

**Submission
No 31**

**JOINT SELECT COMMITTEE ON PROTECTING LOCAL WATER UTILITIES
FROM PRIVATISATION**

Organisation: Cowra Council

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SUBMISSION TO THE NEW SOUTH WALES PARLIAMENT JOINT SELECT COMMITTEE ON PROTECTING LOCAL WATER UTILITIES FROM PRIVATISATION

Introduction

Local water utilities play a fundamental role in our communities by ensuring that citizens have access to clean, safe, and reliable water services.

In New South Wales, these utilities have been vital in safeguarding public health, promoting economic development, and preserving our environment. The prospect of privatising these utilities is a matter of serious concern.

In this submission to the New South Wales Parliament Joint Select Committee on Protecting Local Water Utilities from Privatisation, we emphasise the importance of retaining public ownership of local water utilities.

The Inherent Public Interest in Water Utilities

The delivery of water services is intrinsically linked to the public interest. Water is an essential human right, and access to safe and reliable water is crucial for public health.

In many instances privatised services have led to higher costs for consumers, reduced service quality, and limited public control. We must learn from these examples and acknowledge the potential pitfalls of privatising local water utilities.

Local Accountability and Decision-Making

Public ownership allows for local accountability and democratic decision-making. Elected officials and local communities have a say in how water services are delivered, ensuring that the interests of the community are heard and respected.

The direct involvement of the local government ensures that water management strategies are tailored to the specific requirements of the area, fostering sustainable growth and development.

Councils have a deep understanding of their communities' unique needs, water sources, and local environments. Council-owned utilities are staffed by experts who possess intimate knowledge of local conditions and community dynamics. This expertise enables better-informed decision-making and the development of tailored solutions to address specific challenges.

Privatisation can diminish local control and transparency, leading to decisions made behind closed doors without the input of those most affected.

Accountability for Public Health

Water utilities are integral to safeguarding public health. Ensuring public ownership is essential in maintaining rigorous quality control, monitoring, and regulatory measures.

Privatisation can pose a risk to these vital components of public health protection.

Attracting Skilled Staff

Local water utility ownership facilitates the attraction of skilled staff, particularly in critical disciplines such as engineering, through the provision of stable employment opportunities and professional development prospects. Council-owned utilities offer these opportunities and a connection to the local community, making them more attractive to skilled workers.

By maintaining these services within the local government framework, councils can optimise resources, share best practices, and adapt to changing circumstances swiftly. Such flexibility is essential, especially in times of crisis, such as droughts or natural disasters, when the need for quick, coordinated responses is paramount.

Necessity of Cross-Subsidisation for Smaller and Remote Communities

Smaller and remote villages and communities play a vital role in local and state economic prosperity, often contributing significantly to primary industries and regional development. However, providing essential services in such areas can be costlier due to their smaller population size and remoteness.

Cross-subsidisation is a crucial mechanism that ensures these communities have access to essential services on an equitable basis.

Council-owned utilities recognise the importance of cross-subsidisation, allowing smaller and remote communities to access essential water services without excessive financial strain.

Rural communities know this and residents of the Cowra township, comprising over 70% of the shire population, are willing and able to pay more in the urban area to sustain the agricultural prosperity of our region.

Importance of Central NSW Joint Organisation Water Alliance

The Central NSW Joint Organisation Water Alliance, of which Cowra is a proud member, serves as a testament to the collaborative strength and strategic vision of regional councils operating water utilities. This alliance facilitates shared knowledge, resources, and expertise, empowering local water utilities such as Cowra to meet and exceed the stringent regulatory standards outlined in the Australian Drinking Water Guidelines.

The collaborative approach fosters the exchange of best practices and innovative solutions, ensuring the provision of safe and reliable water services to our community.

Supporting the Financial Sustainability of Local Councils and Communities

Local councils have a vested interest in preserving the financial sustainability of their water utilities to ensure the long-term prosperity of their communities.

Local water utilities contribute significantly to the revenue streams of councils, helping to offset the cost of providing essential services and maintaining local infrastructure. Revenue generated by these utilities bolsters the financial sustainability of local councils, reducing the financial burden on ratepayers.

Privatisation, driven by profit motives, can lead to a shift of resources out of the community. These resources, if retained within council-owned utilities, can be reinvested into the community and utilised to enhance essential services and infrastructure.

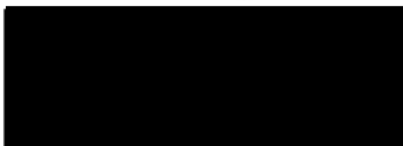
Conclusion

The preservation of local water utility ownership is fundamental to the sustainable development and resilience of local communities.

It enables effective community engagement, fosters integrated service delivery, attracts skilled personnel, ensures financial stability, supports equitable cross-subsidisation, and facilitates collaborative knowledge sharing.

We urge the NSW Parliament to recognise the multifaceted benefits of maintaining local water utility ownership and to uphold the intrinsic value of community-driven local water utility water management for the prosperity and well-being of all residents.

Yours faithfully



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