

Taree Customer Service Centre:

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24th June 2011

The Productivity Commissioner Urban Water Inquiry Productivity Commission LB2 Collins Street, East MELBOURNE VIC 3165

Dear Madam

Re: Urban Water Enquiry

Thank you for the opportunity to address the Commission on 31 May. Since the release of the Commissions Draft Report, MidCoast Water decided to engage with the Kempsey Shire Council as their submission to the enquiry identified many of the issues that MidCoast Water has flagged in our submission. MidCoast Water Councillors decided that we would like to discuss with Kempsey the merits of a County Council Model or at least start working more closely together.

On 21st June 2011 the Kempsey Council resolved that "Council write to the General Manager of MidCoast Water and advise that Council would like to remain its own successful water utility". This was a direct opposite to the General Managers recommendations.

This is one example of the narrow mindedness that is common throughout Regional NSW. The Federal and State (NSW) Government will find it very difficult to institute change in NSW with present Local Government attitudes towards reform.

Yours faithfully

NEIL HANINGTON GENERAL MANAGER