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Our Ref:

5 September 2017

The Hon Rosemary Armitage MLC
Chair
Legislative Council Select Committee TasWater Ownership
Parliament House
Hobart TAS 7000

Dear Madam,

RE: LEGISLATIVE COUNCIL SELECT COMMITTEE TASWATER OWNERSHIP

Thank you for the opportunity to provide a submission on ownership of TasWater.

This is a matter of considerable concern for our Council and we voted in support the Local Government Association Tasmania (LGAT) Motion of May 11 2017: *"That Members confirm there is no water and sewerage crisis, reject the proposed State Government ownership of TasWater and, through LGAT, urge the State Government to work cooperatively with LGAT, Councils and TasWater on the optimal water and sewerage infrastructure upgrade program to achieve the best outcome for Councils and Consumers"*.

We believe the proposed State Government ownership is both conceptually and technically flawed and we are concerned at the lack of consultation with key stakeholders and at the lack of data and modeling to substantiate the claims being made by the State Government. Specifically, we have the following concerns in respect to the proposed takeover:

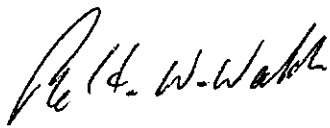
- TasWater has a 10 year fully funded plan in place which will address the long-standing water and sewerage infrastructure issues in sustainable manner;
- The Government is ignoring the long term, sustainable plan and track record of improvement and jeopardizing the sustainability of TasWater, taking money from other important services and putting customer at risk of future price shocks based on unnecessary promises;
- The Council is concerned with the impact that the proposed additional borrowing to fund the Governments accelerated infrastructure plan will have on the State's net debt position and the resultant cost of living pressures this will cause within the community;
- Under council ownership TasWater directly benefits local communities with dividends funding local roads, footpaths, parks and playgrounds, sports centres and cultural events, public facilities and community services (etc.);



- Under the Government's plan, after 2024-25, there will be no further return on the water and sewerage assets to the communities who invested in them. Accordingly, the return on investment by communities in water and sewerage assets has only partially been recognized by the State Government who believes that Councils can adjust for this loss in only five years, while increasing local service gaps in areas such as preventative health and economic development and increasing the statutory compliance burden across a range of areas.

Waratah-Wynyard Council is not seeking to present to the Select Committee through the hearing process but will support the LGAT in its sectorial submission and participation in the hearing process.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Walsh'.

Robby Walsh
MAYOR