

Peta Brettig  
Senior Project Officer  
River Murray Water Allocation Plan  
Natural Resources, SA Murray-Darling Basin  
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By email [rmwap.feedback@sa.gov.au](mailto:rmwap.feedback@sa.gov.au)

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Dear Peta,

Thank you for the opportunity to make a submission to this important consultation. As the peak body for the community services sector in South Australia, SACOSS has a long-standing interest in the delivery of essential services. Our research shows that the cost of basic necessities like energy and water impacts greatly and disproportionately on vulnerable and disadvantaged people. Our advocacy is informed by our members; organisations and individuals who witness these impacts in our community.

SACOSS is deeply concerned about the proposal to introduce the principle which proposes using the Adelaide desalination plant before allocations are reduced during dry conditions<sup>1</sup>.

“It is noted that the principles outlined in this section of the Plan may not be supported by all stakeholders, in particular, water users who may need to bear the costs associated with running the desalination plant.”

It is disappointing that the draft plan can acknowledge the significance of the cost impact in the quote above but provides no estimate of the actual cost. We are aware that the desalination plant is typically the highest cost water source for SA Water but by how much is not known to us. . We do not believe that the majority of consumers would be prepared to pay an unquantified increase in costs associated with running the desalination plant.

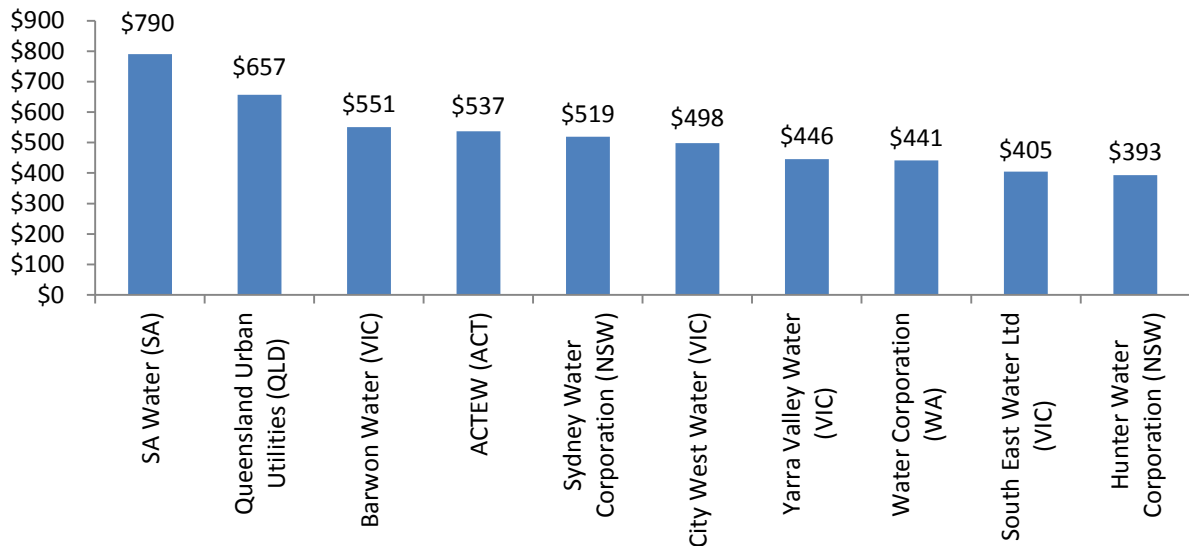
SACOSS has consistently drawn attention to the impact of price increases on households with the lowest incomes across our community. These households are already burdened by major cost of living pressures and because they struggle to meet significant price increases, they are at high risk of losing unrestricted access to a basic and essential service.

As has been reported by the Essential Services Commission of South Australia, SA Water's prices for water have increased significantly over recent years<sup>2</sup>. SACOSS notes that SA Water's prices are amongst the highest in the nation, as illustrated below:

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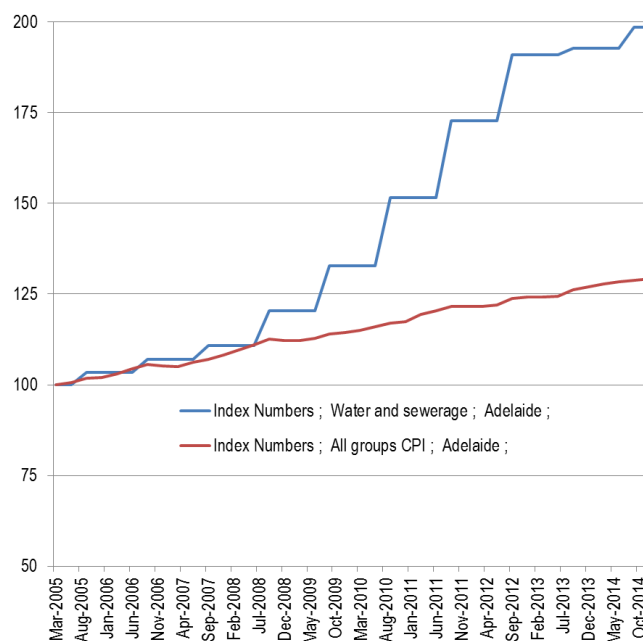
<sup>1</sup> Draft Water Allocation Plan page 89

<sup>2</sup> Essential Services Commission of South Australia (2012) “Economic Regulation of SA Water's Revenues” at <http://www.escosa.sa.gov.au/library/120713-EconomicRegulationOfSAWatersRevenue-StatementOfApproach.pdf> pg.12



**Figure 1: 2012/13 Annual Residential Water Bill by Jurisdiction (based on 180kL consumption per annum) Source: Essential Services Commission of South Australia (2012)**

A consistent theme that SACOSS hears from water consumers is about the difficulties they face with water price increases. According to the Australian Bureau of Statistics Consumer Price Index for Adelaide, the Water and Sewerage index has risen around 70% above general inflation in the 10 years to December 2014 – see figure 2 below<sup>3</sup>. SACOSS opposes the principle which would negatively impact on water prices.



**Figure 2: Water and Sewerage price index Source: ABS**

<sup>3</sup> ABS 6401.0 CPI, Australia Table 11, Group, Sub-group and Expenditure Class Index Numbers by Capital City

We thank you in advance for your consideration of our comments. If you have any questions relating to the above, please contact SACOSS Senior Policy Officer, Jo De Silva on 8305 4211 or via [jo@sacoss.org.au](mailto:jo@sacoss.org.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ross Womersley', with a large, sweeping flourish at the end.

Ross Womersley  
Executive Director