



MEDIA RELEASE

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WATER BUSINESSES NOT TALKING TO CUSTOMERS, SAYS CONSUMER REPORT

Consumer Action Law Centre has publicly released a report asserting that Victorian water businesses are not talking to their customers. The report, *Water Reform in Victoria: Independent pricing regulation and its outcome for consumers*, demonstrates that water businesses are not adequately consulting with their customers when setting prices for water.

“Our research shows that during the first water price review water businesses didn’t talk to their customers about their plans for water prices” said Consumer Action Director Policy and Campaigns Gerard Brody. “Considering that the structure of water prices is largely designed to encourage consumers to conserve water, water businesses need to do more to ensure consumers understand and can respond to prices”.

In the lead up to the second water price review, with water businesses’ publicly releasing pricing plans for the next five years, Mr Brody said that water businesses are not doing enough to ensure that consumers can deal with increased prices.

“When the Premier announced new water infrastructure to augment supplies, including the proposed desalination plant, he said metropolitan Melbourne water prices would double over the next five years” said Mr Brody.

“Water businesses need to talk to their customers and customer representatives about what this means for consumers. Many consumers already struggle to pay their bills. Water businesses and the Government need to ensure that price rises apply fairly and equitably across the customer base, and that water businesses are helping their customers who cannot afford to pay”.

An independent regulator, the Essential Services Commission, will approve water businesses plans for water prices over the coming months, for a period of five years until June 2012.

“Water is essential to health and wellbeing. The regulator must look at not only the economic impacts of water prices, but social and equity issues as well. They must ensure that water businesses are doing all they can to ensure water prices remain affordable, and consumers are not denied access from water due to an incapacity to pay for the service” concluded Mr Brody.

Contact: Gerard Brody, Director – Policy & Campaigns 03 9670 5088 or 0415 223211

Consumer Action Law Centre
Level 7, 459 Little Collins Street
Melbourne Victoria 3000

Telephone 03 9670 5088
Facsimile 03 9629 6898

info@consumeraction.org.au
www.consumeraction.org.au