

November 17th 2010.

First, we wish to congratulate IPART for not implementing all of the proposals of NOW in the Peel Valley.

Speaking as a user of regulated river water and ground water, the substantial proposed increases in charges by IPART will adversely affect users in the Peel Valley.

This is a small valley where usage of water is not high, in fact insignificant compared to the whole of New South Wales. Usage varies from year to year, dependent on natural rainfall.

On the main, irrigators are small family farmers, producing lucerne hay, dairying or other livestock producers, such as ourselves. Many holdings do not return much better than wages and many farms are supported by family members working off-farm. Thus, increases of the magnitude of 20% or more for some inputs have a significant effect on the farm's bottom line.

There are currently an unusually high number of irrigation farms for sale, an indication of the low profitability of the Industry. If these farms are forced out of business, the cost to the community and Government is likely to be higher than the cost to Government of subsidising, if necessary, to NOW to enable NOW to remain in operation.

Yours faithfully

DAVID and PAMELA GOWING