

13 November 2018

Cost Recovery Responses Co-ordinator
Department of Water and Environmental Regulation
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Dear Sir/Madam

COST RECOVERY DISCUSSION PAPER: SUBMISSION ON UNFAIR WATER LICENCE TAX GRAB

As a self-supply water user in agriculture we object to the proposed introduction of fees of \$8,929.00 for a new water licence and \$6,668.00 for renewal of a water licence

The Legislative Council will be lobbied to disallow any attempt to pass enabling regulations for these proposed high fees. It should be noted similar unfair water licence fees proposed by a Labor Government in 2007 and 2008 were disallowed by the Legislative Council.

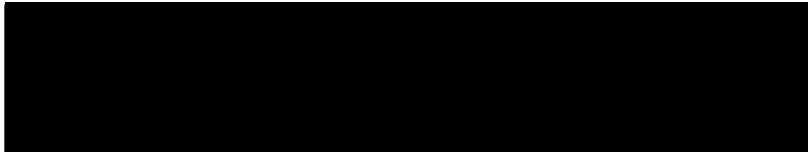
Our reasons supporting disallowance include:

1. Mark McGowan promised in the 2017 Election campaign there would be no new taxes on West Australians (ABCTV, 21 February 2017). This water licence tax grab would comprise a broken promise, and should not be tolerated.
2. The proposed licence fees are grossly disproportionate to services provided. Renewal of a water licence is usually a 'rubber stamping' process. A \$6,668.00 renewal fee is absurd. To the extent that the fee is more than the cost of delivery gives rise to a tax.
3. Family based farmers using less than 50 megalitres of water to produce food and wine will pay the same \$6,668.00 licence renewal fee as the Ord Irrigation Cooperative Ltd licenced to use 246,300 megalitres from the Ord River. This is outrageously unfair and repeats the flaws in the 2007 and 2008 water licence tax grab.
4. We have paid for our self-supply water dams (or bores) and it is unjust that the Government is demanding thousands of dollars for us to use our own improvements.
5. The water programs in the Department of Water and Environmental Regulation employ approximately 447 staff and cost \$87 million, but the Department does not supply one drop of water to anyone. Small farming enterprises endeavouring to survive on the land should not be expected to pay for a bloated Department that isn't effectively administering the *Rights in Water and Irrigation Act*.
6. None of the water allocation plans in WA are statutory Water Resources Management Plans provided for in the *Rights in Water and Irrigation Act* (Division 3D - Plans for management of water resources). Water licences would therefor not provide security of water access for food and wine producers.
7. We don't know what the 11 year pending *Water Resources Management Bill* contains that may increase the 'red tape' and costs for self-supply water users. It should not extend to licensing of run-off and spring-fed dams, and water intercepted by tree plantations, which would further increase any water licence tax grab.
8. The State Government has not appointed a Water Resources Council for WA and local Water Resources Management Committees to enable peak and local stakeholder input to water resource planning and management, and the level of any fees. The Minister for Water and the Department ignore these provisions of the *Water Agencies (Powers) Act* and the *Rights in Water and Irrigation Act*. This is a denial of procedural fairness on matters that directly affect the financial viability of farming families using self-supply water.

9. The Labor Government is attacking the agriculture and mining fabric of regional Western Australia by an effective tax on rain water, a resource that even God delivers free of charge.

We are not averse to paying reasonable water licence fees consistent with fees for similar licensing activities. Fees for a Driver's Licence for example are a tested benchmark for Government service, being \$89.15 for a New Applicant Fee and \$149.50 for Licence Renewal for five years. These benchmark fees should be applied to water licensing. Premier McGowan and the Labor Party could then propose this level of fees for water licensing transparently at the next State Election, a much fairer approach.

Yours sincerely

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Director: Deejay Nominees Pty Ltd