

Cost recovery responses
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COST RECOVERY *DISCUSSION PAPER*: SUBMISSION ON UNFAIR WATER TAX GRAB

We are self-supply water users in agriculture opposed to the introduction of fees of \$6,668 for renewal of a water licence and \$8,929 for a new water licence. We encourage disallowance by the Legislative Council of the enabling regulations for these high fees. Similar unfair water licence fees attempted by a Labor Government in 2007 and 2008 were disallowed by the Legislative Council. Our reasons now for 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 tax grab is a broken promise. We won't be victims of a blatant lie.
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 renewal fee is absurd. The fee is more than the cost for service delivery and thus is a tax.
3. Family based farmers using less than 50 megalitres of water to produce food and wine will pay the same \$6,668 licence renewal fee as the Ord Irrigation Cooperative licenced to use 246,300 megalitres from the Ord River. This is outrageously unfair. Repeating the flaws in the 2007 and 2008 tax grab.
4. We have paid for our self-supply water dams and bores and it is objectionable that the Government is demanding thousands of dollars for us to use them.
5. Existing 5C Licence holders for bores have annual testing and reporting costs for compliance of between \$5000 and \$6000 per year per bore. Some farmers have more than one bore on their farm. This cost would be on top of licence fee if introduced.
6. The installation costs for a bore and a pump is a substantial cost to the farmer.
7. The water programs in the Department of Water and Environmental Regulation employ 447 staff and cost \$87 million, but don't supply a drop of water to anyone. Don't expect us to pay for a bloated Department that isn't properly administering the *Rights in Water and Irrigation Act*.
8. 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). Thus, related water licences don't provide security of water access for food and wine producers.
9. 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. Will it extend licensing to run-off and spring-fed dams, and water intercepted by tree plantations, further increasing the water tax grab?
10. The Minister for Water refuses to appoint 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 any fees. The Minister and Department ignore these provisions of the *Water Agencies (Powers) Act* and the *Rights in Water and Irrigation Act*. This is arrogant denial of procedural fairness on matters that affect farming families using self-supply water.
11. The Labor Government is attacking the agriculture and mining fabric of regional Western Australia by a tax on rain water; but ignores the 177,000 garden bores in Perth using 88,000 megalitres of water. This is unacceptable city electoral bias. In a digital age, the 177,000 garden bores could be licensed, and owners pay fees; if we must.

We are not averse to paying any water licence fees. Fees for a Driver's Licence 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 could be applied to water licensing. Mark McGowan and the Labor Party could put this level of fees for water licensing transparently at the next State Election. That would be fair.

Yours sincerely

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AD RA AND JA MATHEWS

PEMBERTON WA

14/11/2018