

We are one of the many families utilising the Brogo River on the Far South Coast in an effort to make a living for our family. We are only small farmers with a 125 acre holding on which we raise prime beef cattle. With fertiliser and irrigation, we can run up to 60 breeding cows and their progeny. Without access to irrigation, this number would drop to a maximum of thirty cows and calves.

Our irrigation license is quite a large one for the size of our property. We don't usually utilise a huge amount of it, depending of course on seasonal conditions, and the fact that due to more licenses having been sold than the Brogo Dam has storage capacity, our maximum allocation is only 45%, but like every other licensee, we pay our annual fee per mega litre according to the amount we own along with the fees and charges for actual water that we have used.

These fees have, up until now, been fairly realistically priced, even though through the last droughts, we, like many others, have struggled to come up with the cash necessary to maintain our license and pay for usage. The proposed increases in the cost of water licenses and water usage however, will be enough to send many farmers to the wall financially. I would like to use our income as an example.

We have a 300-mega-litre license of which we are only permitted to pump up to 135 mega litres due to the maximum water usage from the Brogo system being 45% of total licenses held. We still have to pay for the 300-mega litres however. Based on current prices this costs us around \$2500.00 per annum for our license, whether we use any water or not. In a typical year, we will use around 60 mega litres for irrigation purposes, at a cost of around \$350.00. This comes to approximately \$3000.00 per annum based on current prices.

Proposed changes in the costs of irrigation water on the South Coast of New South Wales over the next 2 years will bring the cost of our license (that's whether we use any irrigation or not), up to around \$7000.00 per annum and based on our current water figures of 60 mega litres of irrigation water pumped, our water usage charges will be around \$5500.00 per annum. This is a total minimum water cost of \$12500.00.

Based on our ability to carry 60 breeding units and allowing for the loss of up to 2 vealers per annum, we would turn off no more than 58 vealers per annum at the very most. If each vealer averaged \$600.00 per calf, that's a turnover of approximately \$35000.00. If you have even the most basic of mathematic skills, \$35000.00 - \$12500.00 leaves a total of \$22500.00. Out of the money that is left, it will cost approximately \$65.00 per mega litre in electricity to pump; you then have tax, fertilizer, etc, etc. In other words, this small farm is no longer a remotely viable business enterprise.

We would like to know how these proposed changes can be justified. Already we are paying some of the highest license and usage fees in the state and these changes if they are permitted to go through, will break a lot of farming families financially and emotionally. Once again it will be the demise of many small businesses that have struggled to hold their heads above water. Farming has never been an easy life as those on the land will tell you, but it could very well become impossible for many of us to sustain if these water charges go through.