

Shire of Mundaring

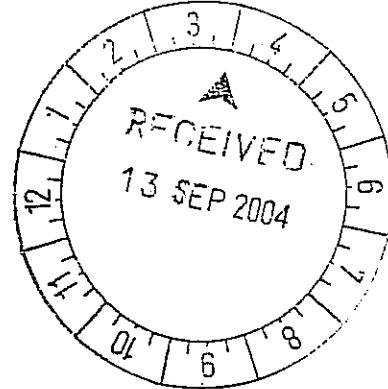


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Our Ref: UT.WSP

13 September 2004

Inquiry on Urban Water and Wastewater Pricing
Economic Regulation Authority
Level 6 Governor Stirling tower
197 St Georges Terrace
PERTH WA 6000



Dear Sir

Inquiry on Urban Water and Wastewater Pricing

Officers at the Shire of Mundaring have reviewed the Economic Regulation Authority (ERA) documentation regarding the above and provide the following advice as a submission to the inquiry.

In general, it appears that the inquiry seeks to determine if the pricing policy adopted by the key water and wastewater service providers (Water Corporation, Bunbury Water Board and Busselton Water Board) is fair and equitable. Comparisons with other states in Australia indicate that WA pays a median price for water and the highest price for wastewater based on Water Corporation services.

The high wastewater charge for metropolitan Perth suggests that there may be opportunities for private wastewater service providers to enter the market and offer competitive wastewater options should this service become de-regulated and open to private industry. This is particularly relevant to the Shire of Mundaring as the land east of the Darling Scarp (which contains most of the Shire's population, but at a lower density) is unsewered and poses a major constraint to the establishment of higher densities in existing village centres.

The Shire of Mundaring recognises that the development and increased density of its urban villages is a major sustainability issue for the Council and the local community. The Shire of Mundaring's position regarding the future development of the villages is consistent with the Western Australian Sustainability Strategy (WA Government, 2003) Foundation Principles related to:

- Long-term economic health;
- Equity and human rights;
- Biodiversity and ecological integrity;
- Settlement efficiency and quality of life;
- Community, regions, 'sense of place' and heritage;
- Net benefit from development; and
- Common good for planning.

The Shire of Mundaring is also in the process of reviewing its Town Planning Scheme (No. 3), which will identify and zone land within the Shire to accommodate population growth and provide increased opportunities for residents to remain living in the Shire. This is particularly relevant for the ageing population as there is limited aged housing due to the large lot sizes and effluent disposal restrictions associated with small lot subdivision (< 2,000 m²) and grouped dwellings.

With the development of a new Town Planning Scheme No.4 and recent advances in smaller packaged wastewater treatment plants, it is considered the Inquiry on Urban Water and Wastewater Pricing provides the opportunity to raise the issue of wastewater service provision to unsewered areas of the Metropolitan Region.

The current lack of wastewater services for the urban villages in the Shire of Mundaring is one of sustainability and could be overcome through the provision of wastewater services. The Shire's position can be justified from a range of economic, social and environmental factors as outlined below.

Social

- Increased opportunities for viable population centres to support community facilities.
- Retaining aged population within existing villages.
- Improved cohesiveness of village centres and enhanced opportunities to create a "sense of place".
- Increased options for local employment and business development and growth.
- Upgrading the range and quality of community facilities capable of being provided through increased rate revenue.
- Retention of the hills lifestyle (bushland, rural properties, natural environment)
- Establishment of a reliable public transport system that is supported by viable population catchments.
- Improved health and standard of living for residents.

Environmental

- Decommissioning of septic tanks and reduced pollution risk
- Conservation of bushland and fauna habitat that would otherwise be incrementally lost through planning and development decisions over time.
- Increased investment into infrastructure provision and the rehabilitation of degraded lands through mechanisms coupled to development approvals.
- Reduced greenhouse emissions, related to less reliance of private vehicles and greater use of public transport.
- Improved stormwater management through upgrading and treatment of stormwater to achieve acceptable water quality standards
- Less reliance on water demands per head.

Economic

- Increased business investment and local employment opportunities associated with development, greater population and large scale infrastructure projects.
- Expansion of tourism and value adding to rural enterprises that require access to sewer outside of existing industrial areas.
- Increased rates for the Shire to provide the funds to meet resident expectations for services and facilities
- Establishment of a growth profile that will encourage longer term investment and retain smart business people in the area
- Facilitate transition into growth of home and local businesses enterprises.

There are two townsites proposed in the Shire of Mundaring, north of Parkerville and Stoneville, which have been secured by an 'Urban Deferred' zoning under the Metropolitan Region Scheme (MRS). The development of these two townsites will rely on the provision of reticulated sewerage infrastructure and wastewater treatment plants. The Water Corporation has made no commitment to provide the wastewater services for the townsites at this time, with service provision most likely occur through private sector arrangements. The de-regulation of wastewater service provision and greater private industry investment into wastewater service provision are key actions that would assist the Shire of Mundaring in meeting the needs of the community and planning for a sustainable future.

I trust that the issues raised by the Shire of Mundaring will be considered in finalizing the inquiry. If there are other Government agencies that should be approached regarding these issues, it would be appreciated if the relevant contacts could be forwarded to the Shire of Mundaring as part of the response to this submission.

Yours sincerely



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