



Mr Ray Chan
Assistant Director – Codes, Licences and Compliance
GPO Box 770
HOBART Tas 7001

18 May 2011

Dear Mr Chan,

RE: WATER AND SEWERAGE LICENCE APPLICATIONS

The Property Council of Australia (Tasmania) again welcomes the opportunity to comment on the water and sewerage licence applications.

At the outset of this response, the Property Council is disappointed at the apparent lack of interest shown by the owners of the water and sewerage corporations and the general public in the regulation and pricing of the water and sewerage services sector.

It is noteworthy that only four Tasmanian councils (ie 14 percent of councils) have enough interest or understanding to make a submission to the recent pricing consultation and only one council provided comment on the draft regulations.

In addition, only two peak bodies made submissions on pricing and draft regulations and nothing was forthcoming from the general public.

This highlights the complexity of the regulatory and pricing processes and the general absence of true consultation with the general public on a matter which directly affects the entire community.

This comment has equal applicability to the current consultation on licensing applications.

It appears that there is inconsistency between the *Water and Sewerage Industry Act 2008* and what is stated in the *Water and Sewerage Operating Licences Consultation Paper*.

The *Water and Sewerage Industry Act 2008* in Section 38 states that licences must state regulated activities and licence conditions are underwritten by Section 37 of the *Act* which provides a schedule of licence conditions.

The Voice of Leadership

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However, the *Water and Sewerage Operating Licences Consultation Paper* in Clause 3.2 states that the Minister has issued an Exemption Order stating that water and sewerage corporations are only required to be licensed.

It is apparent that what the Parliament requires on the one hand is taken away by the Minister on the other.

The Property Council has an\ strong interest in ensuring that the interests of water consumers are protected and that water and sewerage corporations are made accountable, however, according to the *Consultation Paper* this opportunity has been negated.

The Performa licence as provided by the Economic Regulator does not provide standards of accountability or compliance.

Instead, it is just a licence which enables the water and sewerage corporations and the Economic Regulator to navigate a course of legal compliance without providing any comfort to water and sewerage consumers.

The Property Council is very disappointed and seriously questions the consultative and regulatory processes and believes that there is no commitment to the protection of the consumers' interests.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mary Massina', is written over a light yellow rectangular background.

Mary Massina
Executive Director (Tasmania)