

Water tax set to double for industrial consumers

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The introduction of a new tax on groundwater by industrial users would reduce water use and help solve chronic land subsidence, said the natural resources and environment minister.

"The new fee would stay for at least three years until water use is brought into equilibrium with supply," said Praphat Panyachartrak, who plans to request cabinet approval for the fee.

If it is approved, industrial users can expect to pay 16 baht a cubic metre, nearly double the current fee of 8.5 baht.

This is the second in a series of tough measures introduced by the ministry to curb industry reliance on groundwater. Last year, officials refused to renew their licences to pump groundwater in areas where tap water is accessible.

This has forced hundreds of plants to quickly come up with plans to reduce

groundwater usage by 40%, which will balance demand and supply. Grace periods were granted on a case-by-case basis.

Long-term, excessive use of groundwater has been blamed for causing land subsidence for more than 20 years. When groundwater goes down, seawater can seep in. The additional fee may relieve these problems.

"If the critical conditions don't disappear, we'll keep enforcing the new fee," Mr Praphat said.

The Federation of Thai Industries, representing thousands of factory users, said small and medium enterprises would hurt. Giant drinks companies, however, could deal with the additional costs. Plants located in areas prone to land subsidence can only use groundwater in their production process for drinks or cloth dyeing, because these processes depend on chlorine-free water. Bangkok and surrounding provinces are affected.