

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 127
Hearing: Supplementary Budget Estimates
Outcome: Outcome 4.2
Programme: Commonwealth Environmental Water Office (CEWO)
Topic: Water Licensing
Hansard Page: N/A
Question Date: 04 November 2015
Question Type: Written

Senator Xenophon asked:

1. Does the scoping study investigate the risks of water prices rising due to being a tradeable commodity?

Answer:

The 'Scoping study into the potential role of water market intermediaries in the trade of Commonwealth environmental water' commissioned by the Commonwealth Environmental Water Office (CEWO) does not investigate the risks of water prices rising due to being a tradeable commodity. The study was commissioned by the CEWO to review the market mechanisms offered by water market exchanges and other intermediaries for the purchase or sale of allocation (temporary) water. The study also investigated the cost-effectiveness for the potential use of water market intermediaries by the Commonwealth Environmental Water Holder.