

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Prime Minister and Cabinet Portfolio**

**Department of the Prime Minister and Cabinet**

**Budget Estimates Hearings 2005-2006, 13 February 2006**

**Question: PM 60**

**Outcome 1, Output 1.1**

**Topic: Water Policy**

**Hansard Page: Direct on Notice:**

**Senator Evans asked:**

- 1. In relation to policy on water, what is the division of policy responsibilities between PM&C and Department of Agriculture Forestry and Fisheries and the Department of Environment & Heritage?**
- 2. Is there an inter-departmental committee or working group to co-ordinate policy with Department of Agriculture Forestry and Fisheries and the Department of Environment & Heritage?**
- 3. What is the role of the Prime Minister's Parliamentary Secretary, in relation to water policy? Does the Parliamentary Secretary receive briefings, or is he involved in other ways?**
- 4. In relation to the National Water Initiative objectives in relation to "Urban Water Reform", please outline what steps have been taken to progress urban water reform?**
- 5. How many staff are working on urban water reform? If Consultants are assisting, please detail the number of Consultants and summarise the contract they are working to?**

**Answer:**

- 1. The Department of the Prime Minister and Cabinet is responsible for whole-of-government water policy coordination and policy advice to the Prime Minister and Parliamentary Secretary, and takes a particular interest in matters relating to water markets.**

The Department of Agriculture, Fisheries and Forestry (DAFF) has a broad responsibility in relation to water matters and in particular those issues being progressed by the Natural Resource Management Ministerial Council and the Murray-Darling Basin Ministerial Council, in consultation with the Department of the Environment and Heritage (DEH).

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DEH is responsible for environmental water matters and also has responsibility for Ramsar (international wetlands) commitments, administration of the Water Efficiency Labelling and Standards (WELS) Scheme, the *Environment Protection and Biodiversity Conservation Act 1999*, and the \$200 million Australian Government Water Fund Community Water Grants programme which is administered in conjunction with DAFF.

2. Yes. Water policy is coordinated through the Water Policy Group, chaired by PM&C, which includes senior executives from PM&C, DAFF and DEH.
3. The Parliamentary Secretary to the Prime Minister has responsibility for those aspects of water policy which lie within the Prime Minister's portfolio. The Parliamentary Secretary receives briefings in relation to his particular responsibilities.
4. The Natural Resource Management Ministerial Council (NRMMC) NWI Committee, which includes representatives from state governments, the National Water Commission (NWC) and the Environment Protection and Heritage Council (EPHC), has established a joint steering committee to coordinate and lead the implementation of actions detailed in NWI paragraph 92. The NWI Committee has agreed that the NWC will coordinate a national review of the effectiveness of temporary water restrictions. The NWC is also leading national effort on the NWI pricing reforms. Both of these are linked to the urban water reform agenda. The NWC has also established an Urban Water Advisory Group, comprised of non-government stakeholders, to create an effective link between industry, the community and NWI signatory governments.

The Parliamentary Secretary to the Prime Minister has announced an examination of urban water supply issues for Australia's major cities. This review will consider issues associated with planning for long-term, sustainable water security. Options for achieving water supply security are being augmented by the development of national health and environmental guidelines for recycled water and stormwater. Draft guidelines for recycled water have been drafted by a joint steering committee of the EPHC and NRMMC and a public consultation process concluded. Work on guidelines for stormwater reuse, aquifer storage and recovery, and potable use of recycled water has commenced. Supply-side options are being supported by demand management programmes. The Commonwealth has enacted legislation to implement the Water Efficiency Labelling and Standards (WELS) Scheme, which provides consumer information about domestic water-using appliance efficiency. The Australian Government is contributing \$1.18 million from the Australian Government Water Fund to implement the complementary Smart Approved Water Mark (SAWM) to provide consumer information about water efficient products and services, especially for outdoor use. An EPHC working group has been established to develop options to support implementation of the SAWM.

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5. The number of staff working on urban water reform at any one time can vary. At 31 March 2006, PM&C has the equivalent of two staff working on urban water matters. The NWC has the full time equivalent of three staff working on urban water reform issues, including pricing. This does not include staff in the Departments of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage assisting in work on urban water reform. PM&C has engaged one consultancy firm to assist in the development of a discussion paper on urban water supply.