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Your submission for this review:

The entitlement holder objects to the proposed fee increases as outlined below: **Business Impact** Proposed charge increases are exorbitant and not inline with increases observed in other competitive service-based industries. The increased fees are not able to be passed onto the buyers of our commodities and consequently the farmer is forced into an unprofitable position. Farming in NSW is constantly being squeezed with rapidly rising fees, such as these, which makes farming in NSW uncompetitive compared to our state and global peers. **Service Provision** There is no transparency in the services delivered or the costs for irrigators by WaterNSW. Due to the lack of transparency, it is difficult to determine how efficient or inefficient WaterNSW operations are. As a monopoly body, there is little motivation for efficiency, therefore WaterNSW can employ more staff and claim the need for additional fees to cover these costs. WaterNSW and WAMC indicate their costs have increased, but little has changed as far as services have been delivered. What is driving the cost increases and what is the justification?

Government role in irrigation Water users are being asked to pay too high a share of services for which the public also benefits. Irrigated food production is the main component of a self-sufficient society, particularly during periods of low rainfall. The government cannot expect to maintain this if a limited number of irrigators need to cover the total cost of water operations. These higher costs will either result in unprofitable businesses or higher food costs at the supermarket in certain instances. Water storages and water licence entitlements were mostly established by earlier governments as they provided a benefit to society and the economy. This is now being eroded by excessive costs and regulations limiting the economic viability of irrigated crop production. The entitlement holder believes it is reasonable to pass on fee increases which reflect essential cost inflation pressures, but the proposed increases go well beyond this point and are an attempt to pass on extra costs of an inefficient monopoly.