

Water Reform Submission

April 2026

The human body is composed of roughly sixty per cent water, yet only a small fraction of the Earth's water is readily available for use.

Between what we are made of and what we depend upon lies a narrow margin.

It is within this margin that all systems operate. Before water is captured, treated, priced or regulated, it exists as a condition of life. Economic frameworks help manage this condition, but do not create it. The task is to ensure those frameworks remain grounded in the realities they serve.

Pricing, incentives and visibility

Pricing is necessary, but not sufficient on its own. The system works best when the true cost of water is clear, and what happens to it after use – whether reused, treated, or safely returned – is visible.

In some cases, pricing structures favour scale through lower unit costs. While efficient, this can weaken incentives to conserve or adapt at higher volumes. At the same time, impact is not defined by volume alone. The condition in which water is returned to the system has lasting effects on downstream users and long-term system health.

Better alignment would come from:

- maintaining cost-reflective pricing as a baseline
- making reuse, return quality, and system impacts clearly measured and visible
- separating pricing from social policy, with targeted support where needed

Clear pricing and cost visibility also support timely investment in infrastructure, reducing the risk of deferred maintenance and system failure.

Regional Western Australia – lived reality

From a regional perspective, constraints are structural: distance, scale, workforce limitations, and variable supply conditions. These result in higher per-customer costs and reduced system redundancy.

Pricing alone cannot resolve this. Regional systems are not smaller versions of urban ones – they operate under fundamentally different conditions. Improvements would come from recognising true service costs, using funding models that reflect structural disadvantage, and exploring alternative service models suited to smaller or dispersed populations.

Governance and coordination

The challenge is less about absence of policy than fragmentation. Water systems intersect with land use, environmental management, housing, and industry. Where these are not well aligned, delays, unclear accountability, and weak feedback loops follow.

Strengthening coordination does not necessarily require more complexity, but greater clarity of roles, stronger integration across systems, and more transparent reporting on costs, subsidies, and performance.

Clearer definition and monitoring of environmental outcomes would also strengthen long-term system performance.

Designing for change, not just for today

Water systems are increasingly operating under uncertain and changing conditions. This suggests value in designing frameworks that are not only robust, but adaptable over time.

Rather than relying solely on fixed models or current best practice, there may be merit in approaches that allow for modular development, technology-neutral solutions, and periodic adjustment as new information and capabilities emerge. Early indicators of system stress – environmental or operational – can allow for timely response before larger impacts occur.

Australia's conditions are distinct: geographically vast, environmentally variable, and often resource-constrained at the point of use, including in workforce capacity and availability. Water systems in these environments remain highly dependent on skilled people to operate, maintain, and respond to changing conditions. This suggests that solutions should be designed with these realities in mind, rather than relying solely on imported models or "best practice" frameworks developed under different conditions.

Shared responsibility and system stability

Water is not only shared in its use, but in its consequences. Essential systems rely on more than pricing and regulation alone. They also depend on whether the system is understood, visible, and supported by those within it.

During the COVID-19 pandemic, when transmission dynamics were made clear, people adjusted behaviour in meaningful ways. When individuals could see how their actions connected to community outcomes, small changes – masking, distancing, testing – contributed significantly to collective resilience.

The same principle may apply to water. When people can see how their actions connect to system outcomes, small changes in use, reuse, or care can contribute meaningfully to long-term resilience.

Essential systems are not well suited to contest or blame. They depend on continuity, shared understanding, and care – because their failure is borne by all.

Closing

Water has always shaped where and how we live. As conditions change – environmentally, socially, and economically – the task is not only to manage water efficiently, but to ensure the systems built around it remain aligned with the conditions they depend upon. Some things must remain steady for everything else to work.

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