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Media Release

Council owners approve government buy-in to TasWater

Council owners of TasWater have today voted overwhelmingly to support the Tasmanian Government becoming a shareholder of the statewide water and sewerage company.

The government will inject \$200 million over the next decade in return for a 10 per cent shareholding.

TasWater Chairman Miles Hampton and TasWater Chief Owners' Representative David Downie, the Mayor of Northern Midlands Council, have welcomed the vote by councils saying it will ensure that the State Government, Local Government and TasWater will work cooperatively in improving Tasmania's water and sewerage services.

David Downie says he is very pleased that Councils have endorsed the plan that was announced in early May 2018.

"The injection of \$20 million each year into TasWater for ten years will enable water and sewerage charges to be contained with prices frozen for a year from 1 July 2019 and further annual increases capped at 3.5 per cent until 30 June 2025."

TasWater Chairman Miles Hampton said the Board had recommended the proposal and the vote represented a solid vote of confidence in TasWater from Council owners.

"TasWater has made significant progress in addressing the infrastructure challenges that it has faced, but the injection of \$200 million in fresh equity gives us the funding capacity to keep price increases lower than they otherwise might be while at the same time making our best endeavours to both increase and speed up our capital program."

Councils, having now endorsed the proposal, look forward to the State Government tabling the draft Legislation in Parliament. It is expected that the new TasWater ownership structure will be in place by the start of 2019.

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