

**Submission
No 33**

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

Organisation: Bourke Shire Council

Date Received: 11 November 2023



SUBMISSION

BY

BOURKE SHIRE COUNCIL

IN RELATION THE

Protecting Local Water Utilities from Privatisation

Contact Leonie Brown General Manager (02)68308000

Thank you for the opportunity to provide comment to the Joint Select Committee on Protecting Local Water Utilities from Privatisation .

The Bourke Shire Council is one of the most disadvantaged regions of both New South Wales and Australia. The Bourke local government area covers an area of 44,000 square kilometres with agricultural industries being the primary source of employment along with government services and to a lesser extent retail and tourism services.

The area is the traditional home of the Ngemba people along the river and the Murrawarri people in the north of the Shire and are two (2) of the approximately twenty one (21) distinct Aboriginal cultures in the area. There are 2,340 people that live in the Bourke Local Government Area and over 30% of these people are of Aboriginal or Torres Strait Islander descent (Australian Bureau of Statistics, 2021). Bourke is the main township in the area and is 762 kilometres from Sydney and 380 kilometres from Dubbo.

The Bourke Shire is made up of Bourke and six (6) villages, including Byrock, Enngonia, Fords Bridge, Louth, North Bourke and Wanaaring.

I am writing to provide input on the inquiry into protecting local water utilities from privatisation, forced amalgamations, and sell-offs. This issue is of significant concern to the Bourke Shire Council and we believe that safeguarding the public ownership of these essential services is crucial for the safeguarding of our remote communities.

(a) How local water utilities and their assets can be best protected against privatisation, forced amalgamations, and sell-offs:

1. To protect local water utilities, it is imperative to enact legislation that explicitly prohibits their privatisation or forced amalgamation. This legal framework should clearly define the public nature of these utilities and ensure they remain in public hands.
2. The State Government should provide appropriate financial resources of Council and provision of support to assist Local Government in achieving the objectives. Funding models with clear and objective frameworks that support both operational and capital improvements for water utilities should be provided to financially disadvantaged Councils.
3. Implement a State driven operational improvement team that will review and support local water utilities to improve efficiency of running utilities. Supported by community representation, a State driven initiative will ensure the programs objectives align with best-practice guidelines and regulatory framework while also promoting economy of scale.

(b) Reviewing governance and other legislation relating to the potential privatisation of local water utilities:

1. Review and update the regulatory framework to ensure that it aligns with the goal of maintaining public ownership. State Government entities should be modelled to promote collaboration and support for Local Government in delivering efficient water supply.
2. Include provisions for alliance, joint organisation and water directorate representation on water utility boards and decision-making bodies. This ensures that the interests of regional and remote areas are adequately considered.
3. Establish clear performance standards and service quality benchmarks to hold water utilities accountable for providing reliable and affordable services to all residents, regardless of their location.

(c) Any other related matters:

1. Consider the broader socio-economic impact of water utility decisions on regional and remote areas. Ensure that decisions prioritise local employment, economic growth, and environmental sustainability. The below points identify concerns for Bourke Council and many other Councils in NSW:
 - Local job security and knowledge will be lost;
 - Keeping the water system local with local staff to undertake quick response time for maintenance of infrastructure and emergency breaks on the system.
 - The Department makes up 25% of the Council budget creating jobs and providing the community with confidence in the supply of water.
 - Multi skilled workforce in times of emergency water supply is back up an operating with minimal delay.
 - Community access to Council, this would be lost if the Utility was privatised.
 - There would be a significant flow on effects to local and regional businesses. The impact of a decline in population over a past twenty (20) years has seen many business leave town. There would be a flow on effect to local businesses as purchasing may not remain local.
2. Collaborate with Indigenous communities to incorporate traditional ecological knowledge and values into water utility management, respecting their custodial role over land and water.
3. Consider the large asset base to small rate-payer base that regional and remote communities are responsible for. A community service obligation is a strong answer to ensure that community assets are efficiently and responsibly operated and maintained.

Bourke Shire Council already has a proven record as a Local Water Utility. The collaboration and work achieved through the Orana Water Utilities Alliance will only

continue to expand the knowledge and expertise of the Councils with the group to undertake the safe water supply to all communities.

Local Councils along the river system are in the main, local water utilities, and dependant on a healthy flowing river to extract water to meet the critical human needs of the various communities located along the river and as such, have a strong interest in management decisions in the operation of the water supply to their communities.

Retaining ownership and control of the local water utility is as important today as it was in 2007 and 2008. All Local Water Utilities across regional, rural and remote NSW need to be protected from privatisation.

We thank you for the opportunity to lodge this submission.