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Professor Chris Daniels  
Presiding Member  
Adelaide and Mount Lofty Ranges NRM Board  
205 Greenhill Road  
EASTWOOD SA 5034  
(email: [DEWNR.AMLRFeedback@sa.gov.au](mailto:DEWNR.AMLRFeedback@sa.gov.au))

Dear Professor Daniels

Given the budget pressures the Board currently faces, Livestock SA is very appreciative of the decision to maintain the commitment to hold the NRM water levy at the same rate for the next three years.

Livestock SA is however concerned at the proposed increase in the NRM land levy as detailed in the draft business plan.

The so-called "modest" increase in the land levy is 6% - much higher than the current inflation rate of around 2%. This will put increasing pressure onto livestock producers in the region, most of who are currently facing a greater than one in 20 year rainfall deficiency (see <http://www.bom.gov.au/climate/ada/?acceptterms=accepted>). Many are not in a position to be able to pay this increase while these dry conditions continue. It would have been preferable if rather than an increase, given the seasonal conditions, the NRM Board asked for a freeze on any increases at least until conditions improve. There will also be some producers in the northern part of the region who have been badly affected by the Pinery bushfire who will require consideration.

Producers are also questioning what benefits they will get from paying increased levies, or indeed from their current levies. There needs to be a benefit cost analysis on current NRM programs and projects and as a result of this analysis, some programs and projects will need to either be cancelled or quickly finished. The Board needs to get back to its core business and assist a sustainable productive agriculture sector. Producers continually ask what percentage of NRM income is actually spent on 'on ground projects' and how much is spent on administration.

Livestock SA, as a member of Primary Producers SA, supports the call for an independent review of the water management costs (see attached media release).

Primary Producers SA has also made comments about the Board's revised business plan which Livestock SA endorses. We ask that your Board support this call for an independent review.

In summary, Livestock SA is opposed to the proposed increase in the NRM levy as detailed in the draft business plan. At this point in time, given the very dry seasonal conditions and recent bushfires there needs to be a freeze on the levy.

Yours sincerely

A handwritten signature in black ink, appearing to be 'G. Power', with a long horizontal flourish extending to the right.

Geoff Power  
**President**



## Call for independent review of water management costs

Primary Producers SA is calling on the State Government to conduct an independent review of water management costs across the whole system following the announcement of proposed large increases to natural resource management levies for farmers in some regions.

The call comes as State Cabinet prepares to travel to the South East for Community Cabinet this weekend, where Premier Jay Weatherill and Ministers will hear first-hand of the deep concerns of South East landholders towards plans for large rises to NRM levies.

Primary Producers SA executive chairman Rob Kerin says the review would include Natural Resource Management Boards and the Department of Environment, Water and Natural Resources

“PPSA’s NRM Committee has met with DEWNR officers regarding the levy issues,” he said. “The plans to collect many millions of dollars more through NRM Boards to help fund the operations of the Department of Environment, Water and Natural Resources has outraged many landholders.

“After the drainage debate, Emergency Services Levy increases of up to 1000 percent and drought across much of the region there is significant anger about the extra impost.

“There is a real need to examine the costs being incurred, efficiency and transparency of water management. We need to know that we are getting value for money. When we talk cost recovery we need to know what we are getting for our money. These cost increases are further shaking farmer confidence in NRM, and there is a need for far greater transparency.”

Mr Kerin said the report of the independent review must be made public.

“The PPSA NRM Committee has also raised concerns as to how the increases have been handled and the fact that NRM Boards seem to be the ones forced to justify DEWNR expenditure and work out how the money will be raised,” he said.

“In addition to the water management cost recovery, there has also been a significant rise in ‘corporate service’ charges. The NRM Boards have been asked to pay a lot more to DEWNR for staff on-costs and this may also be added to NRM levies for landholders across the state.”

**ENDS**

**PPSA interview contact:**

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