

Inquiry into National Water Commission (Abolition) Bill 2014

Answers to questions on notice from hearing on 4 November 2014

Received from Australian Water Association

7 November 2014

Following the Committee's public hearing into the National Water Commission (Abolition) Bill 2014 on 4 November, Senator Urquhart has requested that the following question on notice be forwarded to the Australian Water Association. If possible, we would appreciate a response by Wednesday, 12 November 2014.

- **Can you elaborate on your comments regarding the performance benchmarking test for rural water utilities? What were these tests and when and why were they discontinued? How is or will this disproportionately affect rural and regional areas compared to urban areas? Can you give specific examples?**

Please find AWA's response below:

The National Performance Reports were a key outcome of the National Water Initiative, which required all governments to report annually and publicly on the performance of urban and rural water delivery agencies for the benefit of the community and stakeholders. The latest rural report (2012-13) covered data from eleven rural water service providers (WSPs), including eight of Australia's largest rural providers.

State and Territory Government Agencies form a roundtable to lead the NPR process for both urban and rural, this roundtable is facilitated by the NWC. The rural NPR roundtable did not show support for the continuation of the rural NPR and thus it was ceased due to lack of an ongoing champion. It is speculated that these were discontinued as they showed significantly poorer performance to the urban NPRs, and State and Territory Governments would have been held to account for these poor results.

This will disproportionately affect rural and regional areas as the utilities operating in these locations will not be held to account as much as urban utilities. It will remove peer competition, benchmarking and transparency in the rural and regional space, which is of particular concern with the proposal of increased infrastructure investment in these areas.

I hope this responds sufficiently to Senator Urquhart's question.

Amanda White

National Manager - Communications and Policy
Australian Water Association