

Submission no. 049

28 February 2014

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The Research Director  
State Development, Infrastructure and Industry Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Research Director,

**Re: Water Supply Services Legislation Amendment Bill 2014 "Water Supply Services Bill"**

Thank you for your invitation from the Chair of the State Development, Infrastructure and Industry Committee, the Honourable Mr David Gibson MP, to make a submission to this Inquiry.

The Queensland Council of Social Service (QCOSS) is Queensland's peak representative body for the community services industry. QCOSS represents approximately 600 member organisations working across Queensland in a broad range of portfolios.

QCOSS supports community organisations and works to address the causes of poverty and disadvantage. A key part of this role is our engagement with the state government to secure the best outcomes for QCOSS members and support the needs of low income and vulnerable Queenslanders.

This submission focuses on one of the proposed amendments to the *Water Supply (Safety and Reliability) Act 2008*, "Water Supply Act" namely the omission of *Section 139*. This section, relocated from the *Water Act 2000*, is where the water service provider is required to give the occupier a "water advice notice". The section applies where the occupier of the property is not the owner which in most cases will be when the property is tenanted. The water advice notice must state the volume of water supplied to the property during each billing period and, as stated in the Act, may include information on ways to reduce water or on any water restrictions that may be apply. The information in the water advice notice varies across water providers with some displaying the amount of water consumed at that property graphically over different billing periods as well as against the average consumption for the serviced area.

*Section 69, Clause 70* of the Water Supply Services Bill omits this section entirely from the Water Supply Act. The Explanatory Notes accompanying the Water Supply Services Bill state:

*The requirement under the Water Supply Act for water service providers to pass on water consumption data to tenants is omitted to remove an unnecessary regulatory burden.*

QCOSS is not aware of any consultation with consumer groups in the development of the proposed amendment to remove Sc 139. As this is not reflected in the Explanatory Notes it is important that your committee is made aware of the implications for occupiers (especially tenants) of this amendment. QCOSS strongly advise that Section 139 of the Water Supply Act be retained. While it is a regulatory burden to the water providers for issuing the advice notice, the marginal costs of doing this are likely to be very low and not an impost on prices as they are recovered across a large customer base. There are overwhelming benefits to society of retaining this section, particularly to tenants in allowing them to better understand and monitor their water usage, and by extension take greater control over their cost of living expenses.

In late 2013, QCOSS conducted consultation on water consumer issues with its member organisations. The results of this consultation revealed that concerns about water prices are increasing amongst their clients, many of whom are tenants. The consultation also suggests that increasingly numbers of tenants are responsible for paying the water consumption component of the bill. For these tenants, the water advice notice is an important source of information that empowers them to manage their costs.

Charging tenants for water use has been steadily increasing since 2008 when the *Residential Tenancies and Rooming Accommodation (RTRA) Act 2008* was amended to allow landlords to pass on these costs (Section 166). Lessors can charge tenants for all water used provided a number of conditions are met, including that a number of water efficient devices are fitted. However, tenants do not have any interface with water providers and this places them at a distinct disadvantage. For example, tenants do not have a direct billing relationship as the bill goes to the lessor/agent and then it is their responsibility to recover the costs from the tenant. It is the lessor/agent's decision when and how to pass on these costs. QCOSS' consultation revealed that in at least one case tenants were not given any information about the water charges and were recouped by the lessor as a generic line item such as "maintenance" or similar. Tenants can also receive multiple water bills at once or large catch up bills (after estimated bills) which if they have financial difficulties will struggle to pay.

This situation is compounded by the fact that tenants cannot query meter readings; the accuracy of meters; water use; or potential concealed leaks with the service provider. The tenant has to rely on the lessor/agent to pass on this information without malice.

At the moment, the Water Advice Notice (which coincides with the billing period) is the only source of information which provides tenants with information that is crucial in allowing them to manage their water costs and usage. The lessor is not obliged under the RTRA Act to show their water bill to the tenant or to tell them what their consumption is (although the RTA on their website advise the lessor to do this). Importantly, direct information from the water service provider can help alert tenants to whether or not there is a concealed leak on the property as they are more likely to spot the increased consumption than the lessor. These would be very difficult to do if they do not know their water usage.

Disputes between tenants and lessors tend to get escalated to the RTA and if not resolved then an application can be made to the Queensland Civil Administrative Tribunal (QCAT). This can take time and resources and costs are borne by the applicant. However, potentially expensive dispute resolution via RTA and QCAT can be avoided if the tenant has objective information about their water use in the first place.

Tenants make up 33 per cent of all households in Queensland. Tenants in financial difficulties are especially vulnerable as unlike property owners they have no access to water concessions or to the water provider's payment plan arrangements. If they do not pay the lessor/agent by the due date (one month after bill is issued), they are given a notice after 7 days to pay after which they may be given a notice of eviction with 7 days' notice to leave as they are in breach of their tenancy agreement. Effectively they can be evicted within 14 days of a bill being due.

QCOSS is particularly concerned about the experiences of tenants given that tenants are more likely to be lower income and vulnerable households. In an environment of increasing cost of living for essential services, it is important to ensure that every effort is made to empower Queensland's low income and vulnerable households to manage their usage and hence costs of water. Water advice notices at least go some way in allowing tenanted households an opportunity to do this.

Again, thank you for the opportunity for QCOSS to provide input to this Inquiry. If you have any questions about this submission, please contact Rose McGrath, Policy Officer by phone on (07) 3004 6916 or by email at [rosem@qcross.org.au](mailto:rosem@qcross.org.au).

Yours sincerely



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Chief Executive Officer

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