



MEDIA RELEASE

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WATER BILLS PRICE REPRIEVE WELCOMED BY CONSUMER GROUPS

The Consumer Action Law Centre (Consumer Action) and the Consumer Utilities Advocacy Centre (CUAC) today welcomed the Essential Services Commission's draft decision to cut the price rises for Melbourne water bills proposed by the three Melbourne water retail businesses.

Janine Rayner, Senior Policy Officer at Consumer Action, said consumers scored a win, as the Commission recognised the negative impacts of water price hikes, when affordability of basic goods and services is an increasing issue for households.

"Households are feeling the pinch from the economic downturn and increasing bills for essential services such as water adds to these pressures, so any attempt to wind back price rises at this time is welcome", said Ms Rayner.

Anita Lumbus, Policy Officer at CUAC, said that while consumers recognised increases in water bills are inevitable to pay for important water infrastructure, the water businesses had proposed a doubling of Melbourne water bills over the next four years and the Commission had scaled this back.

"Melbournians will see water bills rise by up to 16% next year but the price rises announced today are less than the water businesses were seeking, with the Commission pulling back prices by up to 15% over the next four years" said Ms Lumbus.

Based upon a recommendation of Consumer Action and CUAC, the Commission also announced it will require the water retailers to develop and meet new service targets for households facing genuine financial difficulties in paying their water bills. If this target is not met, the water retailers will have to make payments to customers.

"The decision to require the Melbourne water businesses to meet service levels for providing help to customers struggling with higher water bills is welcome, and the threat of a payment if they don't meet the target will help discourage inappropriate supply restrictions and debt collection against customers in genuine hardship," said Ms Rayner of Consumer Action.

Ms Lumbus of CUAC said that many consumers would continue to need help from State Government water concessions and access to emergency relief grants and rebate schemes. Concession programs for water are currently capped.

"We urge the Victorian Government to ensure the value of concessions keeps pace with increased water prices so that all Victorians have continued access to affordable water," said Ms Lumbus.

Ms Rayner said both Consumer Action and CUAC still had strong concerns for country Victorians who are also facing significant price rises but have less protection from unfair debt collection practices than Melbourne customers.

"Regional water authorities can still use unfair debt collection tools such as charging high interest on overdue bills, which tends to contribute to a cycle of hardship for some consumers," said Ms Rayner.

"We'd like to see the Victorian Government apply consistent customer protections for all Victorians who might be facing genuine financial hardship in paying rising water bills."

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