potentially meaning their expenditure could go directly to raw water usage rather than investment in alternative usage such as recycling.

We as residents of the Peel Valley know we live in a water-stressed region that has required significant infrastructure investment and maintenance to ensure we don't run out of water. This, however, is not the fault of the residents of the city nor the businesses that call Tamworth home. We all know we are experiencing more extreme weather events such as drought, flood and fire. The people who call this place home are intimately aware of the issue. These are people who have lived it and understand it. Penalising the people of the Peel Valley for the extremes of the previous drought is not only unfair but would also demonstrate a level of inequity amongst the state's water users which could vilify those in our region as wasteful with water.

Water is a basic human right and to introduce such a significant inequity in the cost of this right would treat the residents of the Peel as responsible for the cost of water that is also used further down the catchment more extensively at a significantly cheaper price. If our community is beholden to releasing water caught in our region to users further downstream, there must, at a minimum, be more transparency as to why that is the case. There must be a justification as to why our community is financially responsible for the maintenance of infrastructure that is utilised further down the

Building a Better Region



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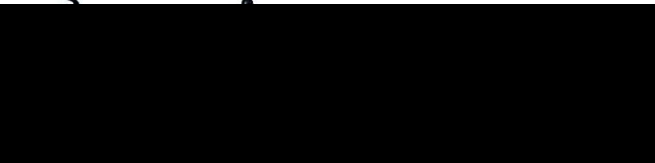
catchment. If water caught in the Peel Valley is to be released to users along the entire Murray-Darling Basin, there needs to be a stronger case for sharing the load financially.

Our local irrigators are in the process of reducing their reliance on irrigated water usage by way of new technology and more efficient and varied irrigating. These general security holders understand the water stress the valley experiences and are making steps in the right direction. It would be irresponsible and cause significant community and social unrest to pit these irrigators against the high security users in residential areas by way of a dramatic price increase in high security water. We have had enough of the vilification of irrigators in our region. These are not the irresponsible heavy users of the Western and Southern regions. These are community-minded farmers who have been through an incredibly difficult 18 months without a drop of general security allowance.

Our region is one of the most beautiful and productive region's to live in. It makes no sense to me that an independent regulatory tribunal would have the capability to punish local residents from a desk in Sydney without committing to a thorough and rounded process of community consultation. I am an elected representative. It is my job to speak on behalf of those in my electorate and the resounding response from those who have elected me is that this is unfair, unjust and must not happen for the betterment of our community.

I sincerely hope that the Independent Pricing and Regulatory Tribunal takes into account the concerns of those who would be directly impacted by this price hike. If any further clarification is needed, please feel free to contact me at your earliest convenience.

Yours sincerely,



Kevin Anderson MP
Member for Tamworth
Minister for Better Innovation and Regulation

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