

WATER CORPORATION — FEES AND CHARGES

**269. Dr D.J. HONEY to the Minister for Water:**

I refer to comments made by the member for Maylands in 2014, and perhaps to the Chamber of Commerce and Industry of Western Australia as well. She stated —

Price is not the most effective regulator of water use. It has been proven time and again that putting up the price of water is not the best lever or the best mechanism on its own to lower the use of water.

Why is the government slugging struggling households with its new water tax at six times the inflation rate when we have record unemployment and its own members say that price is ineffective at changing behaviour?

**Mr D.J. KELLY replied:**

I thank the member opposite for the question. A lot of people are on this side, but I am surprised that he quoted the member for Maylands. If he had listened to what the member for Maylands said —

Several members interjected.

**The ACTING SPEAKER:** Members!

**Mr D.J. KELLY:** If the member had listened to what the member said, as I best recollect the quote, she said that it was not the best measure in itself to regulate water prices. We have never said that changing the price of water is the best way to regulate water usage. Other methods can be used. The limitation on sprinkler usage had a very direct impact on water usage. Is the member for Cottesloe suggesting that we further reduce the number of watering days customers are allowed because that would have a more direct impact on water usage? Is that what he is saying? We on this side of the house understand that we need to constantly campaign to encourage customers in Western Australia to moderate their water usage. We understand that. The member for Cottesloe probably does not remember because he was not in this chamber, but in what I think was the 2014 budget speech, the Leader of the Opposition, led by the current Leader of the National Party, who was then the Minister for Water, claimed that his government had droughtproofed Perth. We are one of the three places on the planet most impacted upon by climate change, but the previous government thought it had droughtproofed Perth! I do not think the opposition is in any position to lecture us about the best ways to moderate customers' usage of water. We on this side of the house know that a range of things have to be done to continue the conversation with the Western Australian public to moderate its water usage. On Sunday we announced a very fair package of measures that will particularly benefit lower income earners. It included a service charge increase of only three per cent.

Several members interjected.

**Mr D.J. KELLY:** Mr Speaker, I am having trouble hearing myself with some of the comments.

**Mr A. Krsticevic** interjected.

**The SPEAKER:** Member for Carine!

**Mr A. Krsticevic:** Sorry, Mr Speaker.

**Mr D.J. KELLY:** We delivered a very fair package of measures. We are asking the top seven per cent of customers to pay more because they use 17 per cent of scheme water in Western Australia. As I told members in my previous answer, that 17 per cent of scheme water represents more water than we anticipate will run into our dams each year. It is a very reasonable measure in a suite of measures, which is supported by the Chamber of Commerce and Industry of Western Australia. The CCI recognises that this suite of measures will assist us to continue to moderate the behaviour of water consumers and also contribute to us being able to put off developing the next major water source. That will assist us in managing the \$40 billion state debt that we were left after eight disastrous years of mismanagement by the Liberals and their colleagues in the National Party.