

WATER BOARD TO RUN DRY IN 2017

**FACES RS.9 B LOSS
IF WATER TARIFFS
NOT AMENDED**

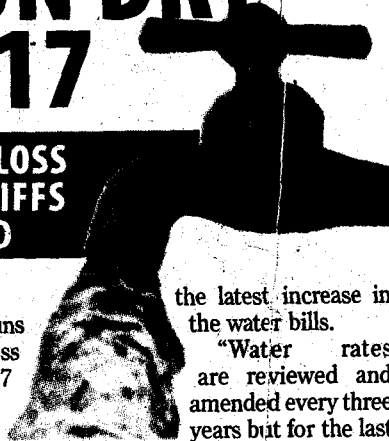
ZAHRAN IMTIAZ

The Water Board runs the risk of accruing a loss of Rs 9 billion in 2017 if water tariffs are not amended, Minister of Water Supply and Drainage, Rauff Hakeem said yesterday.

The minister who attended the weekly cabinet briefing at the Parliamentary Complex explained the reason behind

the latest increase in the water bills.

"Water rates are reviewed and amended every three years but for the last four years, prices were not increased," Hakeem said. The Water Board recently announced a 30 per cent hike in water prices but given public opposition to the increase, **TO PAGE 03**



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the President appointed a three member Cabinet sub committee to reconsider the increase.

"We can revise our amendments but then the Treasury has to support us with the losses incurred", said the Minister.

He explained that the overheads and maintenance costs had considerably increased over time and with plans to provide the remaining 55 percent of the population with pipe borne water, the Water Board would need to soon find the money to foot the bills.

"It costs the Water Board approximately Rs 500,000-600,000 to supply water to a single house. We do not get money from the Treasury for

this. All maintenance and repair work too has to be undertaken by us. At present water usage costs Rs 18 per day but we spend Rs 48 per cubic meter on water supply per day", he explained.

According to the Minister, a family of five used close to 15 cubic metres of water per month which used to cost Rs 310. This price was proposed to be increased to Rs 540.

While he explained that in South Asia, Sri Lanka charged the lowest for water, this also had led to people not taking measures to conserve or value the water more.

"The recent droughts showed the increased demand for water and the struggle we had to undergo to find

water," Hakeem said. He further promised that if water tariffs were to be increased, they would exempt Samurdhi beneficiaries from paying the added cost.

"Next year we plan to spend Rs 300 billion on infrastructure to provide more people with pipe borne water. By 2019 we plan to spend Rs 150 billion to provide 90 percent of the residents in Anuradhapura and Polonnaruwa with pipe borne water. With all these capital expenditure, the Water Board cannot go on without a price increase. We also spend the highest on maintenance when compared to other utilities. These things need to be taken into account", said the minister.