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Western Australia

Inquiry into Water Resource Management Charges
Economic Regulation Authority
P.O. Box 8469
Perth Business Centre
Perth, 6849.
Western Australia

Submission to the draft report of the Economic Regulation Authority inquiry into water resource management and planning charges.

Dear Authority Members,

I have read your draft report containing recommendations to support the Department of Water in its efforts to charge water users for the Department's costs. I have identified a number of areas where the Authority is in error in its support of the imposition of costs on license holders.

We are market gardeners on riparian land that is within the Albany groundwater area. This land has the capacity to grow fruit and vegetable crops without irrigation if necessary and even with irrigation does not utilise any more water than the original vegetation that was on the land. Our use of this land has no impact on the amount of water that is available to others external to our boundary. The cause of the need for water planning and management in the vicinity of our two properties is the consumptive extraction of water by the Water Corporation. We should not have to have a license for the non consumptive utilisation of our riparian rights but the Department of Water requires that we apply for and renew the licenses under threat that if we do not that water will be allocated to other purposes.

The Department of Water does not have conjunctive water management as is a requirement under the National Water Initiative. It is because of its own lack of proper water management policy which would require the recognition and acknowledgement of our legitimate legal rights to water that are the subject of our ownership and occupation of the land that the Department of Water is of itself the cause of its own administration costs for licensing, planning and administration. These costs that are attributed by the Department to us would be completely unnecessary with proper management policy.

Our Scrub Bird Road property was purchased in 1991 only after I had obtained the advice from the Water Authority of Western Australia that I was purchasing the right to the utilisation of water associated with the land. The price paid was inclusive of the

water use rights. i.e. riparian rights. The State Government of Western Australia owned the bank which held the sellers mortgage at the time I obtained that advice.

Our Bayview Drive property was purchased in 1959 with permanent flowing water. This was prior to the use of groundwater in the vicinity of our land for the reticulated supply of water. Due to the Water Corporation's extraction from the groundwater area this property has only a small intermittent flow in some winters and does not flow at all for the remainder of the year which impairs my proprietary rights to the utilisation of water at this property. This is the cause of costs to us that are the direct result of the Department of Water's issue of licensed allocations for the consumptive extraction of water by the Water Corporation from the vicinity of our land.

Further to the above it is hypocritical for the Economic Regulation Authority to reject the capacity to pay arguments that are the direct result of food producer's inability to obtain cost recovery for the costs of producing of that food. The Authority thereby removes its own legitimacy to support cost recovery by the Department of Water.

The Economic Regulation Authority has also erred in its argument that because water is used for commercial purposes that use of water should be the source of the Department of Water's revenue. Since 1991 our average income per hour worked producing fruit and vegetables has been less than one half of the minimum legal hourly rate of pay before taking account of overtime rates, penalty rates, superannuation, public and annual holidays etc. Our water utilisation is not extraordinary use. It is ordinary use. Merely because it is commercial does not mean it is not ordinary.

I find no valid or justifiable basis for any members of the Economic Regulation Authority to support the Department of Water in its attempt to charge us for the exercise of our proprietary legal right to the ordinary use of water. The Crown in the name of the State of Western Australia has been paid in full for those rights.

Yours sincerely,
Graeme Waugh

7th December 2009