

WATER PRICES — INCREASES

38. Mr D.C. NALDER to the Minister for Water:

The Economic Regulation Authority and the Water Corporation agree that the minister is over-recovering on water charges, which even blind Freddy can see is a water tax. Given the minister is responsible for setting water prices, will he now immediately commit to accept the ERA's recommendation so that WA households will be \$400 better off?

Mr D.J. KELLY replied:

I thank the member very much the question. The ERA put out a report that made a suite of recommendations. The member has referred to only one of them. The other recommendations included putting up metropolitan water prices by five per cent, putting up country water prices by more than 100 per cent, and radically changing the way we charge for wastewater so that people in affluent suburbs such as Nedlands, Peppermint Grove or Applecross would get a significant decrease in their sewerage charges, while people in lower and middle-income suburbs would get a significant increase in their sewerage charges. I am very well aware of that suite of recommendations because they are very similar to the recommendations that the ERA made when it did its last report in 2012. I think the member for Warren–Blackwood was the Minister for Water for the then government at that time. When in 2013 I asked him about that inquiry, he gave me a tirade: “You want us to implement those recommendations. You’re going to put up wastewater charges for people all over the metropolitan area and benefit people in Peppermint Grove and the like. You’re going to put up charges for people in the country.” Members opposite should be careful what they wish for. If they would really like us to implement that suite of increases so that people in low and middle-income suburbs get an increase in their sewerage charges, they should put that submission to us. As with every other ERA report, it is a recommendation to government. We will consider it in the budget process. But I can assure members that when we announce our budget later this year, we will not be redistributing the costs of the water system to low and middle-income suburbs from affluent suburbs. If that is what members opposite want, come out and say it.