

Peter Walsh MP

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Victorian Liberal Nationals Coalition Media Release

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Wednesday 25 November 2009

BRUMBY DRIVES REGIONAL WATER AUTHORITIES TO BRINK OF COLLAPSE

The Brumby Government is driving regional water authorities into the ground through its appalling mismanagement of water, according to Shadow Minister for Country Water Resources and Deputy Leader of The Nationals Peter Walsh.

Mr Walsh said an audit of the financial position of water entities tabled in State Parliament by Auditor-General Des Pearson today revealed huge borrowings by the state's water corporations.

"Seven of the 13 regional urban water corporations and two rural water corporations are running at a loss," Mr Walsh said.

"These water authorities are going bust under the Brumby Government's watch."

Mr Walsh said the state's water authorities were facing huge financial losses because the Brumby Government had pressured them to be overly ambitious in their plans to scale back water restrictions.

"Prolonged water restrictions have led to significant reductions in budgeted income leaving some of the state's water authorities on the brink of collapse," Mr Walsh said.

"Coliban Water customers in particular face further price increases and continued water restrictions as a result of the dire state of its finances.

"The Brumby Government has given Coliban Water the green light to borrow money to meet its operating costs.

"The water authority now faces having to bring in the Essential Services Commission to review its water price structure and will likely have to increase water prices," Mr Walsh said.

Other water authorities marked as high risk in the Auditor-General's report include Barwon Water, Central Highlands Water, Grampians Wimmera Mallee Water, South Gippsland Water and Western Water.

"These water authorities are at high risk of short-term and immediate financial sustainability concerns," Mr Walsh said.

"Consumers are the ones who are footing the bill for the Brumby Government's mismanagement of water."

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