

Murrumbidgee Private Irrigators Inc

P O Box 342
FINLEY NSW 2713
0428 832357

Australian Government
Productivity Commission

12 February 2010

Dear Sir or Madam

Response to Draft Productivity Commission Report – Market Mechanisms for Recovering Water in the Murray Darling Basin.

Murrumbidgee Private Irrigators Inc (MPII) represents irrigators on the full length of the Murrumbidgee River, and the Yanco Creek System. Our members live from Batlow to Balranald and from Jerilderie to Moulamein. We also have a number of “operators” amongst our members although volumes of water are vastly smaller than the irrigation corporations. We are approximately one third of the diversions on the Murrumbidgee system being some 680,000 megalitres.

MPII notes that our organisation is in full support of the responses submitted by the NSW Irrigators Council and the National Irrigators Council. MPII thanks the Productivity Commission for giving our organization the opportunity to engage with them in Griffith on 2 February 2010. At this meeting MPII representatives raised the issue of potential tax implications that may occur with water buyback.

Tax implications due to Water Buyback and On Farm Irrigation Efficiency Projects:

This issue has not been resolved with the Commonwealth at this point in time. The tax implications for entitlement sellers is not clearly understood by the, entitlement holders, Commonwealth and Government agencies.

MPII seek to be involved in any further engagement process going forward and reiterates that the organisation requests to be included in decisions that will have detrimental effect on its members.

Yours sincerely

Jennie Hehir
CEO