



4th May 2004

Christchurch City Council
PO Box 237
Christchurch

Attention: Mr B Henderson

Re Reference: WS-003-003-3

Dear Sir

In reference to your recent advice on the proposed water supply charges we would like to make the following submission through the Draft Community Plan.

Taylors is a specialist commercial laundry business that has a relatively low capital value. It is our understanding that the new method of calculating water allowances is based on capital value rather than industry specific. We are similar to a number of other small laundry operations in the region. Our issue is that we will be asked to compete with large hotels with very high capital value and as a result will be severely penalised when it comes to allowances. Our main source of income is from hotel linen hire where we compete directly with hotels that either do their own, or contract out to other hotels, motels or restaurants to generate income. We both service the growing tourism market within the Canterbury region and provide employment for similar numbers of staff relative to business activity.

Similarly the Canterbury District Health Board with high capital value would have an allocation calculated accordingly. They compete in the same markets and would have an unfair commercial advantage simply because they are part of a significant "business".

The above points quite clearly indicate that there are major anomalies in the proposal that offer unfair commercial advantage to larger capital-intensive businesses over small specialist operations. We will in fact be asked to pay a 15% increase on excess water charges set on a lower base as a result of capital value.

Whilst a number of factors impact water usage within our laundry businesses we can quite clearly show that the current method of charging results in water charges very similar to other regions in which Taylors operates. Any increase would in fact make it more expensive.

We ask for a serious review on the method for allocating allowances and the charges that are applied to specialist businesses that may be unfairly penalised.

Please don't hesitate to contact me to clarify any of the above on 03-348-8529 or e-mail bburke@spotless.co.nz.

Yours Sincerely

Bill Burke
Southern Region Manager