

IPART Submission09

State Water Corporation Price Review
Independent Pricing and Regulatory Tribunal
PO box Q290
QVB Post Office, NSW 1230



20th October 2009

Submission to IPART - Bulk Water Prices 2010

We wish to object strongly to the proposed increases in regulated surface water for the Peel Valley, Tamworth. We believe that the proposed increases will result in making irrigation in the Peel Valley unviable for most, if not all, current irrigators.

Many irrigators like ourselves have recently invested significant amounts of money in infrastructure and equipment based on current water prices. The proposed bulk water price increase will undoubtedly adversely affect the relationship between cost of production and current price of produce. It would be an additional financial strain as irrigators attempt to absorb these costs, along with those associated with drought and the little or no supply of water of recent years. These factors combined have the potential to cripple the irrigation industry in the Peel Valley.

There are definite detrimental flow-on effects to the regional cities and towns of Tamworth, Gunnedah and Manilla that have been founded on, and grown with, the surrounding irrigation industry. Land would be devalued. Local rural suppliers and machinery businesses would experience a significant downturn in business with possible closures and unemployment. There would be decreased prospects for attracting new businesses to the area, creating regional depression and stifling progress.

We feel that water prices should be the same nationwide and reflect their relationship with the cost of commodities. Price increases such as those proposed would put the Peel Valley at a disadvantage - unable to compete with hay and commodity suppliers from other areas and subsequently jeopardise our future in the irrigation industry.

Yours Sincerely,

H.L & K.A. Gentle