

18 October 2010

Water dirt cheap in New Zealand

Findings from a study that alcohol is now cheaper than bottled water in some instances provides a pretty meaningless comparison, as water is normally charged out at less than a cent per ten litres by utilities in New Zealand, says the representative body for the water industry.

Water New Zealand's chief executive, Murray Gibb said drawing a comparison between the price of alcohol and bottled water was a bit like comparing an average car with a big new Mercedes. He was commenting on a University of Otago study released last week.

"The great bulk of the water that is consumed both domestically and in hospitality outlets comes from taps, not bottles."

"Tap water is dirt cheap in New Zealand. Utilities typically retail it for under a dollar a tonne, which works out at less than one cent for ten litres, the equivalent of about a hundred standard glasses of wine.

"Because it is so cheap the great majority of hospitality outlets supply tap water to their customers at no charge. Charging customers for tap water would be the exception to the rule in restaurants and pubs."

"Bottled water is an expensive alternative to tap water and can be pricier than petrol. The bulk of the water supplied into our reticulated networks in New Zealand is potable, of high quality and is compliant with internationally agreed standards," said Mr Gibb.

"The fact is that because reticulated water is so cheap in this country we don't appreciate or value it sufficiently. Figures for domestic water use in New Zealand's largely unmetered supplies are much higher than international benchmarks."

"Countries like Germany have got their domestic consumption down to 100 litres per person per day through effective demand management strategies," he said.

By comparison a recent review undertaken here by the Office of the Auditor-General pointed to significantly different domestic rates of consumption between metered and unmetered jurisdictions.

In Tauranga and Nelson for example where residents are metered, domestic consumption is below 200 litres per person per day."

In the unmetered Kapiti Coast the figure is between 400 and 700 litres per person per day, in Christchurch 435, and in one unnamed Central Otago town up to 1169 litres.

Mr Gibb said these figures speak for themselves. Metering and volumetric charging is a proven and effective demand management tool."

Ends

386 words

Contact:

Murray Gibb

Chief Executive

0274 916 956