

16 JUL 2012

DATE RECEIVED

Sunday, 8 July 2012

Queensland Competition Authority
Angus MacDonald
GPO BOX 2257
BRISBANE QLD 4001



RE: Central Brisbane Water Supply Scheme

Good Morning Angus,

Please find as follows our submission regarding the Seqwater Irrigation Price Review.

Our family has been farming alongside the Brisbane River for over the past 75 years. During that time we have increased our land and water holdings to over 400 acres with 6 water licences with a combined total of 348 mega litres.

We have never paid for water pumped from the Brisbane River in the past and the river has never run dry of water, when Somerset dam was built it was for the adequate supply of water to the city of Brisbane and the city of Ipswich, and for the further purpose of preventing destructive flood waters in both cities. Wivenhoe Dam was then built, the act for construction of Wivenhoe dam does refer to water storage and other things, but does not refer to irrigation water storage.

History shows that the government's view has been that Somerset and Wivenhoe dams had not been intended to improve irrigation supply and did not improve that supply to irrigators.

Seqwater claim that we will now have a tradable asset, however recently our family purchased a property and water entitlement along the Central Brisbane River. Our solicitor was unable to have the water and land placed into different names as the government departments involved in this process were unable to do this simple task, which The Water Act 2000 claims to make possible. If this process is possible in the future Central Brisbane River is a small area with a limited number of licence holders. Who are we going to sell our tradable asset too? Who will want to increase their allocation at the prices that are purposed?

The planned maintenance renewal expenditure of Somerset and Wivenhoe dams do not relate to irrigation water supply. The planned maintenance expenditure mostly relates to safety of operations for flood control and domestic supply. Seqwater cannot identify any costs of any service that they supply to irrigators.

Annually Irrigators are allocated approximately two percent of the water released from Wivenhoe Dam according to Seqwater information. WGM requires 279,000 mega litres annually of high priority water, compared with 7000 mega litres of medium priority water required by Irrigators. The water supplied to irrigators is of a lower priority so should not be considered of equal value.

The list of customers in the hand out provided on page 3 does not list all of the customers who use raw water from the Brisbane River. The Power station is a water user that sources water from Wivenhoe and Somerset dams. The community of Wivenhoe Pocket have a private pump station which they use to deliver raw water from the Brisbane River to many households in that district.

The Federal, State and Local governments are the custodians of the environment, who are also a user of water, as stated in The Water Bill 2000. "That allocations must be made to the environment as a legitimate water user" during the dry time when the level of Wivenhoe was low, 10% was to remain in the dam for environmental purposes, plus the amount of daily environmental flow which has to flow to Moreton Bay. So the figure of 2% is not correct.

The Somerset Council area is promoted as The Valley of the Lakes for tourism, using both dams for attraction which can bring up to 1,000,000 visitors to the Great South East area annually, why should Irrigators have to pay for maintenance of Parks and Gardens as these areas are provided for recreational use for all Australian's and visitors to Australia.

We believe that Seqwater have no right to charge irrigators for water, and if QCA investigate all aspects of Seqwaters costing and plans for the future they should find the same conclusion.

In today's economic climate with price wars between Coles and Woolworths, the government's changes in the taxation system, fuel and electricity price increases. Seqwater if allowed to charge unrealistic prices will add an additional burden on our already low profit margin and this may impact severely on our family farming business and other businesses in the community.

Our business purchases local seed, fuel, fertilizer, chemicals, machinery, and also employ casual employees throughout the year, up to 100 from September - December. If we were to stop farming, this would have a huge financial impact not only on our local community but the greater community.

We hope that you and your team do a thorough investigation because Seqwater have a history of trying to conceal the truth in matters of dam operations.

Regards,



Wayne Keller
Riverside Farming Pty Ltd