

David Koch

Member for Western Victoria

Opposition Whip (Council)

46 Brown Street, Hamilton 3300
Tel: 5572 3377 · Fax: 5572 4945

MEDIA RELEASE

Wednesday, 28 May 2008

Living costs soar with little government relief

As the ever-increasing cost of living puts pressure on household budgets, lower-income earners and those on fixed incomes will be hit hard by massive increases in the cost of water.

Member for Western Victoria, David Koch, said in parliament this week that flawed planning and under-investment in water infrastructure over the last eight years means Victorians face unwarranted annual price hikes for water.

“Victoria continues to have the lowest per capita funding on water infrastructure and maintenance in Australia.

“In 2006-07 Queensland spent 6 per cent of its gross state product to develop and maintain water infrastructure, Tasmania spent 4.6 per cent, New South Wales about 3 per cent, Western Australia 2 per cent and South Australia 1.6 per cent, while the Brumby Government spent just 1.5 per cent of Victoria’s gross state product on water infrastructure during this period.

“Secure water supplies are critical for future growth and prosperity, but this government’s poor stewardship threatens access to quality water at an acceptable and affordable cost to householders.

“Over the next four years, average water bills will rise from \$705 to \$940 for Wannon Water, \$772 to \$1098 for Grampians Wimmera Mallee Water, \$711 to \$1143 for Western Water, \$756 to \$1172 for Central Highlands Water and from \$691 to a massive \$1189 for Barwon Water.

“To make matters worse, the Brumby Government is only going to increase the water concession for lower-income families by \$24 from \$158.50 to \$182.50.

“While all Victorians are being forced to pay more for water, this government’s miserable \$24 concession increase is an insult, especially to pensioners who are already doing it tough with fuel at record highs, well-above CPI property rate increases averaging 6.5 per cent and accelerating price rises in the supermarket.

“The government declared that the new concession would ‘reduce the impact of water bills on lower-income families, but for the 30 per cent of households relying on some type of concession to help pay their water bill, the new maximum water concession of \$182.50 will do little to relieve financial pressure from annual water bills that will soon exceed \$1000.

“The state government’s recent scrapping of the Network Tariff Rebate that provided a quarterly rebate of \$8 to rural and regional electricity customers is already hurting those on lower incomes.

“The Brumby Government proudly boasted that the Network Tariff Rebate is being replaced by a solar hot water rebate scheme for regional Victorians, yet many who have benefited from this rebate can not afford to install a \$6,000 solar hot water system just so they can claim a \$2,500 rebate.

“The Brumby Government must increase water concessions to ensure lower-income families can pay for its excessive cost increases for water and reconsider the withdrawal of power rebates that continues to erode living standards for many”, David Koch said.

Media inquiries: David Koch 0418 723 031