

Norm & Narelle Pearce
Warwick Farm Enterprises
PO Box 114
BEGA NSW 2550

The Chairman
Bulk Water Review
IPART
PO Box Q 290
QUEEN VICTORIA POST OFFICE NSW 1230

17th November 2005

Dear Sir,

Re: Proposed Water Pricing Increase for Users on the Brogo River

I am writing to protest the proposed 800% increase in irrigation water charges. This proposal is unaffordable for dairy farmers in the Bega Valley and these increased charges could break the back of the dairy industry in this area.

We have had a very difficult period over the last 3 years coping with the worst drought conditions in over 100 years. A promising spring with good rains lifted our spirits somewhat and had given us hope that we would be able to increase our production and reduce our debt load this year. However, the impost these increased water charges will make to our viability over the 2006-2008 period has caused us considerable alarm. Are we to now follow those who have given up hope of profitable farming and have left the industry.

Included in the cost of irrigation we also need to add on the cost of power to pump this water, maintenance and upgrading of irrigation equipment to enable best practice water efficiency, fertilizer and seed to maximise pasture production, which in turn reduces our dependency on purchasing expensive feed for our stock.

Finally, I point out that our water allocation is seen as an asset to our farm. The value of the licence would be considerably diminished by the proposal to increase water charges as nobody could be prepared to buy it. There are very few farms that could take on these charges and remain a viable dairy farm.

Please do not accept the State Water Authority's submission on the proposed increases as I have no doubt it would spell the end of the dairy industry in the Bega Valley.

Yours faithfully,

Warwick Farm Enterprises