



21 October 2020

Review of water management prices from 1 July 2021
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop, Sydney NSW 1240

Dear Dr Paul Paterson, Ms Deborah Cope and Ms Sandra Gamble,

Letter of support - NSW Irrigators' Council submission

The Ricegrowers' Association of Australia (RGA) would like to formally acknowledge its support for the NSW Irrigators' Council submission in response to the Issues Paper for the Review of Water Administration Management Corporation (WAMC) Water Management Prices from 1 July 2021.

The RGA is the peak body for and collective voice of NSW rice growers representing around 1200 voluntary rice grower members located predominately within the NSW Murray and Murrumbidgee valleys. The RGA's main objective is to represent members on issues affecting the viability of their businesses, their communities and their industry.

Water is an essential input into rice production, and hence the proposed increase is a key concern for grower members. In a reasonable water year, the rice industry is one of the largest water users in our two valleys, and therefore rice grower contribute a significant volume of the revenue generated through the relevant NSW water charges.

We understand that the justification provided for the proposed increase to the WAMC charges is the need to meet customers' priorities and provide a higher level of service in order "to address the recommendations of past inquiries and stakeholder concerns". In particular, these services generally relate to activities relevant to compliance, environmental water management, water take measurement and strategic water planning services.

The RGA argues that the general public are a key beneficiary of many of these services, and hence it is unreasonable to expect irrigators to foot the bill for many of these activities. In addition, many of the proposed improvements are to services that irrigators have historically paid for, but which have been poorly delivered by government, hence it is unreasonable to ask for these services to be paid for again.

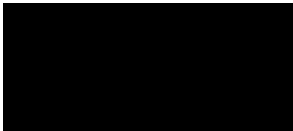
We also feel that the extent of the water price increases are insensitive to the current realities of the farming landscape. Our rice growers have only recently emerged from drought, with two years of extremely low water allocations. Many are now planting their first rice crop in a number of years, and hence face the difficult financial pressures associated with ramping up production. Large price increases now only serve to increase the financial challenges faced by many.

In addition, the RGA would like to see greater transparency regarding the basis for the proposed price increases.



We therefore encourage IPART to pay careful consideration to the concerns raised by the detailed submission provided by our peak body, the NSW Irrigators' Council. We otherwise thank you for the opportunity to provide our letter of support to this review.

Yours sincerely,



ROB MASSINA
RGA PRESIDENT