

# Kameruka Estates Limited

(INCORPORATED IN ENGLAND A.B.N. 68 000 237 794)

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The Chairman  
IPART  
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17<sup>th</sup> November 2005

Dear Sir

## Re-Water charges on uncontrolled streams.

I would wish to register the above company's outrage at the proposed pricing of water, extracted from unregulated rivers on the South Coast of NSW, by State Water Corporation.

I would make two important general observations on the proposed future pricing of irrigation water.

- 1) The increased costs proposed will simply put an already beleaguered dairy industry on the South Coast out of business. We have born the costs of four years of one of the worst droughts since white settlement and this recent proposal will simply tip, the majority of dairy farmers left in the industry, over the edge to being completely unviable.
- 2) The socio-economic well being of this district will suffer an unprecedented set back. Many low - medium skilled jobs will go from dairy farms and similarly the very viability of Bega Cheese will be seriously threatened thus putting a further four hundred jobs at risk. One does not have to be an economic genius to understand the ramification of this situation on our district.

In a word catastrophic.

Further I make the following observation as regards State Water Corporation's role in water delivery. I am concerned that there is a 'grey area' as regards the charges imposed by SWC and the Department of Natural Resources and it would seem that charges are to be incurred for services that are being performed by both organisations. State Waters recent incorporation seems to have done little or nothing in improving the efficiency of the organisation. There seems to have been no cost savings at all thus far, despite ever increasing capital expenditure. May I suggest that before attempting 'full cost recovery' that SWC gets its own costs down to a minimum and the organisations efficiency to a maximum. This is clearly not the case at this point in time.

Yours sincerely

F Foster