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 62

Outcome 1, Output 1.1

Topic: Water Recycling

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Senator Evans asked:

- 1. Noting that both the Prime Minister & his Parliamentary Secretary have said they support water recycling and the Parliamentary Secretary has stated he "believed it was safe to introduce into the drinking water stream", what is the Federal Government's policy on recycled water for use in urban areas?
- 2. What is the policy and funding decision making process for proposals such as those from Toowoomba Council?
- 3. If the local community appears divided and the relevant local Council strongly supports it, what assessments does the Federal Government make in deciding whether to co-fund it?
- 4. Given NWI objective 6 in relation to urban water reform, if the science shows recycled water is healthy and safe, what other considerations are being made?
- 5. Is PM&C involved in any way in the assessment as to whether funding will be provided for Toowoomba Council's recycled water proposal? If so, what is that involvement? Please provide details.

Answer:

- 1. Water reform in the urban sector has been a significant element of the Council of Australian Governments (COAG) Water Reform Agenda since 1994. The next phase of urban water reforms relevant to water recycling, as identified in the National Water Initiative, include:
 - pricing policies to stimulate the efficient use of recycled water and stormwater; and
 - measures to stimulate water sensitive urban design.

Current Australian Government policy and initiatives in the area of urban water use and recycling include:

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- implementation of the National Water Quality Management Strategy to assist jurisdictions to provide water of appropriate quality across the water cycle;
 and
- support through relevant Ministerial Councils for the development of national guidelines on water recycling and water sensitive urban design guidelines.
- 2, 3 and 4. The National Water Commission is the body responsible for assessing and making recommendations on projects for assistance under the Australian Government Water Fund. Projects are assessed by the National Water Commission against nine criteria, including social/community impact, outlined in the publicly available programme guidelines.

The Australian Government recently announced its conditional support of \$22.916 million for the Water Futures Toowoomba – Water Recycling Project (the Project) as part of the Australian Government Water Fund. Australian Government support is conditional on:

- A majority of voters in Toowoomba City voting in favour of the proposal to introduce recycled water into their drinking water system in the manner contemplated by the Project at a referendum to be held no later than 30 September 2006.
- The Project must satisfy Queensland Government processes under the Local Government Subsidy Scheme.
- All necessary Queensland Government approvals including health and safety approvals, including the development of a health regulatory regime for indirect potable water reuse are required to be developed to cover this and any future indirect potable reuse proposals in Queensland. The health regime is required to be developed with regard to clause 92(i) of the National Water Initiative.
- Appropriate Gowrie-Oakey Creek system regional plans need to be prepared
 or existing plans modified to take into account reasonable consideration of the
 impact of the project on the downstream water users on Gowrie-Oakey Creek.
 A management plan for the Hampton groundwater aquifer will also be
 required.