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Your submission for this review:

Dear Sir/Madam The proposed increases to water charges in NSW are outrageous; in general IPART has proposed increases over 150% over the next five years, and in some regions (e.g. Lachlan) over 600% increases. Those proposed charges increase by 50% per year! The resulting per megalitre costs that would be incurred by irrigators to produce food and fibre are simply uneconomic. This is outrageous considering the existing infrastructure in place and the largely gravity fed nature of operations. The increases far exceed any reasonable impacts of inflation on operating costs. Nor can these charges be justified on the basis of increased costs of renewable energy. Irrigation farmers (operating in perfectly competitive markets) have virtually no capacity to pass on these increased expenses to their food and fibre supply chain consumers. If these charges are implemented, we anticipate a significant reduction in the consumptive use of water. There will be a consequent reduction in food and fibre production in NSW, reducing regional economic activity, food processing, transport, regional employment and the generation of export income. The proposed increases will be overwhelming detrimental to the NSW economy and its regional communities. The NSW Government should be reminded that the reason these irrigation systems were devised and constructed was to mitigate Australia's inherently irregular rainfall patterns; to capture water in times of abundance and store it for future use in inevitable dry periods. The irrigation systems enable NSW to reliably produce food and fibre. Irrigation systems have generated significant regional development, and will be increasingly necessary to achieve the required amounts of food and fibre production to sustain increasing world populations. The proposed charges seem designed to reverse that initiative and penalise regional enterprises. The sustainability of riverine environments is already being addressed through the Murray-Darling Basin Plan. Water markets are already ensuring the efficient use of the consumptive resource by the most efficient irrigation farmers. The proposed excessive charges appear an additional means to truncate access and use of consumptive water supplies.