

# MOUNT LARCOM AND DISTRICT CHAMBER OF COMMERCE INC

C/- P.O. Box 128 Mount Larcom 4695

7<sup>th</sup> February 2005

The Chief Executive Officer  
Calliope Shire Council  
P. O. Box 231  
Calliope Qld 4680



Dear Sir,

## RE: SUBMISSION TO QLD COMPETITION AUTHORITY

The Chamber wishes to support the submission from Council to the QCA. The pricing structure which is proposed will severely disadvantage the Mt Larcom community. The exclusion of Mt Larcom from the price equalisation is particularly concerning and hope that Council will include Mt Larcom in this recommendation.

A handwritten signature in black ink, appearing to read "John Moynihan".

John Moynihan  
Secretary.

Mt Larcom Chamber of Commerce  
Post Box 128  
MT. LARCOM Q 4695

9/02/2005

Mr E Hall  
Chief Executive Officer  
Queensland Competition Authority  
GPO Box 2257  
BRISBANE QLD 4001

Dear Mr hall

RE: Gladstone Area Water Board: 2004 Investigation Draft

When one takes the time to go through the QCA draft report it is extremely clear that the long standing effects that the report will have on the township of Mt Larcom are in one word, devastating.

Throughout this submission Chamber will outline the individual social issues we believe need to be addressed by the competition authority before the final report is finalised.

We as a community are extremely disappointed that in being conservative with our water use, we are in fact now being punished in this severe way.

Your report and the effects would force residents into the unenviable position of staying or going. This then brings into the debate the cost of staying as apposed to leaving, how are our elderly pensioners going to be able to manage this.

There is money invested in infrastructure, money invested in homes and there is money invested in business.

### **Effect on the Community**

Any residential development that was going to occur in Mt Larcom has been brought to a stand still by these proposed charges, the value of our homes and business and any Government owned infrastructure has been greatly affected.

**The Mt Larcom primary and secondary school** which has 150 students will be forced to budget to cover water rates. Will this be done at the risk of reducing funding in another sector? (Computer equipment Sporting equipment, Text books Teachers) Surely our children are just as entitled to a sporting field and a free drink of water as the next school.

**The Mt Larcom Bowls Club** which has assets in excess of a million dollars, would have no choice but to disappoint its 150 members by closing its bowling green down and that would mean no social interaction for our comminutes elderly sector. No competition means no way of raising revenue and the asset would become redundant

**Mt Larcom Show Grounds** is one of the last active groups in Queensland. After the disaster that liability insurance caused many societies, we still managed to keep our group together which in itself is testament to the strength this community has. The Mt Larcom show is not just a local show it is attended by many regional residents. Mt larcom show holds the largest section of equestrian events outside of Brisbane, the show grounds are home to a great number of sporting and social groups that will all be greatly affected by the closure of our group. These groups include the local Pony Club, the Silver Spurs, the district Kennel Club. The grounds and facilities are also used by the state secondary schools for there annual equestrian competition, The Variety Club of Queensland, school camps are also held at the grounds as Mt Larcom is so close to the regions attractions, Alcoholics Anonymous hold gatherings, the local SES and Rural Fire Brigade use the grounds regularly

for training purposes the grounds are also used in our emergency and disaster plan.

The Mt Larcom RSL is housed within the show grounds, our small group of return service men, have worked very hard to develop there wonderful building and gardens. A decision like this will destroy the place that they themselves have put so much time and effort into.

**Mt Larcom QCWA** have an extremely active group here, they own there own premises in which they are responsible for maintaining. The Queensland Country Women's Association have already been forced to close so many hard working branches over insurance cost that to have to close this one over water charges seem unbelievable.

Mt Larcom QCWA also has one of the biggest younger set groups in the state in which the girls meet at the local hall once a month, there are craft days held in the hall for locals, the hall is also part of the community's local disaster plan.

**Mt Larcom Ambulance** has two permanent officers, the station has under gone an upgrade in the last few years, with the proposed charges set to change the population, we place this great resource at risk of being cut back to an unmanned station.

**Mt Larcom Police Station** has one permanent officer who lives in the town with his family. The overall effect on all government departments in Mt Larcom would be finale as no town, no service.

### **BUSINESS**

Mt Larcom currently has a caravan park, a rural produce and hardware store, a cafe and collectables, a newsagent, a hotel a service station and a post office and transaction centre.

The business in Mt Larcom would be unable to survive if they had to pay the proposed water price but we would probably be unable to sell our business either.

## **COUNCIL**

The Calliope Shire Council has a range of assets owned in Mt Larcom the biggest effect would be felt with the closer of our local pool. The council also own a youth centre, a skate park, tennis courts and a rural transaction centre with the capacity to deliver service in many different ways. This building serves as the community library and post office, in which all bills can be paid, it has a medicare self help desk, it acts as the local centre link office. It can process transactions for over 70 different banking and credit institutions, it takes the local hall bookings and all photocopying and council bills can be paid. This building is very new, but it needs a community to be of service.

## **WATER DEMAND ESTIMATES**

Mt Larcom Chamber members find it very difficult to believe that the projected future water use for Mt Larcom is going to remain at the same level for the next 20 years. The projected figures the QCA have used allow no growth to occur. We as citizens would like to refute this idea as the town has grown slowly over the last 10 years. - We suggest that these homes would have to represent a rise in water use.

## **QUESTIONS**

Chamber would like to question why the QCA have not included a detailed social impact study to accompany there draft report, as we feel it is reports like this that are responsible for KILLING rural Australia.

Chamber would also like to question the QCA on what grounds they have used to make the assumption that Mt Larcom is not part of the Calliope Shire " The recommendation on page 43 states that the pooled price should be maintained for the two councils. If this is correct why does your letter include a separate price for Mt Larcom?" Quote Calliope Shire Submission to the QCA draft report.

Chamber questions if the actual price of 1.34k\litre is what Council is currently charged for water that leaves the Yarwun water treatment plant, than how can an extra cost of \$7.52 k\litre be justified to travel water approximately 15kilometers to delivery point at Mt Larcom.

Chamber also questions the draft report on the assumption that the Awoonga dams yield is becoming less when in actual fact the capacity of the dam has doubled in 35 years.

Chamber also questions the depreciation calculations used on fixed structures for example the dam. Your report sets out the depreciation over 150 years when realistically the dam will have an extremely long and economical life?

Chamber also question the farness used in calculating depreciation on fixed structures that had high levels of input from industry, and that now have capacity far in excess of what is currently required and indeed what they would be replaced with.

Chamber also questions the QCA on wether or not they have an accurate costing of what current cost are to pump water from the dam to Mt Larcom and how does that price compare to the pricing structure in the draft report.

Chamber also wishes to now what effect did future customers have in the pricing determination in the QCA report. We are concerned that existing customers are at a severe disadvantage because of preparations for new customers ( the raising of the dam wall, the Mt Miller pipe line, the expense of costly pumps to guarantee supply)as all play a large part in the costing calculations.

Chamber would suggest that perhaps the state government should fund excess capacity as a community service obligation because capacity far exceeds what is currently needed.

## **Conclusion**

In conclusion chamber would like to voice its extreme disappointment with the casual way the QCA have delivered this draft. We feel that the devastating effects should this pricing structure be implemented, are lost on the QCA. We hope when finalising your report absolutely all effects are taken in to consideration. Chambers main concern is in getting the QCA to understand all social issues a rise in water costs of this magnitude would do to such a hard working and active community.

Please feel free to contact any member of the Mt Larcom Chamber of Commerce for further comment or discussion.

### **President**

**Karen Wilcocks**

**Mt Larcom Cafe**

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### **Secretary**

**John Moynihan**

**Mt Larcom Ambulance Station**

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### **Treasurer**

**Robyn Rowe**

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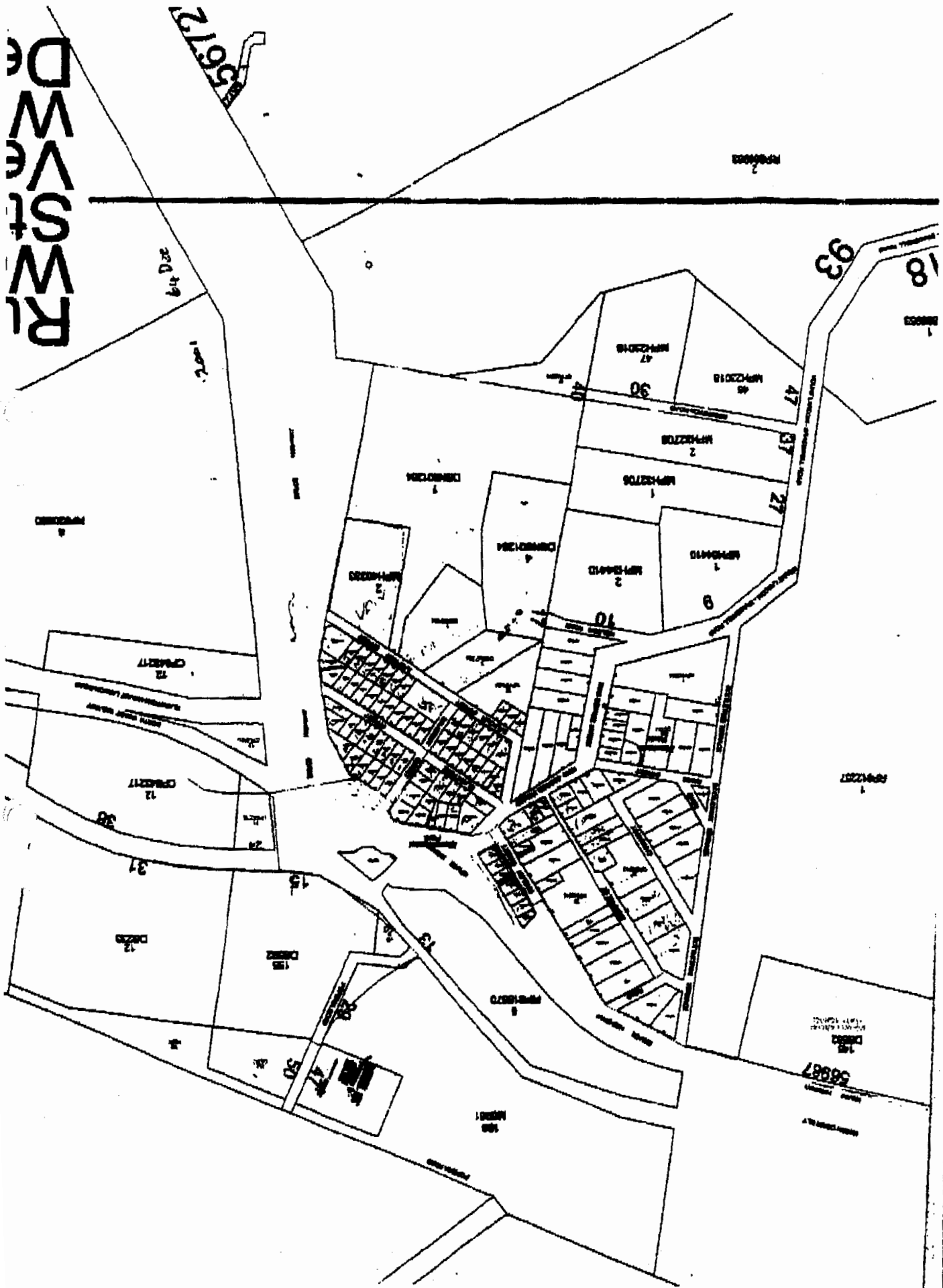
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