

From: Amy-Rose West [amy_rose.west@lizzy.com.au]
Sent: Thursday, 12 January 2012 11:16 AM
To: Catherine Barker
Subject: Supplementary submission to SEQ 2011/12 Prices Monitoring
Attachments: NWCresponse.pdf

This email contains an attachment that may be work related and must be filed into the DMS. If you need assistance with this please contact the Executive Officer at xo@qca.org.au.

Attn. Ms Cath Barker

Dear Ms Barker,

I note previous public submissions are now posted on QCA's website.

In the interests of public transparency please consider this response from the Chair NWC to my e-mail of 15 December copied below:

Sent 15 December
Attn. Chair NWC

Dear Ms Munro,

Thank you for the response dated 30 November.

I would appreciate being given direct links to the "Review of pricing reform" cited in your response. I have already examined the "NWI - Securing Australia's water future" and found no reference to the ongoing water pricing scandal in SEQ.

For your background information this predatory pricing problem was also communicated to the Productivity Commission in correspondence from Coolum Beach Progress and Ratepayers Association Inc.(CBP&RA) in 2004 (that is attached). CBP&RA petitioned the Queensland Government for an independent prices oversight review by the Queensland Competition Authority in May 2003 and households served by the former Maroochy Water Services have now been subjected to over-pricing amounting to some \$450 per year since 1999/00. One would have hoped NWC could at least bring public transparency to this blatant disregard of COAG's NWI Pricing Principle agreements that I understand were executed by the Queensland Government in mid 2004.

The Federal Treasury was notified of such abuses in January 2009 and has also failed to act in the public interest of all households in SEQ now being subjected to predatory pricing by Government owned water and wastewater service providers.

Yours sincerely etc.

CC: Ms. Mary Balzary General Manager Ministerial and Communications
Division The Treasury

Kind regards,

Amy-Rose West

The attached PDF document may not be searchable by our Document Management System. Please contact Jason at jason.smith@gca.org.au with the Document Number so that he is able to check compatability.



Australian Government
National Water Commission

Chair

Ms Amy-Rose West
26 Spindrift Ave
Coolum Beach QLD 4573

Dear Ms West

Thank you for your letter of 1 November 2011 concerning the prices levied for urban water services in southeast Queensland. The Commission has noted the significant changes in governance arrangements in that area and continues to monitor the progress of all governments in meeting their commitments under the National Water Initiative (NWI).

The National Water Initiative and the COAG urban water pricing principles call for independent regulation of prices. Where it has been established, independent economic regulation is providing confidence and delivering benefits to consumers. We note that Queensland has established the Queensland Competition Authority to undertake reviews and make recommendations to the Queensland Government with respect to water pricing. However, the Authority does not make binding pricing determinations and does not regulate prices for all water service providers in the state. In that respect, Queensland has not yet met its commitment to establish independent economic regulation.

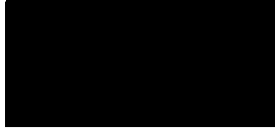
In addition to independent economic regulation, the Commission has called for increased transparency in water pricing processes in Queensland. In our recent biennial assessment of the National Water Initiative, we expressed concern about the decision by the Queensland Government to intervene by setting a cap on distribution and annual retail water and sewerage price increases in southeast Queensland.

While the Commission's role does not extend to conducting reviews of state-based pricing processes, we have made an assessment of each jurisdiction's progress toward meeting their reform commitments under the National Water Initiative. The Commission recently released the *Review of pricing reform in the Australian water sector* report, which can be found on the Commission's website at www.nwc.gov.au.

The Commission has also commented on the progress of Queensland and other states in progressing water pricing reform in its *National Water Initiative – securing Australia's water future* report, which can also be found on the Commission's website.

I trust this information is of assistance and thank you for raising this important matter with me.

Yours sincerely



Chloe Munro
Chair
30 November 2011