

26 October 2010

Urban Water Inquiry
Productivity Commission
LB2 Collins Street East
Melbourne Vic. 3165

Dear Sir/Madam,

I refer to the Commission's Issues Paper of September 2010, in particular Sections 8 and 9, and offer the following public submission:

Existing governance and institutional arrangements are ineffective in Queensland. As a consequence households in Coolumb Beach and throughout South East Queensland are deprived statutory protection against pricing abuse by government monopoly business entities that should be available under National Water Initiative Pricing Principles.

This is due to an ongoing Queensland Government refusal to refer legitimate prices oversight investigation requests to the Queensland Competition Authority (QCA) for independent assessment under Part 3 of the Queensland Competition Authority Act. The reluctance or inability of the Australian Government to intervene exacerbates this regulatory failure that renders efficiency improvements contemplated under National Competition Policy reform agreements relating to water unachievable.

Water sector governance arrangements are ineffective in Queensland for reasons set out in my public submission to QCA dated 26 August, and in correspondence with Commonwealth Treasury and the Commonwealth Minister for Local Government that is enclosed.

To address this problem in Queensland there is an urgent need to change existing governance arrangements by providing powers within the Commonwealth to initiate independent prices oversight investigations by the QCA when that agency is impeded from performing its duties by the Queensland Government. This may require that the QCA in future becomes a regulatory agency independently administered by the Commonwealth.

Should the Productivity Commission require further background correspondence relating to this submission, I am happy to provide it.

Yours sincerely,

Amy-Rose West (Ms.)

Enc: E-mail communications with The Treasury from January 2009 to 24 October 2010;
Letter from The Treasury dated 24 March 2010;
Letter from The Treasury dated 28 April 2010;
Letter to The Treasury dated 6 May 2010 with attachments "A","B","C" and "D";
Letter from The Treasury dated 18 August 2010;
Letter to The Treasury dated 26 August 2010;
Submission to QCA dated 26 August 2010 with attachment QTO-09535 dated 26 July;
Letter from The Treasury dated 18 October 2010;
Letter Ref: 02390-2010 dated 23 April 2010;
Letter to Federal Minister Local Government dated 17 May 2010 with attachments;
Letter to Federal Minister Local Government dated 9 July with attachment;
Letter from Federal Minister Local Government dated 3 August 2010.