



Hon Stephen Robertson MP
Member for Stretton



**Queensland
Government**

**Minister for Energy and
Water Utilities**

Ref CTS 08318/11
ME/11/0271

- 9 JUN 2011

Mr Neil Laurie
The Clerk of the Parliament
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Laurie

I refer to your letter of 13 May 2011 enclosing a copy of Petition No. 1624-11 lodged in the Queensland Legislative Assembly.

The Petition draws to the attention of the House the increasing cost of water for residents of Redlands City. The petitioners request that the House reduce water rates to a fair and reasonable level by way of overseeing council and water utilities fees and charges.

On 7 April 2011, the Premier announced measures to force councils to accept their responsibility for water and wastewater pricing. The Fairer Water Prices for SEQ Amendment Bill 2011 was introduced into Parliament on 12 May 2011 to impose a Consumer Price Index (CPI) cap from 1 July 2011 for two years. This will see price increases in many areas at less than half the amount councils had been preparing to allow their Distributor-retailers to introduce.

The State Government will retain control over the bulk water assets in south east Queensland. The Government has taken responsibility for water security in south east Queensland and has delivered the \$6.9 billion South East Queensland Water Grid to maximise south east Queensland's water resources and provide greater water reliability for the region. Bulk water costs for a typical household using 200 kilolitres per annum are going up by just \$54, approximately \$1 a week, next year.

South east Queensland councils also have a once-only decision to remain with their Distributor-retailer or return their water business back to council operations. Councils will need to advise the Queensland Government by 1 July 2011 on their water business plans and, importantly, how they intend to mitigate price increases on customers in the future.

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The Queensland Government will progress further legislation to implement any operational changes arising from Councils' decisions. The Queensland Government did not make these decisions lightly but, ultimately, had to step in to respond to the community's concerns over high water and wastewater prices.

The Government has set a final date of 1 July 2012 to implement any operational changes, but will move quickly once clear advice is received from councils. There will be no impact on customer service delivery during this time.

Should you have any further enquiries, please do not hesitate to contact Ms Gayle Leaver, General Manager, Water Reform of the Queensland Water Commission on telephone 3405 3550.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen Robertson', with a long horizontal flourish extending to the right.

STEPHEN ROBERTSON MP