



INTERIM SUBMISSION

Inquiry into Developer Contributions to the Water Corporation - by the Economic Regulation Authority

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THE WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

The Western Australian Local Government Association is the united voice of Local Government in Western Australia. The Association is an independent, member-based group representing and supporting the interests and work of 142 Local Governments.

The Association provides an essential voice for almost 1,300 elected members and over 11,000 employees of the 142 Local Governments in Western Australia including Christmas Island and Cocos (Keeling) Island Councils. The Association also provides professional advice and offers services that provide financial benefits to the Local Governments and the communities they serve.

SUMMARY

The Economic Regulation Authority proposes to examine and make recommendations on the most appropriate charging mechanisms for all of the Water Corporation's developer charges and the level of headworks charges that should apply from 1 July 2008. In doing so the Authority is considering the general principles underpinning developer charges and the approaches used across government businesses in WA, as well as the approaches applied by regulators in other jurisdictions.

The Authorities' findings published in a Draft Report on its website 14 April 2008 are considered to be in accordance with the Association's objectives and can be supported.

The Economic Regulation Authority Inquiry into Developer Contributions to the Water Corporation – Draft Report

- The objectives guiding the review of developer contributions by the Authority include economic efficiency, equity and transparency and accountability and are supported by the Association.
- The Association supports "Draft Finding 24" whereby the Authority will further investigate the development costs for one to four hectare rural subdivisions to determine whether they involve similar development costs to smaller rural blocks.
- The Association supports the general principles, findings and recommendations outlined in the Draft Report – Inquiry into Developer Contributions to the Water Corporations by the Economic Regulation Authority.

Please note that this is an interim position as the recommendations herein have not yet been considered nor endorsed by State Council and as such, we reserve the right to withdraw or modify our position in the future