

Primary Producers SA

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Essential Services Commission of SA

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To whom it may concern

Re: SA Water Drinking Water and Sewerage Pricing Reform Inquiry

Primary Producers SA is the peak body for Primary Producers in South Australia. As such, it represents the producers of our major food, fibre and wine grape industries.

Water is a key input to many businesses, and the increase over the last few years have been severely felt by a range of our producers. Irrigation users of SA Water such as the Clare Valley grape growers have had their viability threatened by such rises. Likewise many of our intensive animal producers have had business threatening increases in costs due to water pricing. Some of our horticultural producers have been similarly impacted.

PPSA would like to see a system whereby these producers are able to negotiate off-peak rates for water. This would give some much needed relief, and in many cases better utilise SA Water resources.

These regional businesses have been largely impacted by the cost of the desalination plant – but will never benefit from it!

PPSA support the submission put forward by PIRSA for the previous review of SA Water's Regulatory Business Proposal. It summarises many of the issues.

PPSA support the issue of statewide pricing for domestic water. This has been traditional in South Australia and any change to this fundamental policy would have disastrous consequences in regional and rural South Australia.

Food and Wine have been identified by government as a strategic priority going forward. The growth of these industries will be hampered by the cost of water and the impact of the high charges needs to be acknowledged and any relief would be appreciated by producers and assist to increase the contribution to the SA economy.

Yours sincerely,

Rob Kerin

Chair

For Primary Producers SA