

19th October 2009.

State Water Corporation Price Review 2010,
Independent Pricing and Regulatory Tribunal,
P.O. Box Q290,
QVB Post Office, NSW, 1230.

Re: Submission to IPART – Bulk Water Prices from 2010.

Dear Sir/Madam,

My wife and I run a small mixed farm at the end of the Peel River, near Tamworth NSW. We have four children, who are also actively involved with the running of the farm, and hope to one day continue on with its management. We are hoping that it will still be viable for them to do so.

On our irrigation country, we mainly water pasture and fodder crops to fatten steers and lambs. With the way the weather has been over the past few years, this irrigation water has been invaluable to us, and enabled us to finish off our stock to a higher standard, thus gaining precious extra dollars. Without it, our stock would certainly not have obtained the prices they have been getting, and with ever-increasing production costs, any extra dollars we can make are an important addition to our business.

Because profit margins are so low, any drastic rises in production costs have a huge impact on the feasibility of our business. Therefore we wish to strongly object to the proposed increases in regulated surface water for the Peel River. These increases will have a dramatic influence on our farming enterprise, and possibly make irrigating unviable for us. As it is already a very time-consuming and costly exercise, with any increased costs we would most certainly have to reconsider whether we irrigate at all. The huge amounts of time and money we have invested into licences, infrastructure and equipment would be wasted – in these current climatic and economic times, this would be devastating. We have already had years of paying for water which could not be supplied to us, with little or zero allocation in our valley, which we feel is very unfair.

However, it would be not just the farmers in our valley who would be affected. The towns of Gunnedah and Tamworth have many businesses that cater for the local irrigation industry – including machinery dealers and irrigation and pump specialists - and we know they would also be severely affected by such drastic increases in water prices.

All we are asking is that water prices in the Peel Valley are comparable to those in other areas. Why can't water prices be the same Australia wide? We are simply pleading for water prices in the Peel Valley to be kept at an affordable rate. Surely this is not too much to ask.

Yours Sincerely,

Scott and Tracey Swain, and family.