

FACSIMILE MESSAGE

Date: 20 03 04

To: Productivity Commission

From: Sam Spitzer

MESSAGE:

Dear Miss Savvides!

Thank you for your letter dated the 17.3.2004. I would like you to be informed that I have been active for more than 25 years fighting against cross-subsidies for charges like water-land tax etc. I am forwarding to you samples of correspondence I had in the past regarding unfair water charges in Sydney.

Please take on board, that my pressure has forced the Greiner Government to establish the: Government Pricing Tribunal. My enclosed submission dated the 11/9/1992 was almost fully accepted by the tribunal in making their decision. (There were 200 submissions.) I hope that your Board Team will have time to read the enclosed, to ascertain where I am coming from. Whatever the Board's deliberation will be all new charges should be fair and equitable .

Everybody is using Police-Health-Education therefore everybody (except pensioners) should contribute.

I remain,

S Spitzer

The Hon. Mr. N.F. Greiner M.P.
Premiers Department
State Office Mock
Philip St.
SYDNEY 2000

Sam Spitzer
BONDI JUNCTION
NS.W. 2022

19/1/1990

Dear Sir!

Enclosed find copies of letters I have written to Mr. Moore and Mr. Carr . I am very disappointed that your Government was unable to implement your election promise to abolish the A.A.V. as a vehicle to extract monies from non-residential property owners.

It is obvious to me that the "Users' pay" principle has been put on the backburner!

We can all see that the Leader of the Opposition is trying to make political mileage out of every issue which arises. The media is having a field day nearly every day. The Government has so far failed to inform the public what is happening. Almost nobody knows anything about the cross-subsidy which still exists and unless the Government is willing to inform the general public about the facts, us, the victims will continue to suffer.

I hope you will implement the undertaking you made regarding the Water charges.

Awaiting your reply

Sam Spitzer

The Hon. Mr Tim Moore M.P.
NSW. Min, for the Environment
Level 9,
8-18 Bent St.
SYDNEY 2000

KEZIK Pty Ltd
BONDI JUNCTION
NSW 2002

19/1/1990

Dear Sir!

Further to the letter I have written to the Premier on the 31 /8/88, wherein we are objecting to the method your Department is using to collect Water Rates for non-residential properties, the Premier informed us on the 7/10/88 that you will attend to this matter.

I wish to inform you that after dozens of phone calls I succeeded to extract a reply. I was very shocked when I found that the letter forwarded to me on the 2/6/89 (Ref.: 206/10930.66) was not written by you, but by your Senior Policy Adviser Wendy Baron (a person not responsible to the voters)! This letter was not a reply to my request, but Miss Baron was lecturing me, claiming (amongst other things) how lucky we are, because matters could be worse! (It is a great pity that Ceausescu did not know about this person, she could have served him well).

I would like to remind you that before the last election your Party undertook a promise that when elected, you will introduce the "Users pay" system in relation to Water and Sewerage charges. I would like to remind you also that the Minister in the previous Government, Mrs.Crosio promised to abandon the AAV in her letter to us (dated the 29/4/87). In other words, it was Mrs. Crosio and not your Government who introduced whatever small reform existing at present.

Recently I received a book (published by the Office of the Leader of the Opposition) under the heading: “Greiner's 150 Broken Promises”. Going through the pages I was astonished that the author does not mention a single word about your Government's pre-election promise and undertaking to abolish the AAV as a money extracting method to a certain section of this community.

It is interesting to see that when it comes to cheap and easy money, both you and your colleagues from the Opposition are one, and this “spiel” of Government and the Opposition is nothing more than a dirty confidence trick. In a court case No. 30386 of 1986 KEZIK v The Valuer-General, the presiding chairman suggested that we turn to the Government and the Opposition with the request to introduce legislation to abolish the out of date Valuation of Land Act 1916.

The AAV has nothing to do with the water usage and it should be therefore wiped altogether. Everybody should realize that:

- (a) the 1,200,000 residential property owners are not all paupers ;
- (b) not all of the 60,000 non-residential property owners are high-flying millionaires.

Of course a person would have to be ignorant not to take into consideration the needy cases in the residential sector, but small and medium sized companies are not all in Martin Place.

I expect you to challenge the present Opposition to solve this long overdue problem along non-party line.

Expecting your personal reply,
I remain

S. Spitzer

Copy to : 1. Mr. N, Greiner, Premier
2. Mr R Carr, Leader of the Opposition

THE CHAIRMAN
GOVERNMENT PRICING TRIBUNAL
GPO BOX 3400
SYDNEY 2001

S. SPITZER
BONDI JUNCTION
NSW 2022

11/9/1992

MATTER NO.: SRI/92/1

Dear Sir!

Further to my letter dated the 13/7/92 I submit a proposal to your Tribunal for the changes required for a fairer system to charges levied at present by the Water Board.

The Board raised in 1991/92 some \$1,200 million in revenue:

\$ 260 M from WATER USAGE

CHARGES

\$ 940 M from

AVAILABILITYCHARGES \$1200M in
total

USAGE CHARGES:

I have no objection in this regard as the users pay system is in principle correct, whether the different pricing is right or wrong, it is a matter for experts to decide.

My request today, is as before, that is the immediate and total elimination of the AAV and this is to be replaced by the *meter size availability system*, mainly as far as the future charges for non-residential users are concerned :

Proposal : The present 50% cross-subsidy should be replaced in the following manner :

1. The non-residential sector (of some 60,000 plus) should be charged \$300 M

p.a.

2. The residential sector should be divided into 2 categories :

(a) no increase for approx. 165,000 to 200,000 disadvantaged users like pensioners or similar (contribution of this group stands at present at \$76 M p.a.)

(b) 1 million householders should pay \$580 M p.a.

Replacement of the AAV for non-residential sector

I propose that the *meter size system* from 20 mm to 300 mm to be a guide for charges of availability for this sector!

In summary, I am setting out how revenue should be collected evenly in all categories :

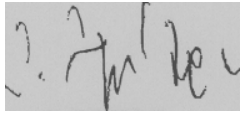
200,000 pensioners	at \$380.- p.a.	\$76 M
1,000,000 remaining householders	at \$580.- p.a..	\$580 M
60,000 non-residential (subject to meter size grading)	at \$5,000.- p.a. (average)	\$300 M
Water Usage Charges		\$260 M
<hr/>		
Total Revenue		<u>\$1 ,240</u>

This adjustment should achieve a certain degree of fairness and will avoid (we hope) a repetition of a situation when 200 people (mainly breadwinners) were sacked at ICI and one of the reasons given for the above was the abnormally high water charges!

If Government and Opposition decide to take the issue of Water charges out of the Political Football Arena, then I feel that our elected representatives will make a good service to the community as a whole.

In the event that my proposal has merit, it would be reasonable to give this system a three to five years trial, giving the Pricing and Revenue Management of the Water Board time to plan for eventual further improvements to eliminate this cross-subsidy once and for all.

I remain

A rectangular box containing a handwritten signature in black ink. The signature is cursive and appears to read "S. Spitzer".

S. SPITZER.