

TO: IPART

FROM: Nambucca Water Users and Management Group
DATE: 17th November, 2005.

RE: Bulk Water Pricing Submission

The Nambucca Water Users and Management Group continue to represent a wide range of industries who are water users from unregulated rivers.

We have only recently become aware that submissions are now due for the above. This is unfortunate as we have not had sufficient time to research information or to study the NSW's Department of Natural Resource's Submission.

Since our last submission to IPART, very little has changed, with the exception of the establishment of the Customer Services Committees. However, since the focus of these valuable Committees has now changed due to the corporatization of State Water by the NSW State Government, unregulated water users are out in the dark again.

We have been through the painful process of developing only one water sharing plan in our area – a costly and very unproductive, yet highly stressful process.

Many who applied for Amnesties await the results of that process, too, which has been going on for years, and we are still battling to have the harvestable right adjusted to manage water in this area more efficiently.

We've seen Catchment Management Committees become Boards and now Authorities – and more plans/blueprints than what we care to think about.

Needless to say, nothing has helped relationships with the Department of Natural Resources – formerly DIPNR, DLWC and so on.

The flawed Stressed River Report (due to the manipulated process) and the indolent report from the Healthy Rivers Commission still stand and render no assistance to either commercial water users or water users in general, and contribute to the mismanagement of water.

We are unable to determine who pays for what in regards to these changes, reports and plans, and consequently our suspicion and mistrust of those charged with managing our very precious water resource grows more as the days pass.

We witness an enormous flow of water travelling such a short distance to become salt water, while at the same time it is full steam ahead for a desalination plant at what monetary or environmental cost? We wonder, who is managing our natural resources efficiently?

Hand in hand with this, we ask where the money goes and what we pay for?

As has been raised before – hence the instigation of harvestable rights – our farm dams are classified as unregulated rivers. Those dams constructed at our own expense and prior to the Amnesty (and which are larger than our harvestable right) result in the same charge as licence holders from the actual river. We provide the infrastructure entirely at our own cost, maintain and manage our dams and store water for dry times with almost negligible impact on the environment, yet we, too, will be subject to any increase in charges from this bulk water determination. What do we pay for?

What does DLWC/DIPNR/DNR do? During times of drought – because of embargos (due to a aforesaid stressed rivers report), they tell farmers that unless other remedies can be found they will have to reduce the size of their dams! Where is the best management practice or efficiency in management in this?

Through the Coastal Valleys Customer Services Committee we tried to determine what DLWC/DIPNR/DNR do for this region – crystallisation of services became the terminology. To this day, we

have never received a cogent reply and cannot understand where the costs for our part of the North Coast come into the picture.

From our quick perusal of DNR's percentage claim for services in their submission, it appears to us that the portion for water users is absolutely unreasonable and that there has been very little consideration for community services obligations, which should not be subsidised by water users. Similarly there should be no double dipping as we have suspected in the past.

Further time would support that the amount of water taken from the vast majority rivers/creeks in the Nambucca area is extremely low (possibly less than 5%) of the river flows.

Those whose responsibility it is to manage our water resource have demonstrated a huge capacity for absolute waste in the past, with very little on ground works. We are not aware of any gauging stations in our fresh water ways.

It must also be remembered that most irrigators are price takers - fruit, vegetables and milk are typical examples, and these producers are already subsidising those who consume their products. To then expect irrigators to subsidise costs not fairly attributed to water users is further unreasonable. During the drought and high fuel prices – the producers could not ask the consumers for more money for their products. People say water is cheap – by comparison, it is our food that is cheap.

To attract funds through the COAG process, there is an agreement that metering will be a requirement. The volume of water taken by our users, and the resultant fair charge, could by far exceed any cost of metering and the collection of such data. However, we are hopeful that pump diaries will be sufficient in such circumstances and that commonsense prevails.

Further, of particular concern within our region is who pays for riparian restoration. We support riparian restoration in sensitive areas and careful management of the riparian zone, which usually involves direct costs to the landowner. There are those who receive grants to carry out such work, however, in most cases, they must

make a personal contribution to such restoration. Any costs or funding from public moneys should not be recouped from water users and, any attempts to do so, would be another example of double dipping.

However, in consideration of charges, it would appear to us that it is reasonable to have a two part tariff for water uses.

We believe that in our area there is a real resource and that this resource should be managed responsibly, and users even encouraged to use that water use for production. We are fearful that increasing costs and regulatory burdens discourage water use and that what we are witnessing is waste.

To fairly assess charges, it is not unreasonable to ask DNR for transparent data which includes statistics and factual services pertaining to our water use.

To begin the process along these lines it would be prudent if IPART agreed to have DNR form Customer Services Committees for unregulated water users, similar to the Advisory Committee established through the Coastal Valleys Customer Services Committee.

We would like to thank you for the opportunity to comment on the above,

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