

MEDIA RELEASE

IPART draft price determination a nail biter

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Irrigators across NSW are holding their breath waiting for IPART 's draft verdict on the exorbitant 70 – 240% price hike proposed by NSW agencies responsible for water management.

“The proposed price hike would drive many farmers out of business even in good times, much less coming off the back of a devastating three-year drought across NSW,” said NSW Irrigators’ Council CEO, Claire Miller.

“Water management has been overhauled over the last four years, and irrigators have supported the reforms. But getting to what is now the ‘gold standard’ compared to other states comes at a cost, and it is unreasonable to expect irrigators to pay the bill alone.

“While the reforms have introduced a strong new compliance regime, a world-leading metering framework, and improved water management for the environment, we see little evidence in the proposed price hike of budgetary restraint, robust costings, or removal of service duplication.

“On top of that, irrigators are being asked to pay a higher cost share for items that are clearly in the public interest, such as flood management for towns, fish passage and environmental planning, up from 50:50 to 80:20. This can only be described as price gouging.”

WaterNSW, the Department of Planning, Industry and Environment and the Natural Resources Access Regulator justified the massive impost on the grounds of ‘improved water management’.

NSWIC has submitted to IPART highlighting the need to consider the reform drivers, being: (1) a government failure to previously manage the resource well, and (2) the growing challenges of climate change, particularly for town water supply and the environment.

“Very few people know who funds our water management. I think they’d be surprised to find out it’s our irrigation industry. We’re not aware of any other country in the world that asks their irrigators to pay for water management on behalf of the whole population. If it’s in the public interest, it should be funded from the public purse.”

NSW is a signatory to the National Water Initiative, which clearly outlines the need for States to adopt a ‘user-pays’ principle, not its current impactor-pays model.

“Climate change, for example, is the largest impactor on our water ways, and a key driver of reform has been to ensure towns and the environment are resilient to a drying climate,” Ms Miller said. “Why are irrigators alone being asked to shoulder that cost?”