

WATER CORPORATION AND WESTERN POWER - HEADWORKS COSTS IN REGIONAL WA

3242. Hon Nigel Hallett to the Leader of the House representing the Minister for Water Resources

- (1) Could the Minister please detail the justification for the quoted cost of \$ 23 000 by the Water Corporation to connect water to Mrs Clarke's property in Lynn Street, Trayning, which requires the current pipe to be extended 90 metres?
- (2) Is the Minister aware that the cost of headworks charged by the Water Corporation and Western Power in regional Western Australia make land developments unsustainable?
- (3) If yes to (2), are there any future plans to address this issue?

Hon KIM CHANCE replied:

- (1) The \$23,000 is the estimated cost of extending the water main 190 metres (not 90 metres) to Mrs Clarke's property. It is based on \$120 per metre which is the typical construction cost for a pipeline this size, under favourable ground conditions.
- (2)-(3) Where the price of land is very low, particularly in many wheatbelt towns, the cost of water infrastructure is a major expense in developing the land.

The Government already provides a significant subsidy to country towns through Community Service Obligation (CSO) payments to the Water Corporation and through the Standard Headworks Contribution (SHC). It is anticipated that CSO payments of \$229 million will subsidise country water, wastewater and drainage services in 2005-06, and the SHC also cross-subsidises between metropolitan and country, to assist high cost schemes such as that serving Trayning.