



ABN: 81 818 839 988

The Independent Competition
and Regulatory Commission
PO Box 975
CIVIC SQUARE ACT 2608

Dear Commissioner Baxter,

**Re: ICRC Draft Report and Draft Price Direction – Investigation into
prices for water and wastewater services in the ACT.**

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, as well as disadvantaged and low-income citizens of the Australian Capital Territory. ACTCOSS is a member of the nationwide COSS network, made up of each of the State Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS has the twin roles of representation and advocacy. The Council's objectives are the representation of people living with disadvantage, the promotion of equitable social policy and the development of a professional, cohesive and effective community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS commented on terms of reference of the Inquiry into prices for water and wastewater in the ACT in August last year, and went on to jointly develop a paper on water conservation and social justice with the Conservation Council of the South East Region and Canberra, which was released in October (copy attached).

I do not wish to restate ACTCOSS' position in terms of the issues addressed in that submission, but I am heartened at the thoughtful and thorough analysis of the issues that is reflected in the ICRC draft report and determination.

ACTCOSS is also pleased with the ICRC's modelling of the three tiered pricing mechanism. Such a mechanism, if it incorporated the lower fixed service charge, would be a fairer system for people on low incomes who contain their usage. ACTCOSS has done significant work on revenue raising measures, and agrees with the ICRC finding that these distort the costs of services for low-end users.

We are however disappointed that the considerable need for research to ascertain, in the Canberra context, water usage patterns and pricing that can be used to ensure equity and fairness in pricing for people living with disadvantage, poverty or disability has not been done. We suggest that the Commission further consider the household usage points at which prices are increased. We have some concern that disadvantaged households will be made worse off by placing the first price increase at the proposed level of usage. We would be happy to discuss this with you further at any time.

ACTCOSS also reiterates that there is a continuing need for research and development in terms of efficient delivery of basic water and wastewater services.

Jamieson House
43 Constitution Ave
Reid ACT 2612

PO Box 195
Civic Square ACT
2608

ph 02 6248 7566
fax 02 6247 7175

actcoss@actcoss.org.au
www.actcoss.org.au

ACTCOSS is also pleased that the ICRC is considering the issues of concessions and Community Service Obligations (CSOs). The Government has yet to finalise its long-awaited review of concessions and CSOs, but in the interim, ACTCOSS looks forward to working with the ICRC to review water and wastewater concessions. (Page 188).

While ACTCOSS agrees that conserving the bush capital image of the ACT is important, on the basis of our work with the Conservation Council, we believe that the Government's sustainability principles dictate that water conservation should be one of our highest priorities. In most cases, this means modifying behaviour, not wholesale abandonment of playing fields and gardens. Certainly, when compared to the costs, financial, environmental and social, of building a new dam, change is more affordable.

Thank you for the opportunity to comment on this important area of public policy. ACTCOSS looks forward to reading the Commission's final report and price direction when they become available.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Stubbs', with a long horizontal flourish extending to the right.

Daniel Stubbs
Director

28 August 2003