

Yarramaning.
Bega.

14-11-05

Dear Sir/Madam

On behalf of R & R Apps Pty Ltd I wish to comment on the position the intended water price increases would have on our family farms. Firstly we consider ourselves efficient milk producers producing approx. 4 million litres per year. Through minimising expenditure and maximising output we have managed to maintain a viable operation over the last forty years. Over the previous five years we have seen inputs rise at a much greater rate than milk prices have risen.

This proposed increase in water pricing using historical data would increase our water payments from 04-05 of approx. \$9,000 to \$67,000 in 07-08. This clearly has a devastating effect on our farms.

Our workforce includes myself four sons each with three dependent children and one employee also with three dependents.

Even if we manage to remain viable, others won't and hence our factory Bega-Coop Soc Ltd will find it hard to maintain present payments should too many leave the industry the viability of those remaining will be in doubt.

Surely it is evident from the number of dairy farms leaving the industry statewide that every increase in input costs will see more leave what is probably the most decentralised industry in NSW

If any people are to remain in rural NSW
some reasonable pricing has to be maintained.

Bege is the only rural town of any size on
the south coast of NSW others being
(Industrial or tourist) surely to maintain or
increase the population of this unique town
should be a priority. If these intended
increases in our water costs occur Bege will
stagnate or decline and Sydney will gain a
further increase in population.

Yours Sincerely,