



MEDIA RELEASE

Senator the Hon Penny Wong

Minister for Climate Change and Water

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GOVERNMENT PROVIDES CERTAINTY ON RURAL WATER CHARGES

Existing price paths for rural water in the Murray-Darling Basin will remain in place until their expiry dates as new water charge rules come into effect, Minister for Climate Change and Water, Senator Penny Wong, announced today.

“The Government has agreed that the price paths in force when the new water charge rules come into effect will be respected until their expiry date,” Senator Wong said.

“This will provide certainty to farmers and businesses and assist in a smooth transition from current to new pricing arrangements.”

Water price paths are water charges approved by governments or their regulatory authorities and generally apply over three to five years.

The decision applies to the following price paths set by Basin State regulators or clearly agreed government policy:

- Queensland (SunWater) - 1 July 2006 to 30 June 2011
- New South Wales (State Water) - 1 Oct 2006 to 30 Jun 2010
- Victoria (Goulburn-Murray Water, Grampians Wimmera-Mallee Water, Lower Murray Water and Coliban Water) - 1 July 2008 to 30 June 2013

Under the *Water Act 2007*, the Australian Competition and Consumer Commission (ACCC) is developing advice for the Minister’s consideration on water charge rules to apply in the Murray-Darling Basin.

“The water charge rules, to be applied consistently across the Basin, will help water markets work more efficiently and help ensure sustainable use of water,” Senator Wong said.

“This is in line with a key priority under the Rudd Government’s long-term *Water for the Future* plan: using water wisely.”

The ACCC this week released its position paper on the water charge rules. It is scheduled to provide its advice to the Minister by June 2009.

The rules will apply to ‘regulated water charges’ such as fees or charges payable to irrigation infrastructure operators, bulk water providers and water planning and management service providers.

The water charge rules will also provide for the ACCC, or state agencies that it accredits, to approve or set such fees and charges.