

SUBMISSION DELIVERY SHARE REVIEW

As an irrigator in Northern Victoria who holds 3.5 delivery share I wish to make a submission to the current review process.

The legacy of water buybacks for the environment and changes to water trading rules that have allowed water to leave the GMID, transferred to the environment or other irrigators outside the channel delivery system is a channel system that is operating substantially below capacity. Many properties that were irrigation properties are now essentially dry land properties with owners who have little intention to irrigate now or in the future. Many of these owners are refusing to pay their obligations in respect of the delivery share liabilities associated with these properties. This is impacting on the revenue stream for Goulburn Murray Water.

The tone of the review appears to suggest that a cure for this unfortunate situation is to rework the delivery share arrangements in such a way as to either require those farmers who continue to irrigate to acquire further delivery share, from non-water users, to continue to receive water as they have in the past. The other strategy that appears to be favoured by the review team is a reduction in service levels to force irrigators to acquire a greater delivery share for better service or offer a lower level of service as a misguided attempt at cost reduction.

Any changes that disadvantage water users would be grossly unfair. It is those irrigators left in the system that support the irrigation authority in financial terms. They have had to adjust to all manner of changes, including climatic and increased competition from water users outside the gravity irrigation districts. The largest change has been of a direct result of changes to water trading rules and water purchase by the environment, both of which have been implemented by governments both state and federal. How galling that those people resilient enough to still be operating in the face of all these changes now seem to be burdened with the legacy of redundant delivery share.

The issue of delivery share and the costs of maintaining the system could have been addressed at the beginning by requiring water transfers to also assume the financial obligation relating to the delivery share. This was not done and now with no courage to require "dry" delivery share holders to meet their financial obligations it appears that "wet" share holders are to be burdened, even if indirectly, with this liability.

I encourage the review process to reconsider any attempt at cost shifting to current water users. The future of the irrigation system depends upon irrigators being able to access the channel system at a viable cost. Those same irrigators are already over stretched, grappling with changes to climatic conditions, increased competition, and continuing policy on the run. The suggested changes would also represent retrospective rule changes, these are very unfair on those who have made investments in the region in good faith.

Yours faithfully,
AJ & TM Flett