To Angus Macdonald

Submission on Lower Lockyer price review 2013-17

1. Tariff Proposal

Tariff should be at 50% fixed: 50% variable to let farmers who are not using their entitlement in full to have access to water trading before it can be moved to a higher fixed tariff. So if they can not pay they can sell their entitlement to other’s who can.

2. Losses From System

Last two years losses to underground virtually nil. In drought years could be 50% of releases. Any losses to system underground are not recouped making the scheme overall more expensive.

3. Committee Process

For a full and open democratic process a small amount of money should be put into a formation of an elected committee to meet and discuss problems as they occur and be openly solved.

4. Opex

Operating expenditures found by incoming Qld government of public service as being not efficient enough. Farmers rate of return of last ten years has deflated so they need to be more efficient to compete. I would suggest the same should be looked into seqwater

5. Wacc

Farmers are doing a service for the nation of Australia producing food, employment of Australians, buying of materials, machinery services and much more. They are one of the most efficient organizations in Australia. To increase prices for Atkinson’s to have a 7 to 10% rate of return in the future is not looking after Qld farmers.

6. Overall

Great consideration of prices into the future for farmers needs to be looked at carefully so the farmer can compete in an open market.

From Mark Jendra