

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

Question No: 126
Hearing: Supplementary Budget Estimates
Outcome: Outcome 4.2
Programme: Commonwealth Environmental Water Office (CEWO)
Topic: Water Licensing
Hansard Page: N/A
Question Date: 4 November 2015
Question Type: Written

Senator Xenophon asked:

1. Making reference to Marsden Jacob Associates having been engaged by the Commonwealth Environmental Water Office to undertake a scoping study into services that are provided by water market exchanges and brokers (intermediaries) across the Murray-Darling Basin (MDB) which has been classified as 'commercial-in-confidence' at the request of intermediaries.
2. Does the Scoping consider the behaviour of intermediaries in the pricing of water to be on sold?

Answer:

1. The Commonwealth Environmental Water Office (CEWO) commissioned Marsden Jacob Associates to conduct a 'Scoping study into the potential role of water market intermediaries in the trade of Commonwealth environmental water'.
2. The scoping study did not investigate the behaviour of water market intermediaries in the pricing of water to be on sold to other market participants. 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.