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12th June 2009

Inquiry into Water Resource Management Charges
Economic Regulation Authority
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The Pastoralists and Graziers Association of WA (**PGA**) welcomes the opportunity to provide comment on the Economic Regulation Authority's Inquiry into Water Resource Management and Planning Charges.

The PGA is a not for profit industry organization established in 1907, which represents primary producers in both the pastoral and agricultural regions in Western Australia. The PGA has a strong membership from all facets of the broad acre agricultural industry, including pastoralists, grain growers, horticulturalists and livestock producers. The PGA has a State-wide District Committee structure which enables grass roots input on all policy matters including bio-security, weed and pest management, land and water management, economic and regulatory constraints on producers and industry development in the regional and rural areas of Western Australia.

The PGA considers that it is inappropriate to conduct this inquiry before the *Water Resources Management Bill* is public, debated or enacted by State Parliament.

Water is vital to all communities and most economic activity in regional WA. In general, water is owned by the Crown and the Government should fund resource management and planning from the General Fund derived from State and Commonwealth taxes. The *Water Resources Management Act ("Act")* is expected to redefine Crown water resources, the extent of regulation, and the scope of potential fees and charges.

The outcomes on these matters raises vital equity considerations related to anti-competitive costs imposed by government. Specific concerns include;

1. Will the *Water Resources Management Act* extend licensing from in-stream dams to include dams capturing springs and overland flow or runoff;
2. Will the Act include a requirement for a water license for water accessed by tree plantations;

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3. In the case where there is a requirement for a water license for tree plantations, will the license apply to both existing and new tree plantations if the same approach is to apply to both existing and new dams on springs and capturing runoff;
 4. Will the Act require mandatory metering and collection of water metering charges;
 5. Will the Act extend water licensing Statewide beyond the proclaimed Warren and Donnelly catchments (Manjimup and Pemberton areas) to include Bridgetown, Nannup, Frankland, Boyup Brook, Denmark, Mount Barker, Albany, Williams, Kojonup and other farming areas that are not proclaimed areas;
 6. Will the Act impose specific charges for water resource management and planning on water license holders;
 7. In the case where an allocation of water is sought, will an Application Assessment Fee be required, and will there be transparency in the charges relating to such a Fee, and a mechanism in place to appeal;
 8. Will a License Renewal Fee be required, and if a particular water resource was over allocated because of a diminished resource, would a reassessment be required and be subject to a transparent fee process as the initial application;

The Inquiry should be halted until these matters are resolved by State Parliament and the *Water Resources Management Act* is enacted.

Sheldon Mumby
Policy Director
PGA Economics and Business Management Committee