

Attn: 2018 water price review
Essential Services Commission

Wednesday, 9 May 2018

RE:ESC – GWM Water Pricing Submission

Dear Sir

The Wimmera Mallee Recreational Lakes Alliance would like to make a submission requesting a much lower increase in the fees GWM Water is proposing for recreational water in Wimmera Mallee Water so that it is no more than the annual inflation rate .

It is proposed to increase the price of recreational water from \$20 per meg to \$25 per meg over the lifetime of this price agreement.

This equates to 5percent per year, which is well above the inflation rate and there appears to be no justification for this increase. The following reasons are put forward to support this request:

- Some of the lakes have their water subsidised by local councils who have their fees rate capped at 2.25 percent. The councils who have to pay this increase are amongst the least financially sustainable in Victoria and therefore struggle with any increase.
- The lakes involved are the only lakes in Victoria who have to pay any fee for the supply of water. There is no recognition given to the environmental value that the water brings.
- Water is provided to other water bodies as environmental water at no cost to users and much of this water is also used for recreational purposes. This gives them a commercial advantage in being able to provide better infrastructure because of their lower costs.
- Local committees struggle to provide new infrastructure because the water is already a significant cost and have to rely on government handouts and grants. The government do not provide any special treatment for these lake committees in the grant process because they are paying a water fee that no other lake committees have to pay.
- The water, as well as providing economic advantage to small towns provides significant social and health benefits that may be at risk if local committees cannot raise the finance to keep water in the lakes.
- The people who are paying this increase are also paying a recreational water levy that is increasing from \$16 to \$18 dollars over the same time frame and whilst this will still be a problem for some consumers at least it is relatively in line with inflation.

Yours Sincerely

James Goldsmith

Secretary

Wimmera Mallee Recreational Lakes Alliance Inc.