

WATER CORPORATION — FEES AND CHARGES — WASTEWATER

287. Dr D.J. HONEY to the Minister for Water:

I have a supplementary question. Given that the minister is already recovering 186 per cent of the true cost of recovery for metropolitan wastewater, a charge that disproportionately affects low-income households, why is he proceeding with a further three per cent increase in charges, which is three times the rate of inflation?

Mr D.J. KELLY replied:

It is interesting that the member for Cottesloe talks about it disproportionately affecting low-income households. He has taken his figures from the report of the Economic Regulation Authority. One of the other recommendations of the ERA was that we move away from charging for wastewater services based on gross rental value of a property and move to a flat charge for everybody, regardless of the value of a person's property. Surprisingly, that would benefit most constituents in the member for Cottesloe's electorate. It would mean that households in low socioeconomic areas of Western Australia, whether in regional or metropolitan WA, would have a substantial lift in their wastewater charges. Every time the member for Cottesloe asks a question and pushes a policy lever, it would appear that the outcome would be to benefit his constituents and not most other people in Western Australia. The member for Cottesloe has so far shown himself to be quite consistent. The government announced some increases on the weekend. If it had been up to the member for Cottesloe, he would have slugged everybody with a six per cent increase across the board. That was what was in the previous government's budget. We have moderated the increase we inherited from the previous government's forward estimates. We have limited the service charge increase to three per cent. That will benefit those families who are really frugal with their water. They cannot adjust their water usage, but they get slugged with a service charge. That is what we are doing. Even the Chamber of Commerce and Industry of Western Australia thinks that this is an excellent policy. The member for Cottesloe should get on board. It is great to have the questions, but he is way off the mark.