



MEDIA RELEASE

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Hands Off Water and Sewerage

If water and sewerage reform cost the Government its majority then it will cost it a lot more if it seeks to take over the Local Government owned corporations and related infrastructure.

Local Government did not support the reform that was pushed through by the State Government but agreed to a compromise around ownership and governance to enable issues associated with aggregation, efficiency and environmental concerns to be addressed.

“We did not support the State Government takeover of water and sewerage then and we don’t support it now”, Acting President of the Local Government Association of Tasmania, Mayor Deirdre Flint announced today.

“If the State Government thinks that it can just march in and covet billions of dollars worth of ratepayer assets then it had better think again”, she said.

The regional structure was based on the different circumstances of each area and the existing cooperative arrangements between councils. It was endorsed by the 29 councils and was deemed more acceptable and workable than the establishment of a single entity that would be remote from and unaware of regional requirements.

“We worked with the State Government to try to get an outcome that was workable. There was a lot they didn’t like about the process and a whole lot more that we didn’t like, particularly the haste with which it was done.”

“Seeking to renege on the arrangements negotiated because the State Government lost its majority does not seem to be a sensible or logical basis upon which to base a review of the reform process. We told the government that the people didn’t understand. We told them that there would be confusion. We warned about the concerns there would be about price hikes and we also made it clear that there should be no takeover of assets by the State Government. “

The capping of prices by the State Government followed the initial recommendation by the State Government to increase prices by 10 percent each year for the first three years of operations.

“The State Government’s track record with utility corporations does not stack up at the moment yet there seems to be a view that Tasmanians would be better served by having the State control another essential service. The increased pricing results from the regulated environment controlled by the Government. Costs and prices would not be reduced by simply changing ownership. Blaming the Legislative Council for an outcome that had previously been agreed to by the State Government is a total red herring.”

For further information contact Chief Executive Officer, Mr Allan Garcia on 0419 123 201

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