CITIZENS FOR AFFORDABLE WATER

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Impact of Competition Policy Reforms Inquiry Productivity Commission PO Box 80 BELCONNEN ACT 2616 Telephone (07) 4056 3074

RE: <u>DRAFT REPORT - RELEASED -19 MAY 1999 - IMPACT OF</u> COMPETITION POLICY REFORMS ON RURAL AND REGIONAL AUSTRALIA

To date we have not received the above report Unfortunately, we will not be able to attend the Townsville meeting It is a five hour drive from Cairns to Townsville. If by chance the Commission will be meeting in Cairns, we would like to attend.

We have sent an up-date of our submission to the new Senate Select Committee on the Socio-Economic Consequences of the National Competition Policy. A new committee had to be formed due to the elections. We have not received clearance or notice that the up-date is available for the public. At the meeting in Cairns we gave permission for your committee to use our submission and you may obtain the up-date if it can be made available to you.

One big question remains unanswered. WHY? were the water reforms linked to the competition payments - we can see no other reason than excess revenue - linking these two together it had nothing to do with the saving of the environment - or with the quality of the water we drink

Statistics show that the household user is the lowest water consumer, yet they are charged exorbitant water costs. Business, Industry and irrigation are the biggest users, yet they receive a discounted price (the more water they use the bigger the discount).

Who benefits by this? Who receives the billions of dollars? Is it the two levels of Government Federal/State? Is this away that our Local Councils can meet expenses that they have incurred by bad management? Is the Water Industries? Is it the shareholders these companies? In England they call these people the FAT CATS OF THE WATER INDUSTRY. Is Australia heading that way?

The legislation was written long before the introduction of these costing structures, these so called reforms have
been implemented in a most undemocratic process. We have the evidence but that both State and Federal
representatives refuse to address the process.

Yours faithfully

Jan Carr