

Inquiry into National Water Commission (Abolition) Bill 2014
Answers to written questions on notice from hearing on 4 November 2014
Received from the Department of the Environment
14 November 2014

- 1. Before the budget, the National Water Commission had 41 staff. From this starting point, can you outline the roles that are being transferred and the responsibilities of each of these roles in the new arrangements. Can you also outline the roles, responsibilities or projects that have ceased since the budget or will no longer be performed.**

On Going Functions

- The Productivity Commission will be responsible for the triennial assessment of progress towards achieving the National Water Initiative objectives as a statutory function, as well as the biennial National Water Planning Report Card produced under the triennial assessment. The first triennial assessment must be completed by 31 December 2017, with subsequent assessments to be conducted on an ongoing triennial basis.
- The Productivity Commission will also have responsibility for the independent audit of implementation of the Murray-Darling Basin Plan and associated water resource plans as a statutory function. The first Basin Plan audit will be referred to the Productivity Commission by 31 December 2018, with subsequent audits to be conducted on an ongoing five-yearly basis.
- The Department of the Environment will be responsible for assessing milestone payments to Murray Darling Basin states against the performance milestones specified in the National Partnership Agreement on Implementing Murray-Darling Basin Reform.
- The Department of the Environment will determine whether States or Territories have adequately implemented their National Water Initiative (NWI) commitments to manage water interception by plantations and advise the Clean Energy Regulator accordingly, as required by the *Carbon Credits (Carbon Farming Initiative) Regulations 2011*.
- The Department of the Environment will be responsible for the development of an annual water markets report.
- The Bureau of Meteorology will work with state and territory governments and the water industry to continue the National Performance Reports for the urban water sector.

Non Ongoing Functions

- Risk assignment function - Subsection 74A(4) of the Water Act provides the Minister (currently the Parliamentary Secretary to the Minister for the Environment) with discretion to seek advice from the NWC when considering whether to make or revoke a determination under the risk assignment framework.
Function no longer required as no further determinations can be made under the risk assignment framework, the Government does not intend to revoke any existing determinations, and the Minister may already seek advice as required from expert parties.
- General work promoting the NWI and national water reform - Statutory function under paragraph 7(d) of *National Water Commission Act 2004* (NWC Act).
Although it is not intended for these functions to continue, the Department of the Environment will continue to promote the NWI as required to achieve their desired outcomes.

- Urban futures function - Paragraph 7(d)(i) of NWC Act.
Department of Environment will support any further urban water reform work agreed through Commonwealth-state processes.
- General advisory function - Statutory function under section 7 of NWC Act, which allows the NWC to advise and make recommendations if requested by the Commonwealth Minister (Parliamentary Secretary) in relation to any Commonwealth program that relates to the management and regulation of Australia's water resources, and the NWC's functions under the NWC Act.
The Department of the Environment will continue to provide advice on any water related matters requested by the Parliamentary Secretary
- General assessment function - Statutory function under NWC Act, which allows the NWC to undertake assessments relating to the NWI.
Although it is not intended for these functions to continue, the Department of the Environment will continue to promote the NWI as required to achieve their desired outcomes.
- General monitoring function - General statutory function monitoring areas that are significant for achieving the outcomes and objectives of the NWI (clause 7(1)(d)) of NWC Act.
Although it is not intended for these functions to continue, the Department of the Environment will continue to promote the NWI as required to achieve their desired outcomes.
- General analysis and reporting function - Statutory function - at the request of COAG, the NWC may conduct studies, analyses and reports in relation to matters of national significance relating to water or the COAG water reform framework (paragraph 7(1)(i), NWC Act).
The Department of the Environment will continue to provide advice on any water related matters requested by COAG.
- General audit function - Statutory function - if requested by COAG, the NWC may conduct audits to determine whether NWI parties are implementing their commitments under the NWI and the effectiveness of that implementation (paragraph 7(1)(a)(ii), NWC Act).
Although it is not intended for these functions to continue, the Department of the Environment will continue to promote the NWI as required to achieve their desired outcomes.

2. I understand that the Bill requires the records of the NWC to be transferred to the Department of the Environment. What type of records are involved? Will the Productivity Commission have access to all of them? What form are the records currently in and what costs will be involved in making them compatible with Departmental and Productivity Commission systems?

- Reports, publications and documents on the Commission's website will be accessible through the Department of the Environment web page.
- Under Part 3 of the National Water Commission (Abolition) Bill 2014 (the Bill), any records in the possession of the NWC immediately prior to 1 January 2015 will be transferred to the Department of the Environment following the NWC's closure. This will ensure that the NWC's records are preserved appropriately and handled in accordance with the requirements of the *Archives Act 1983*.
- The Department will ensure that the Productivity Commission (PC) has full access to former NWC information relevant to the Basin Plan audit and triennial assessment

functions, subject to relevant data and privacy legislation. The Department notes that the Bill also provides that the Parliamentary Secretary may make binding rules in relation to transitional matters. Rules in relation to information sharing between the Department and the PC could be made if necessary to facilitate PC access to relevant NWC records.

3. The National Water Commission's 2013 – 2016 Strategic Plan outlines four goals:

- **reliable, credible, transparent and trusted monitoring and assessment of progress toward improved water management outcomes by all governments**
- **high-quality, independent and influential advice to all governments and the community**
- **leadership by raising the profile of water management and by communicating a clear position and direction on reform issues**
- **a national forum for brokering knowledge and facilitating leading practice water management across governments and non-government stakeholders.**

Will all these functions be continued in the new arrangements? If so, how and by which organisation?

- The Productivity Commission and the Department of the Environment will continue to strive to meet the outcomes expected of the Australian government in relation to being providers of advice, leadership, knowledge sharing and independence across the water environment. The goals that the National Water Commission outlined in their 2013-2016 strategic plans remain current, and will continue to be addressed by the allocation of functions as detailed in the current Bill.