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Media release

Allconnex committed to working with councils

Allconnex Water is disappointed by Redland City Council's decision on 8 August to withdraw from Allconnex, however we respect their decision.

The decision by Gold Coast City Council on 25 July to opt-out of Allconnex means that yesterday's decision by Redland City Council was not surprising.

Redland City Council has said that its initial preference was to stay with Allconnex, however this week's decision was a direct result of the Gold Coast City Council's vote to take two-thirds of the water business back to the Gold Coast.

Ratepayers across the three councils will not be able to benefit from the economies of scale that Allconnex would deliver.

Individual councils have no way of being able to provide water and wastewater services at a cheaper price than Allconnex Water.

By the end of the 2010-11 financial year we had instituted a range of operational and capital plans that would save almost \$500 million within our first five years due to economies of scale. In 2010-11 alone, we delivered more than \$200 million in capital work savings compared to the original budget inherited from council water businesses.

Our focus is now on an orderly transition of water businesses back to councils as required by the end of June 2012.

Allconnex has established a transition project management team that will work with the three councils to determine the way forward.

The welfare of all our employees continues to be a priority. Allconnex employees employed on awards, enterprise agreements and common law contracts are covered by the protections contained in the Workforce Framework. This includes employees who joined the organisation after 1 July 2010.

Allconnex will continue to deliver high-quality water and wastewater services to customers in the Gold Coast, Logan and Redland areas for as long as required.

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