

WATERWAY HORTICULTURAL PRECINCT

132. Hon M.J. CRIDDLE to the minister representing the Minister for Water Resources:

- (1) Is the minister aware that a horticultural precinct development project in the northern agricultural region is being asked to pay between 35c and 45c per kilolitre for water, which is well above the 22c rate enjoyed by those in Carnarvon and the proposed steel mill development at Oakajee?
- (2) Can the minister explain why the economic development of the Geraldton-mid west region is being held to ransom?

Hon TOM STEPHENS replied:

I thank the member for some notice of this question.

- (1) The Water Corporation has evaluated a number of supply options for the proposed Walkaway horticultural precinct. A price has not yet been established.

The price of 35c to 45c per kilolitre was mentioned as preliminary numbers at a mid west ground water steering committee meeting. The price for water to the Carnarvon irrigators is a by-law price, which is subsidised by government through community service obligation payments. The current by-law price is 23.37c per kilolitre up to quota and then is increased in tiers up to a maximum of \$3.59 per kilolitre. The price of water to the proposed horticultural precinct and steel mill development at Oakajee - subject to the provisions of the state agreement Act - reflect the cost of supplying the water. The price at Oakajee will generally be more than that at the horticultural precinct due to the increased distance from the source.
- (2) The Water Corporation recognises the importance of the horticultural precinct development project to the Geraldton-mid west region's development and is committed to ensuring that water is delivered at a price which fairly reflects the cost of the service.