



# KELLOW PARBERY & ASSOCIATES PTY LIMITED

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CERTIFIED PRACTISING ACCOUNTANTS

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18 November 2005

The Chairman  
Independent Pricing and Regulatory Tribunal (IPART)  
Bulk Water Review  
PO Box Q290  
QUEEN VICTORIA POST OFFICE NSW 1230

Dear Sir,

**Re: Proposed Brogo Users Price Increase & DNR Cost on Unregulated Rivers South Coast**

We are a large rural accountancy practice with offices in Bega, Merimbula and Eden. We have as clients approximately 45 of the 100 supplier members of the Bega Co-Operative Society Ltd together with various beef farmers in the Bega Valley Shire. We hereby wish to express our grave concerns in regards to the proposed increases in the water prices for users of the Brogo River and unregulated streams from both State Water (Brogo) and D.N.R. (Brogo and unregulated streams).

Besides the fact our farmer clients are trying to recover from the worst three (3) years of drought on record in 110 years, we find it inconceivable that these proposed increases could ever be justified in any form at all.

A modest C.P.I. increase would be the maximum acceptable.

As practicing rural accountants, we have seen on a daily basis the financial & social despair our clients have faced, first with deregulation, then extreme drought and now a proposed increase in water fees which will certainly make many farmers unviable, with others forced into bankruptcy.

The resultant social upheaval on families would be horrific.

The NSW State Government has encouraged decentralization.

With many farmers on the regulated Brogo system and unregulated other systems not being viable, it would be expected that milk supply to the Bega Cheese would drop substantially.

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## Merimbula Office:

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## Eden Office:

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A substantial drop in milk supply would result in many job losses on farm, the Bega Cheese factory and many other associated businesses related to general farming and other activities in the Bega Valley.

We request that a full audit of all S.W.C. & D.N.R. be undertaken urgently by an independent body analysing budgets, operating costs, staff levels, etc.

We request a full detailed enquiry be undertaken as to the social and financial impact that will occur if this proposed increase, or any part of, is sanctioned by the IPART.

We request that the benefits of these dams be analysed in regards to the community contribution, environmental affects and financial and social benefits flowing to the whole of the Bega Valley Shire.

We would be pleased to partake in any further options from your Tribunal in relation to this unjust and draconian price increase, which will certainly have a dramatic effect on the financial economy and social impact on the Bega Valley Shire.

If you require any further information, please contact the Hans Cremerius on 02-6492 1433.

Yours faithfully,

HANS W CREMERIUS