

NSW IRRIGATORS' COUNCIL

Level 6, 139 Macquarie Street SYDNEY NSW 2000

ACN: 002 650 204

ABN: 49 087 281 746

info@nswirrigators.org.au

www.nswirrigators.org.au

13 September 2007

Tel: 02 9251 8466

Fax: 02 9251 8477

SD07/147

Mr Simon Johnston Principal Council Offier Legislative Council Commitees Parliament House Macquarie Street **SYDNEY NSW 2000**

Dear Mr Johnston,

Re: Inquiry into aspects of agriculture in NSW

I refer to the recent appearance of Ms Deborah Kerr and myself at this Inquiry and particularly to the question of the Inquiry:

"Does your organisation support a 'free market' for water trading and what are the implications for your individual members of such a market?"

The simple answer is a qualified yes, we do support the principles of a market for water.

That said, we need to consider exactly what a 'free market' in this context means.

We do not support a completely unregulated market. The complexities of water as a commodity and the delivery systems associated with it require regulation.

As an example, it is our position that brokers of water ought be regulated (licensed) as a matter of urgency. We are greatly concerned that the emerging engagement in water trade by unregulated and unlicensed brokers will lead to some very poor outcomes.

We also recognise that regulation is required to minimise the impacts of trade on third parties within the system.

I trust that this answers your question, but please do not hesitate to be in touch for further information

Sincerely,

Member Organisations: Bega Cooperative Limited, Border Rivers Food & Fibre, Coleambally Irrigation Co-Op Ltd, Cotton Australia, Gwydir Valley Irrigators' Association Inc., Hunter Valley Water Users' Association, Lachlan Valley Water, Macquarie River Food & Fibre, Murray Irrigation Limited, Mungindi-Menindee Advisory Council: Murray Valley Groundwater Users Association, Murray Valley Water Diverters' Association, Murrumbidgee Groundwater Pumpers' Association, Murrumbidgee Horticultural Council Inc., Murrumbidgee Irrigation Ltd, Murrumbidgee Private Irrigators' Inc., Namoi Water, NSW Farmers' Dairy Committee, NSW Farmers' Association, Ricegrowers' Association of Australia, Southern Riverina Irrigators, South Western Water Users', Wine Grapes Marketing Board, Richmond