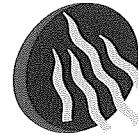




Hon Stephen Robertson MP

Member for Stretton

Ref CTS 21758/10



**Queensland
Government**

**Minister for Natural Resources,
Mines and Energy and
Minister for Trade**

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

Dear Mr Laurie

I refer to your letter of 25 November 2010 enclosing a copy of Petition No. 1572-10 lodged in the Queensland Legislative Assembly.

The Petition draws the attention of the House to the fact that Townsville City Council will make a profit of over \$50 million on water and wastewater provision in Townsville. I have responded to the matters raised below.

Within the Local Government Act framework, local governments outside south east Queensland are solely responsible for water and sewerage supply and pricing. This includes measures to reduce cost of living impacts such as providing concessions on water charges

In other parts of Queensland, action has been taken to reduce the impacts of water and sewerage prices, for instance:

- the Moreton Bay Regional Council has introduced a 50% rebate to offset water price increases;
- to smooth the transition in water pricing, the Queensland Government is providing a 10-year price path for its bulk water supply in south east Queensland;
- to reduce the ultimate price paid by customers in south east Queensland, the Government is foregoing more than \$1 billion in financial returns; and
- the Mayor of the Gold Coast has committed to returning the Council's \$94 million profit from its water business in the form of credits on water usage.

Each of these mechanisms was introduced with the objective of easing the impact on customers and allowing time for adjustment. In an open letter to the Townsville City Council, the Premier stated that there was nothing stopping the Council easing the burden of water and sewerage charges, such as providing concessions on water charges. Its time the council took action on this front and explained to the community why it was not redirecting at least some of its water and sewerage profit towards rebates.

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Should you have any further enquiries, please do not hesitate to contact Mr Greg Claydon, Executive Director Strategic Water Initiatives of the Department of Environment and Resource Management on telephone 3330 6108

Yours sincerely

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

STEPHEN ROBERTSON MP