

**Finance and Public Administration Legislative Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Prime Minister and Cabinet Portfolio National Water Commission**

Estimates 2005-06 . Supplementary Written Questions June 2005

**Question: PM105**

**Topic: Water**

**Senator Wong asked:**

1. How much money has the Federal Government allocated to on the ground projects under the National Water Initiative?
2. Where has that funding been allocated (State breakdowns)?
3. What is the timetable for the allocation of funds under the Australian Water Fund?
4. What proportion of National Water Initiative funds will be allocated to Northern Australia and what proportion will be allocated to the Murray Darling Basin?
5. How much funding under the National Water Initiative has been allocated to identifying and protecting tropical river systems?
6. I understand that the Prime Minister recently announced \$29 million towards the \$86 million cost of the Mackay waste water recycling project. When will the other States receive their funding? Didn't the Government make a commitment these projects would be announced before the Federal Budget?
7. Did the Australian Water Commission recommend that National Water Initiative funding be tied to the Federal Government's industrial relations agenda and the Construction Code?
8. Was advice sought from the Australian Water Commission on this matter? If not, why not? If it was, what advice did you provide?
9. When did the Australian Water Commission first become aware that National Water Initiative funding would be tied to the Government's industrial relations agenda?
10. When were State and Territory Governments advised that National Water Initiative funds would be tied to the Construction Code or other industrial relations issues?
11. Are you at all concerned that the water reform process will be slowed down because this funding has been tied to unrelated issues?

**Answer:**

1. The National Water Initiative is an intergovernmental agreement between the Commonwealth of Australia and the Governments of New South Wales, Victoria, Queensland, South Australia, The Australian Capital Territory, the Northern Territory and Tasmania. This agreement established both the National Water Commission and established the Murray-Darling Basin Intergovernmental Agreement. At the 2004 election, the Australian Government provided \$2 billion to an Australian Government Water Fund to invest in water solutions for current and future generations.

The \$2 billion Australian Water Fund has been established on the basis that it is consistent with and helps to achieve the objectives, outcomes and actions of the National Water Initiative. The Fund has three programme elements

- Water Smart Australia Programme – funding allocation of \$1.6 billion
  - Raising National Water Standards Programme- funding allocation of \$200 million
  - Community Water Grants Programme – funding allocation of \$200 million. This programme is administered by the Departments of Environment and Heritage and Agriculture, Fisheries and Forestry.
2. This question was answered during the hearing. Refer to page 123 of the Hansard.
  3. The timetable for allocation for programme funding is in table 5.6 of the Portfolio Budget Statement, page 149.
  4. As per answer to question two, there have been no allocations made to regions within and across States under the Australian Water Fund. Funding for the Murray–Darling Basin is the responsibility of the Department of Agriculture Fisheries and Forestry.
  5. No funding has been allocated to date under the Australian Water Fund for tropical river systems. The Government has identified the conservation of high conservation value rivers, including our northern river systems, as eligible initiatives under the Australian Water Fund.
  6. This question was answered during the hearing. Refer to page 123 of the Hansard. Since the Committee hearing further project announcements have been made. On 9 June 2005 the Prime Minister announced a funding contribution of \$55 million from the Australian Government Water Fund for a project in NSW – Achieving Sustainable Groundwater Entitlements for a total Australian and New South Wales government contribution of \$110 million. Groundwater licence holders will make a further contribution of \$50 million towards a total investment of \$160 million to the project. On 24 June 2005 the Prime Minister announced an Australia Government Water Fund contribution of \$188 million for three projects in Victoria which have a total value of \$546.5 million. The approved projects are the Wimmera Mallee Pipeline (\$167 million Australian Government Contribution), Macalister Irrigation District Channel Automation (\$20 million Australian Government contribution) and the Eastern Water Recycling Feasibility Study (\$1 million Australian Government contribution).

7. This question was answered during the hearing. Refer to pages 125 and 126 of the Hansard.
8. This question was answered during the hearing. Refer to pages 125 and 126 of the Hansard.
9. This question was answered during the hearing. Refer to pages 125 and 126 of the Hansard.
10. This question was answered during the hearing. Refer to pages 125 and 126 of the Hansard.
11. No. The water reform process with States and Territories is progressing in line with the requirements of the National Water Initiative.