



"Coobragar"

BY FACSIMILE : 02 9290 2061

Mr Jim Cox
Chief Executive Officer
Independent Pricing & Regulatory Tribunal
Level 2, 44 Market Street
SYDNEY NSW 2000

Dear Sir

RE: PROPOSED INCREASE IN MACQUARIE VALLEY WATER PRICES

My husband and I are water users in the Macquarie Valley and we are alarmed at the proposed extent of increase in water prices for irrigators in the valley.

The information available seems to indicate that the irrigators are the only users that will be required to pay for the use of water from the river and they will have to bear 100% of the cost. This is despite the fact that towns, stock and domestic users and the environment all use and benefit from the water. All these groups incur losses and storage costs just as the irrigators do. Surely they too should have to pay their share. I understand irrigators use only 26% of Macquarie River water.

The irrigators have only 1 seat on the Macquarie Customer Services Committee, as do the other groups of users, and yet the irrigators are the only group that has to pay for the use of the water. This is inequitable.

In addition the proposal for cost recovery seems quite irrational. The quantum proposed to be paid is both unjust and unrealistic. Governments should provide the infrastructure required to benefit large proportions of the population of the country without requiring the return that would be expected by short term private sector investors. Much of the return to government should be achieved by the additional taxes payable because of profitable investments and widespread work opportunities provided by the provision of that infrastructure.

It should be remembered that farmer/irrigators are price takers not price makers and they cannot simply pass on cost increases. The entire country benefits from this situation by the availability of food and fibre at prices cheaper than would be the case if production costs were passed on.

We understand submissions are being made by our peak bodies MRFF and NSWIC raising other issues and we ask that they and the issues noted above be addressed by IPART. A public hearing at Dubbo to discuss the matters raised would be appreciated.

Yours faithfully

Patricia M Yabsley
for DH & PM Yabsley