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23/06/2010

Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

Dear Sir

I am a Sunwater customer in the Childers area and have concerns regarding the proposal to charge a rate of return on water storage assets.

These assets were constructed as part of a large programme of nation building. They encouraged regional development, the benefits of which were shared by the local communities and ultimately passed on to the large urban centres. The wealth created was taxed by state and federal governments which provided a return on their initial funding.

There are many types of government expenditure for which a rate of return is not considered appropriate. Public health, education, law and order, defence etc are regarded as being necessary for civilised society to function. However, without security of food production there is no basis for civilisation. Australia is a difficult country to farm due to its increasingly unreliable rainfall and irrigation is essential to provide this security.

Finally, we are often told that Sunwater has to operate on a commercial basis. In the business world a rate of return on assets is a privilege, not a right. Most businesses are grateful for an operating profit or positive cash flow - farmers certainly are.

Yours faithfully

R A Mackenzie