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Our Ref: TPS08/9

Enquiries: John Attwood

Inquiry on Country Water and Wastewater Pricing Economic Regulation Authority PO Box 8469 Perth Business Centre PERTH WA 6849



Dear Sir/Madam

## Inquiry on Country Water and Wastewater Pricing

Thank you for the opportunity to comment on the above inquiry.

The Shire of Donnybrook-Balingup would like to address the following.

11. Are you satisfied with the current charging arrangements for country residential wastewater services? If not, what charging arrangement would be more appropriate?

Under the current charging arrangement, residents of this Shire currently pay between 225% and 827% more than metropolitan residents. If there were special environmental considerations, e.g. special wastewater disposal service, we would expect to pay a higher premium. In the case of Donnybrook-Balingup however, we have exactly the same wastewater scheme as the metropolitan area, but pay a considerably higher premium.

It is well known that rural incomes are generally lower than those in the city and as a result country residents are further disadvantaged by paying a higher sewerage rate.

In addition, any development in the area is constrained by the Water Corporation/WAPC policy that require developers to pay for infrastructure costs. Given the lower market value of residential land in rural areas and the higher infrastructure costs new development is inhibited contributing to slow economic growth in the region.

The Shire of Donnybrook-Balingup urges State Government to address what is an unfair pricing policy. We believe that unless special environmental considerations exist, services should be provided equally with either of the following options:

OUR VISION

The Shire of Donnybrook/Balingup is a thriving community living in harmony with its unique rural environment whilst cherishing its diversity of heritage & Culture

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1. That services be charged at a flat rate across the board regardless of region, as is the case for other State provided Essential Services such as electricity; or

2. Charge a uniform rate of GRV while providing a cap on the total amount paid by households.

Thank you again for the opportunity to comment on this inquiry.

Yours faithfully

John Attwood

Chief Executive Officer

23 March 2006