

Deloitte Access Economics

Self-regulation and the sharing
economy – lessons for the
Victorian water sector

Essential Services Commission

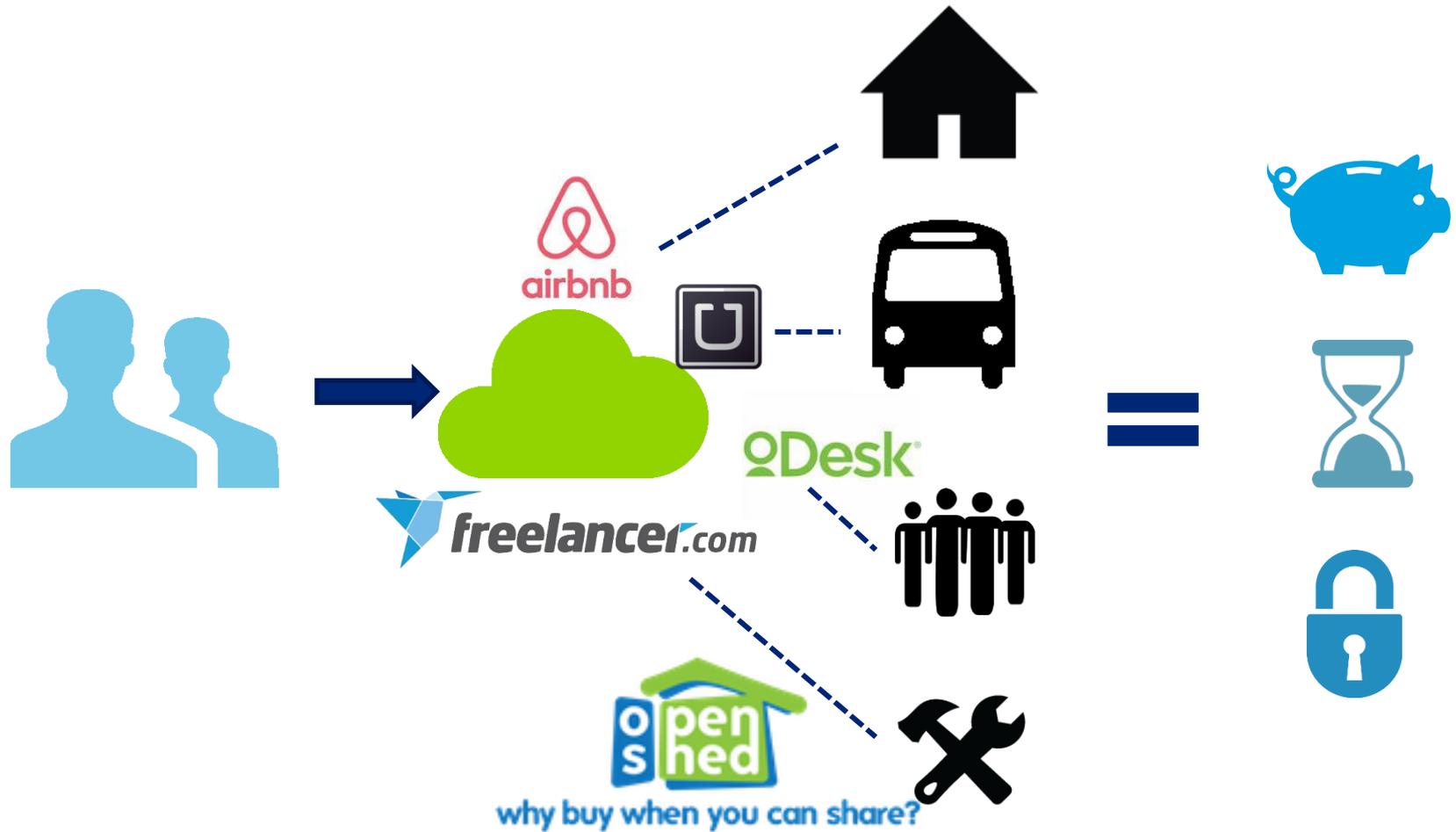
Jess Young

10 November 2015

Deloitte.



What is the sharing economy?



What makes the sharing economy interesting for economic regulators?

New technologies and competitive business models = **new choices for consumers**



Enforced
Quality

Feedback and reputational mechanisms = **empowered consumers**

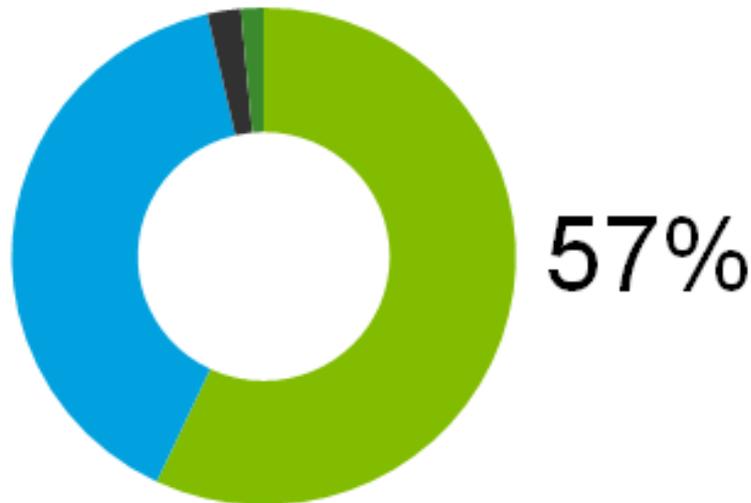


Reputational
Quality

Competition and consumer empowerment breeds self-regulation = **reduced need for gov regulation?**

What does all this have to do with water pricing and regulation?

1. Reputation does matter.
1. Digital technology is critical - 57% of water sector professionals say investment in digital technology is critical for the future business needs of the sector



- Critical to its ongoing success
- Important but not one of its top 3 priorities
- Don't know
- Not important

**AUSTRALIAN[®]
WATER**
ASSOCIATION

Deloitte.

Ideas from the sharing economy

Ideas for changes to water regulation:

Consumer engagement and focus



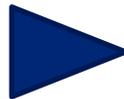
Benchmarking



Incentives for innovation



Reducing / fast-tracking regulatory processes



Sharing economy features:

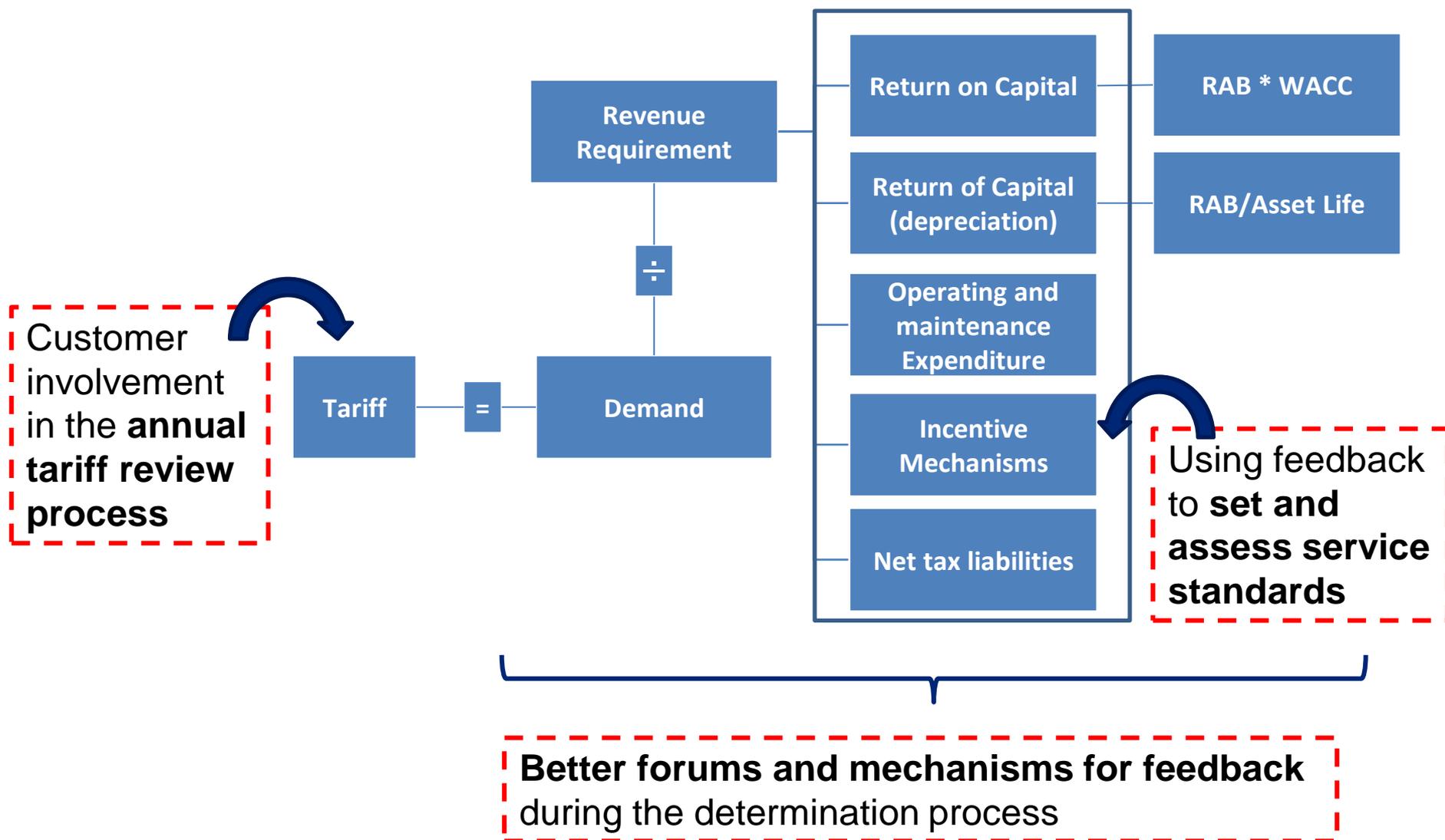
Digital platforms and tools

Accessible data and easy comparisons

Regular customer feedback

Self regulation

Low hanging fruit – near term changes





General information only

This presentation contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively the “Deloitte Network”) is, by means of this presentation, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this presentation.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

About Deloitte Australia

In Australia, the member firm is the Australian partnership of Deloitte Touche Tohmatsu. As one of Australia’s leading professional services firms. Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, and financial advisory services through approximately 6,000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at www.deloitte.com.au.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited

© 2015 Deloitte Access Economics Pty Ltd