

From: Peter McCafferty
Sent: Friday, 17 February 2006 11:11 AM
To: Water Submissions
Subject: Water costs

Dear Sir

I will be attending the 8th March Northam meeting organised to discuss country water and wastewater prices. I will be representing the Rural Towns - Liquid Assets Project. This is a collaborative project involving researchers from CSIRO, Agriculture WA, UWA, Wheatbelt Enterprise Technologies (WET) and Chemistry Centre (WA). The project is funded through the National Action Plan for Salinity, Regional Councils, CSIRO, Chemistry Centre (WA) and Agriculture WA.

The project aims to optimise management of water resources in WA wheatbelt towns. A principal research outcome of this project will be a water management plan for each of the 16 target towns. The wide scope of the project investigates the social and economic implications as well as the water quality issues that affect rural communities. It comes as a surprise to many members of the public that rural towns often suffer from too much water (albeit often highly saline). The project researchers hope to provide mechanisms for dealing with this water. This will reduce damage to town infrastructure, enhance degraded environments and potentially provide valuable water resources.

One of the current restraints to a full economic analysis in this project is being unable to obtain accurate real costs of the provision of water and wastewater. It is well established that the costs of supply of these services are currently subsidised within Water Corp; an estimate of the true cost of supply would provide vital assistance to this project.

It is clear that we need to be more mindful of water reuse and water management. Western Australia has a poor history of water reuse (even by Australian standards). It is feasible that some rural towns could become self sufficient in water supply (especially for non-potable use) but the current situation of hidden costs actively deters alternate providers of water resources.

Your assistance with providing guidance on real costs and charges would be very helpful. I am hoping that these real costs will be evident in the Northam forum.

Regards

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