

# Australia's Urban Water Management

## Government Members Report

1.1 Although agreeing with much of the Committee's report, Government Members of the Committee have the following comments to make in relation to the recommendations for change made by the Committee. Most of these comments reflect the Government members' view sustained by evidence given to the committee that solutions to Australia's water problems, especially in urban areas, must be developed and implemented at the local level.

1.2 The evidence received during the inquiry amply demonstrates the fact that differences in climate, infrastructure, water sources, consumption patterns and receiving environments, all require individually tailored solutions. By necessity therefore, this must be the task of State and Territory governments working closely with local government. The role of the Commonwealth is, as stated by the Commonwealth's Environment Australia, one of leadership and coordination – not direct administration and control.

### Comments in relation to the Committee's General Recommendations

#### *Recommendation A*

1.3 The Commonwealth is already taking a leading role in managing urban water more sustainably through the COAG Water Reform process, which is achieving many of the goals that are sought, as well as through its development of a Coastal Policy – where it is very actively seeking the cooperation of the States.

#### *Recommendation B*

1.4 A national approach to overcome jurisdictional barriers to better practice is being taken through the COAG National Competition Policy.

#### *Recommendation C*

1.5 More research into urban water management would be valuable, but there is no reason that this should not be administered by the States, who are better placed to direct research to local priorities and ecosystems. Nevertheless, as the Report demonstrates, the Commonwealth has already taken a proactive role in directing national research, through the highly successful Cooperative Research Centre program, and the Natural Heritage Trust, with guaranteed expenditure of some \$350 million on water quality issues. As the Committee saw during the inquiry, urban regions around Australia have successfully applied for funding under this program and have used the funds to create many of the country's leading examples of water efficient design.

### ***Recommendation D***

1.6 The Commonwealth has for some time been leading the process of enhancing awareness of the environmental issues associated with water management.

### ***Recommendation E***

1.7 Reform in the area of water pricing is being led by the Commonwealth, and there is action on a number of fronts. COAG has already achieved major institutional reforms that are driving more efficient use of both water and funds, and which will increasingly ensure that the **cost** of water reflects its true **value**. The Commonwealth will continue to lead the process of establishing water rights, which will underpin the development of water markets, through which the value of water will be established. The suggestion that the revenue generated by higher prices be used to improve performance of water management systems (and particularly their environmental performance), is a matter for the States in their role as managers of the water markets.

### ***Recommendation F***

1.8 The principle of environmental, economic and social sustainability is already accepted and well established, and is the foundation for the COAG reforms. The achievement of sustainability is also the clear policy that underpins the Natural Heritage Trust, and the National Action Plan for Salinity and Water Quality.

## **Comments in relation to the Committee's specific recommendations**

### ***Recommendation 1 – The National Water Policy***

1.9 Government Senators do not agree with the recommendation to create a National Water Policy. Developing further levels of policy in an already 'policy rich' environment would do nothing to enhance urban water management.

### ***Recommendation 2 - National Water Partnership Framework***

1.10 Although agreeing with the need for many of the tasks identified in the Committee's recommendation 2, Government Senators do not agree with the recommendation to create a National Water Partnership Framework. There is already a proliferation of institutions managing water, and institutions already exist at the national level to carry out the tasks listed, principally COAG and the Ministerial Councils, while the Regional Organisations of Councils are fulfilling similar roles at the regional level.

### ***Recommendation 3 – Setting targets***

1.11 Government members support many of the ideas in the Committee's recommendation 3, but note that many of these issues are already being addressed by existing initiatives under the National Action Plan on Water Quality and Salinity, the National Water Quality Management Strategy, and to a lesser extent, National

Environment Protection Measures. At the same time, Government Senators stress that detailed standard setting is most appropriately done at the State and local level, given the huge variability of conditions across Australia.

### ***Recommendation 4 – Setting standards***

1.12 Government members support many of the ideas in the Committee's recommendation 4. The concept of nationally uniform minimum standards for water efficiency in all new buildings, and buildings undergoing major refurbishment, is also attractive. Our understanding is that a number of States are already headed in this direction.

### ***Recommendations 5 & 6 – Better monitoring, reporting and data***

1.13 Government Senators agree with the importance of many aspects of the Committee's recommendation 5, but again, stress that they are being, or could appropriately be, done by existing institutions, such as the National Land and Water Resources Audit in cooperation with relevant Cooperative Research Centres, and, in the case of the Committee's recommendation 6, COAG.

### ***Recommendations 7 & 8 – Funding and financing better water management***

1.14 The Commonwealth is already heavily engaged in funding research into reuse and recycling. Examples include:

- development and support for the Cooperative Research Centres program;
- the feasibility work for the City to Soil/Darling Downs Vision 2000 project in Queensland, which has had strong financial support from the Commonwealth;
- the strong support for the Virginia Pipeline project in South Australia;
- the Memorandum of Understanding with Queensland on establishing water quality standards for the Great Barrier Reef; and
- the National Action Plan on Water Quality and Salinity, which will include major investment in research and on-the-ground actions over the next five years.

1.15 The issue of urban water pricing is one of the key elements of the COAG competition policy reforms and the move towards metering and two-tiered tariffs. Consequently, making the price of water more closely reflect its cost is already well advanced.

1.16 The issue of a levy, however, on top of full cost recovery is not supported. In relation to many of the points raised here, considerable Commonwealth money is already being applied through the NHT, particularly in catchment protection and rehabilitation, and the repair of natural waterways and wetlands.

***Recommendation 9***

1.17 Government members support the recommendation that the Commonwealth adopt a strategy of progressively upgrading all Commonwealth buildings to a high standard of water efficiency.

***Recommendation 10***

1.18 Government members support the recommendation that the Joint House Department be provided with funding to enable the fitting of dual flush toilets and water efficient shower roses throughout Parliament House.

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Senator for New South Wales

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Senator for Victoria