

WATER CORPORATION — FEES AND CHARGES

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

As part of the budget, why has the minister not addressed Labor's water tax of \$400 a year on metropolitan households?

Ms S. Winton interjected.

The SPEAKER: Member for Wanneroo, I call you to order for the first time.

Mr D.J. KELLY replied:

I thank the member for the question. A bit earlier in question time, the Treasurer gave an answer to a question and he said that he was going to release some costings of what the other side's policies would cost the budget. It immediately came to mind: I hope the Treasurer has included a costing on the Liberal Party's promise to reduce water bills for every Western Australian by \$400, because that is the implication of the member's question. He has been banging on and claiming that we are overcharging by \$400 per customer. There are about a million residential Water Corporation customers in the state. Treasurer, what is \$400 times a million? I think that is about \$400 million. It is \$400 million—pause—per year! Across the forward estimates, according to the comment the member just made, that is \$1.6 billion. Member for Cottesloe, I just hope that the Treasurer has been listening to this answer and he will include that when he releases the cost of the Liberal Party's commitment to Parliament. What the member for Cottesloe does not understand is that cost reflectivity for the Water Corporation is not 100 per cent. His claim that we are overcharging Western Australian customers is just not right. Cost reflectivity across the business is not 100 per cent.

What would happen to the budget under the Liberal Party if it followed through with the intent of the member's question—that is, \$1.6 billion across the forward estimates? It would also threaten the fact that regardless of where someone lived in Western Australia, whether it be in Kununurra, Esperance or Cottesloe, they would pay the same amount for up to 300 kilolitres of water. If the Liberal Party ever implemented the policies it is talking about, that would threaten the uniform tariff price for water in regional WA. In this year's budget, we actually reduced the cost of water.

Dr D.J. Honey: No, you did not.

Mr D.J. KELLY: The member for Cottesloe said no, we did not. Again, I think the cost of water, including wastewater, is about \$27. The water contribution of the household model went down by about \$27; I will check the figure. But this year, water charges have gone down. Even I am surprised that the member for Cottesloe does not know that.