



A Community Legal Centre specialising
in public interest environmental law

11 November 2010

Inquiry into Australia's Urban Water Sector
Productivity Commission
Locked Bag 2, Collins Street East
Melbourne, VICTORIA 8003

By email: urbanwater@pc.gov.au

RESPONSE TO THE ISSUES PAPER

The Environmental Defenders Office (SA) Inc ("the EDO") welcomes the opportunity to make a submission with respect to the Inquiry into Australia's Urban Water Sector.

The EDO is a community legal centre specialising in public interest environmental law and has fourteen years experience in litigating environmental matters and participating in environmental law reform processes. EDO functions include legal advice and representation, law reform and policy work and community legal education.

Access to water

Access to water and adequate sanitation is a basic human right.¹ Citizens should therefore be entitled to equal access to water services. In this regard, we affirm the comments in the Issues Paper to this effect².

Pricing for water should be structured so that the most disadvantaged in the community are not inappropriately charged for the provision of basic water services. Above a basic level of access however, water should be charged at a premium in order to discourage abuse. Australia needs to encourage conservation of this critical resource, and needs to move quickly to end the current high levels of waste.

It is important that pricing is transparent, otherwise it is unclear whether the water supply is artificially maintained and energy intensive infrastructure such as desalination plants

¹ "Access to safe water is a fundamental human need and, therefore, a basic human right. Contaminated water jeopardizes both the physical and social health of all people. It is an affront to human dignity." Kofi Annan, as United Nations Secretary-General. World Health Organisation, *The Right to Water*, http://www.who.int/water_sanitation_health/rightwater/en/ Further, access to clean water and sanitation was also recently endorsed without opposition as a human right by the UN General Assembly in July 2010: <http://www.un.org/News/Press/docs/2010/ga10967.doc.htm>

² Productivity Commission Issues Paper p26

are built due to contractual arrangements with the water supplier in order to for example, guarantee a certain percentage of water is consumed.

Consideration should be given to allowing water saving and reuse practices to be tax deductible in order to encourage the development of such schemes.

Water restrictions should be in place all year round so that a mind-set of water saving is entrenched in the public. In this regard, the relaxing of water restriction controls in South Australia from 1 December 2010, devalues water.

Regulation of mining and industry

Industry, and in particular extractive industry such as mining, requires more robust regulation of its water access, particularly given the impact on many rural urban centres. While citizens relying on the Murray Darling Basin are currently facing difficult and expensive reforms in order to conserve water, the Olympic Dam mine in South Australia extracts very large amounts of water a day from the Great Artesian Basin at no cost.³ Apart from the unfairness of this arrangement, it has the potential to impact severely on many rural urban centres, should such broad-scale extraction continue to deplete that water resource.

Free-riding by industry, or anyone else, must be actively discouraged. As indicated above, beyond basic human needs, water should be priced at a rate that reflects the sum of both the market demand and the premium necessary to discourage waste and preserve the natural environment. In South Australia, there is some regulation of industrial sites using greater than 25 megalitres per annum, in that such sites must complete a Water Efficiency Plan. However, it is not clear that monitoring or enforcement of these Plans is effective. Further, all industrial use should be regulated.

Water harvesting and reuse

Rainwater

The use of domestic and industrial rainwater harvesting needs to be rapidly expanded. Far more use of rainwater tanks should be implemented. Despite being the driest state, over 50% of South Australian households⁴ have installed a rainwater tank, but industrial rainwater harvesting has not been adequately pursued. If domestic and industrial rainwater harvesting were mandated both in South Australia and in the higher rainfall states, the water savings would be far more substantial.

Storm water

Water re-use in Australia is also currently minimal. Storm water is still largely considered a liability to be disposed of, rather than an asset to be utilised. Further

³ The Conservation Council of South Australia reports that the operators have a license to draw 35 million litres of water from the Great Artesian Basin per day. See Conservation Council of South Australia, *Water in a Changing Climate* (2010) p 6. BHP Billiton does not pay for this water as a consequence of clause 13 of The Roxby Downs (Indenture Ratification) Act 1982 which takes precedence over the SA Water Resources Act 1997 and the Natural Resource Management Act 2004.

⁴ *Water for Good: A plan to ensure our water future to 2050* (June 2010) p24

investigation into the possibilities of Aquifer Recharge and Storage (ARS) should be considered. Such a system allows for the long term storage of storm water, which can be later drawn on in times of drought.

Greywater

Expansion of the use of greywater should also be encouraged. Legislation should be introduced to mandate the plumbing of greywater systems into all new commercial premises and new homes and extensions.

Wastewater

Similarly, the utility of wastewater should be accorded much broader recognition. Facilities to treat all wastewater locally should be mandated for all new housing estates and commercial developments, allowing it to be reused to maintain local parks and gardens. Where possible, existing houses and businesses should also be encouraged to plumb to such a scheme.

If you have any queries please contact Ruth Beach of this office.

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