

WATER AND SEWERAGE INDUSTRY (CONSEQUENTIAL AND TRANSITIONAL) AMENDMENT ACT 2009

Second Reading

Mr AIRD (Derwent - Treasurer - 2R) - Madam President, I move –

That the bill be now read the second time.

The purpose of this bill is to make minor amendments and refinements to the Water and Sewerage Industry (Consequential and Transitional) Act 2008.

The Water and Sewerage Industry (Consequential and Transitional) Act establishes transitional arrangements to ensure the effective operation of the regulatory framework for the delivery of water and sewerage services following the transfer of service provision from councils and bulk water authorities to the new water and sewerage Corporations.

While commencement of the act was scheduled to coincide with the full transfer of assets to the Corporations on 1 July 2009, through the cooperative reform implementation work that is occurring between State and local government, it has become evident that some provisions of the Act require an earlier commencement date. Accordingly, the bill will enable parts of the act to commence at different times.

This amendment will allow the amendments to the Tasmanian Public Finance Corporation Act 1995 to occur prior to the Corporations commencing full operations. This amendment will give the corporations the ability to set up financing arrangements a little earlier than originally envisaged.

This is not a new issue that is being introduced today. It is a machinery matter that will allow the corporations to develop additional organisational capacity leading up to full transfer. More specifically, it recognises that the existing interim funding arrangements between the corporations and the Local Government Association of Tasmania will not be sufficient to enable transfer of a number of employees to the new corporations a few months earlier than the general 1 July 2009 transfer date, and that a mechanism is needed to support this sensible proposal from the new corporations.

The bill also expands the transitional provisions in the act to clarify the original policy intent of the act and improve operational functionality in respect of charging arrangements in the period from transfer to when a Regional Corporation enters into a customer contract under the Water and Sewerage Industry Act.

I commend the bill to the House.