



Towards Equitable Access to Clean Water and Sanitation for All South Australians

SACOSS Discussion Paper

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Towards Equitable Access to Clean Water and Sanitation for All South Australians

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About SACOSS

The South Australian Council of Social Service (SACOSS) is the peak non-government representative body for health and community services in South Australia, and has a vision of Justice, Opportunity and Shared Wealth for all South Australians.

SACOSS does not accept poverty, inequity or injustice. Our mission is to be a powerful and representative voice that leads and supports our community to take actions that achieve our vision, and to hold to account governments, business, and communities for actions that further serve to disadvantage South Australians in vulnerable circumstances.

SACOSS aims is to influence public policy in a way that promotes fair and just access to the goods and services required to live a decent life. We undertake policy and advocacy work in areas that specifically affect disadvantaged and low-income consumers in South Australia.

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1. Introduction

Access to clean water and sanitation is a fundamental human right, with Australia a signatory to the United Nations Sustainable Development Goal 6 (SDG 6) to *ensure availability and sustainable management of water and sanitation for all*. In a state with low and variable rainfall, South Australia faces particular challenges around managing a reliable and secure water supply. While there has been some progress towards achieving SDG 6, the current national and state-level policy settings impede the full achievement of this goal. This discussion paper attempts to map existing water-related policies, monitoring frameworks and activities in South Australia to identify gaps and opportunities to deliver on SDG 6.

Several publications have highlighted the lack of access to safe and adequate drinking water and sanitation in remote areas of Australia as a key and ongoing issue. For example, while National level data suggests that 99 per cent of Australians have access to safe drinking water, this statistic hides the extent of issues in regional and remote areas given the data only covers urban water service providers with over 10,000 customer connections (BOM, 2020a). Beyond SA Water, who are the major provider of drinking water supplies across metropolitan and regional areas in South Australia, this does not fully capture small-scale water retailers¹ who collectively provide drinking water service to approximately 5,600 customers and sewerage or community wastewater services to approximately 99,100 customers in the state (ESCOSA, 2020b).

As noted by the Australian Water Association (2016, p. 12) in their Water Security for all Australians discussion paper:

“While urban water standards remain high across Australia, there remains a need to confront the lack of progress of rural, regional and remote water quality in some parts of Australia. Associated with this is the need to focus on regional infrastructure and advocating for significant attention and investment to ensure compliance with the ADWG² in all areas of Australia.”

Water monitoring in South Australia is the responsibility of a number of organisations, each serving a different purpose and focus (e.g. enforcement and compliance, demand/supply planning, informing operational and management decisions) (Geraghty and Barratt, 2012). This makes a holistic approach to addressing equitable access to safely managed water services challenging. In particular, the lack for robust, fit for purpose, publicly available data and information has been consistently noted as a barrier to meeting commitments under frameworks such as the National Water Initiative (NWI) and the UN Sustainable Development Goals (SDGs) (DFAT, 2018c).

¹ This Paper refers to small-scale water retailers and Minor and Intermediate Retailers interchangeably

² Australian Drinking Water Guidelines

This discussion paper aims to address this gap, by assessing national and state-based monitoring, reporting, and auditing frameworks for equitable access to clean water and sanitation. The paper is intended to stimulate discussion around strategic policy development and decision making around water monitoring and investment in South Australia.

In summary, the objectives of this discussion paper are to:

- Evaluate the alignment of existing governance and policy frameworks for providing access to safely managed water and sanitation in South Australia;
- Map and assess existing data sources and monitoring frameworks to help establish a baseline around equitable access to clean water and sanitation to identify potential data gaps; and
- Inform discussions to better coordinate efforts to meet goals around equitable access to clean water and sanitation

SACOSS considers this a working document and welcomes any discussion or feedback on matters raised in the paper. The discussion questions throughout the paper are intended to prompt and guide thinking, noting that feedback should not be limited to these areas.

2. Background

2.1 UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are part of the 2030 Agenda for Sustainable Development and were adopted in 2015 by UN member states including Australia (UN, 2015). The SDGs are intended to address social, economic and environmental challenges and promote a sustainable future where ‘no one is left behind’ (UN, 2015). Each of the SDGs have corresponding *targets* outlining specific goals and *indicators*, which are agreed upon metrics aimed at tracking progress against the targets. In total, there are 17 SDGs, with 169 targets sitting under the goals, and a set of 232 SDG indicators.

The focus of this paper is on SDG 6 which revolves around ensuring availability and sustainable management of water and sanitation for all (see Table 1). While SACOSS acknowledges that SDG 6 has a high level of interlinkages with other areas such as health (SDG 3), and climate action (SDG 17) (Hall *et al.*, 2018), these are out of scope for the purposes of this paper.

Table 1: Summary of SDG 6 targets and indicators

SDG 6: Ensure access to water and sanitation for all	
Target	Indicator
6.1: Safe and affordable drinking water	6.1.1 Proportion of population using safely managed drinking water services

By 2030, achieve universal and equitable access to safe and affordable drinking water for all	
6.2: Safe sanitation and hygiene By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations	6.2.1 Proportion of population using (a) safely managed sanitation services and (b) a hand-washing facility with soap and water
6.3: Improve water quality, wastewater treatment and safe reuse By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	6.3.1 Proportion of wastewater safely treated 6.3.2 Proportion of bodies of water with good ambient water quality
6.4: Increase water use efficiency and ensure freshwater supplies By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	6.4.1 Change in water-use efficiency over time 6.4.2 Level of water stress: freshwater withdrawal as a proportion of available freshwater resources
6.5: Implement integrated water resources management By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate	6.5.1 Degree of integrated water resources management implementation (0–100) 6.5.2 Proportion of transboundary basin area with an operational arrangement for water cooperation
6.6: Protect and restore water-related ecosystems By 2030, protect and restore water-related ecosystems, including mountains,	6.6.1 Change in the extent of water-related ecosystems over time 6.b.1 Proportion of local administrative units with established and operational policies and procedures for participation

forests, wetlands, rivers, aquifers and lakes	of local communities in water and sanitation management
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While the SDGs were primarily designed as a blueprint for countries to guide action and track progress at a national level, they can also be adapted for local / regional contexts. Taking a localised approach can be helpful as high-level national data can hide gaps and inequities across regional areas and different population groups. Leveraging the global framework also taps into a common language to institute change, although there is never a true ‘one size fits all’ approach (City of Melbourne, 2018). As such, this paper attempts to understand where gaps may exist in understanding the extent to which South Australia are meeting the ambition to ensure access to water and sanitation for all.

2.2 Overview of work to progress SDG 6 in Australia

Current evidence suggests Australia is lagging in our commitment to achieve access to clean water and sanitation for all by 2030, in line with United Nations Sustainable Development Goal six (SDG 6) (Hoey, 2019; Hall *et al.*, 2020). At a national level, it has been suggested the abolition of bodies such as the COAG Standing Council of Environment and Water and the National Water Commission (NWC) in 2014, has left considerable gaps in our ability to progress significant reform on securing sustainable water for all Australians (Colloff *et al.*, 2020). Analysis by Delany-Crowe *et al.* (2019, p. 6) suggests the “fragmented governance of water and lack of action on climate change are key risks to Australia’s capacity to contribute to SDG 6 and ensure universal access to safe water supply”.

Australia’s Voluntary Review

Each of the signatories to the 2030 Agenda for Sustainable Development committed to conducting at least two voluntary national reviews tracking progress against the SDGs. In 2018, the Australian Government undertook its first voluntary national review of the implementation of the SDGs summarising efforts of governments, the business sector, civil society, academia, communities and individuals, with an accompanying SDG data platform reporting on progress against the SDG indicators (DFAT, 2018c).

The voluntary review notes that the difficulty of coordinating action on SDGs given that many of the targets are under responsibility of sub-national levels of government. In describing the ‘Australian approach’ to the SDGs, it is suggested that “many of the SDGs are integrated with issues that cut across multiple aspects of sustainability, such as economic vitality, gender equality, human rights, disability, climate change and disaster risk reduction. This requires a broad system-based approach, while also advocating a targeted approach to leave no one behind” (DFAT, 2018c, p. 12).

The review noted that remote communities, many of which are Aboriginal and Torres Strait Islander communities, and are at risk of being left behind in terms of access to reliable

energy supply, telecommunications, clean water and wastewater and road access (DFAT, 2018c). In response, the review flagged the need to disaggregate data for Aboriginal and Torres Strait Islander populations to help tailor policies and programs targeted at improving outcomes and monitoring the impact (DFAT, 2018c).

3. Summary of policy, regulatory and monitoring frameworks relating to SDG 6

Table 2 attempts to briefly summarise the national, state, and regional policy, regulatory and monitoring frameworks that apply to water supply and water security in South Australia. Given the complex and disparate nature of Australian water governance arrangements, we acknowledge the following summary is pitched at a high level and may not cover all relevant industry and environmental requirements relating to water. Our goal is to identify the broader frameworks with a view to highlighting the complexities and key gaps that may be hindering the development of holistic water management initiatives necessary to advance SDG 6.

For a more detailed summary of the relevant water policy and monitoring frameworks that apply in South Australia, refer to **Attachment A**.

Table 2: Summary of water policy and monitoring frameworks that apply in South Australia

The various bodies responsible for different aspects of water management, planning and supply in South Australia.

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
National			
Basin Plan compliance	Murray Darling Basin Authority (MDBA)	<p>The <i>Water Act 2007</i> establishes the MDBA. The MDBA is responsible for enforcement of the Basin Plan, in conjunction with the Basin States (NSW, Queensland, South Australia, Victoria, ACT).</p> <p>Enforcement of the Basin Plan involves:</p> <ul style="list-style-type: none"> • Compliance with Water Resource Plans • Compliance with sustainable diversion limits (SDLs) • Water markets and Trade • Quality and salinity <p>Each of the five Basin States maintains responsibility for legislative and administrative arrangements for water rights (water resource management) and water trading in their jurisdictions.</p> <p>Basin Plan Annual Report 2018-19</p> <p>Murray-Darling Basin Water Compliance Review Water Resource Plan Quarterly Report June 2020</p>	<p>Water Act 2007 (Cth)</p> <p><i>Murray-Darling Basin Agreement 2008</i></p> <p>Intergovernmental Agreement on a National Water Initiative (National)</p> <p>Basin Plan 2012</p> <p>Sustainable Diversion Limit Reporting and Compliance Framework</p>
Murray-Darling Basin water markets	Australian Competition and Consumer	<p>ACCC monitors compliance (section 94 of the <i>Water Act 2007</i>) and enforces the water market rules and water charge rules along the lines agreed in the National Water Initiative.</p>	<p>Water Act 2007 (Cth)</p> <p><i>Murray-Darling Basin Agreement 2008</i></p>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
	Commission (ACCC)	<p>Water charge and water market rules along the lines agreed in the National Water Initiative</p> <p>See ACCC, Murray-Darling Basin water markets inquiry: Interim Report, 30 June 2020</p>	<p><i>Intergovernmental Agreement on a National Water Initiative</i> (National)</p>
Pricing and service quality of urban water utilities (National)	Bureau of Meteorology (BOM)	<p>Annual National Performance Reports (NPR) on Australia's water industry on behalf of State and Territory Governments. Pricing, finance, assets and water resources are reported in the National Performance Report: urban water utilities.</p> <p>The NPR compares the performance of 85 water utilities (those with more than 10,000 connected properties) against 166 performance indicators covering pricing, customer service, water resources, network reliability, environmental factors (for example, greenhouse gas emissions) and health.</p> <p>See also Productivity Commission National Water Reform Inquiry 2017</p>	<p><i>Intergovernmental Agreement on a National Water Initiative</i> (National)</p> <p>Water Act 2007 (Cth) Murray-Darling Basin Agreement 2008</p> <p>Basin Plan requirements build on from the Intergovernmental Agreement on a National Water Initiative</p>
National Water Initiative	Productivity Commission	Monitoring, auditing, and assessing progress of the National Water Initiative, including the NWI Pricing Principles.	Water Act 2007 (Cth)

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
		<p>See: National Water Reform: Productivity Commission Inquiry Report, No. 87, 19 December 2017</p> <ul style="list-style-type: none"> the extent to which the NWI reforms are adequate to support government responses to emerging or changing water management challenges, including in the urban sector the potential and realised benefits of NWI implementation the scope for improving the NWI, addressing current and future challenges <p>Broader water policy issues and the role of the NWI in improving outcomes, in particular:</p> <ul style="list-style-type: none"> the interaction of water policy with other policy areas such as energy, agriculture, planning, urban supply –whole-of-cycle water management–provision to regional, rural, and remote communities, and–the economically efficient provision of water infrastructure. 	<p>Intergovernmental Agreement on a National Water Initiative (National)</p> <p>NWI Pricing Principles in 2010</p> <p>Productivity Commission Act 1998 (Cth) see Section 6(1)(a) and s 11</p>
National Urban Water Planning	Australian Government Department of Agriculture Water and the Environment	Assessing the extent to which the National Urban Water Planning Principles (NUWPP) have informed government planning processes to date and will do so into the future. Information provided by State and Territory governments.	<i>National Urban Water Planning Principles</i>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
Water Infrastructure	National Water Grid Authority	To develop, in partnership with state and territory governments, a national framework for investment in water infrastructure. This entails “identifying a series of priority water infrastructure projects that will increase the capacity, connectivity and resilience of Australia’s water storage and supply infrastructure”.	<i>National Water Infrastructure Development Fund</i>
National Water Quality	Water Quality Australia	<p>The Australian Government utilises the NWQMS for various purposes such as meeting international obligations.</p> <p>While the NWQMS is voluntary, it is used by all State and Territory governments in establishing their own guidelines, regulations, policies, processes and/or standards for managing the quality and supply of water.</p> <p>See: NWQMS guidance on Design and Requirements for a New Guideline.</p>	<p><i>National Water Quality Management Strategy (NWQMS) 1992</i></p> <p><i>COAG Water Reform Framework in 1994</i></p> <p><i>Monitoring and evaluation plan: National Water Quality Management Strategy</i></p>
State / Regional			
Economic regulation, retail pricing, industry licensing, consumer protections, service standards, performance	Essential Services Commission of South Australia	<p>Annual performance monitoring of Major Retailer (SA Water) and Minor and Intermediate Retailers:</p> <ul style="list-style-type: none"> • Major – more than 50,000 customers (currently only SA Water) • Intermediate – between 500 and 50,000 customers (37 licences) • Minor – fewer than 500 customers (29 licences) <p>As at 30 June 2018, 67 retailers were licensed to provide water and sewerage services in South Australia.</p>	<p>Essential Services Commission Act 2002</p> <p>Water Industry Act 2012</p> <p>Water Retail Code (Major Retailers) June 2020</p>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
monitoring and reporting		<p>See: SA Water Regulatory Performance Report 2018-19 and Bureau of Meteorology National Performance Report: Urban Water Utilities</p> <p>See Minor and Intermediate Retailers Regulatory Performance Report 2018-19</p> <p>See ESCOSA's Small Scale Network Inquiry Draft Report</p>	<p>Water Retail Code (Minor and Intermediate Retailers) March 2015</p> <p>Water Industry Guideline No.1 Compliance System and Reporting July 2016</p> <p>Water Industry Guideline No.2 Regulatory Information requirements for Major Retailers July 2016</p> <p>Water Industry Guideline No.3 Regulatory Information requirements for Minor and Intermediate retailers July 2015</p> <p>Licence / Exemptions Register</p>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
Licence fees Ministerial directions Pricing Orders	South Australian Treasurer	Sets licence fees for water industry entities, issues Ministerial directions and Pricing Orders	<i>Water Industry Act 2012</i> (Part 4, Division 2 and Part 4, Division 3) <i>Essential Services Commission Act 2002</i> National Water Initiative Pricing Principles 2004
Water management and policy	Minister for Environment and Water	Administers the <i>Water Industry Act</i> and is responsible for non-regulatory instruments (e.g. schemes) and appointing water industry entities.	<i>Water Industry Act 2012</i>
Water Resource Planning	SA Minister for Environment and Water Department for Environment and Water (DEW)	South Australia is required to develop Water Resource Plans (WRPs) for the following areas: <ul style="list-style-type: none"> • South Australian River Murray (all surface water resources in the area, which replicates the River Murray PWC boundary) • South Australian Murray region (all surface and groundwater water resources in the area, excluding the surface water resources of the South Australian River Murray) and • Eastern Mount Lofty Ranges (all surface and groundwater resources in the area). See: MDBA WRP Fact Sheet	Intergovernmental Agreement on a National Water Initiative (National) Water Act 2007 (Cth) <i>Murray-Darling Basin Agreement</i> 2008

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
		<p>See: Murray Darling Basin Authority, Water Resource Plan Quarterly Report June 2020. https://www.mdba.gov.au/sites/default/files/pubs/SA-Murray-Region-factsheet.pdf</p> <p>SA has accredited all their WRPs see: DEW Water Compliance Report 2018-19.</p>	<p><i>Murray Darling Basin Plan requirements build on from the Intergovernmental Agreement on a National Water Initiative</i></p>
State Water Planning and Management	Department of Environment and Water (DEW)	<p>State Landscape Strategy (see Part 3 of the Landscape South Australia Act)</p> <p>The Water Register (Schedule 4 to the LSA Act) Registration of entitlements issued under Part 8 of the LSA Act</p> <p>The functions of the Minister under the LSA Act include to monitor, evaluate, and audit the state and condition of the State's natural resources, coasts and seas (section 9(1))</p> <p>The Minister must prepare and maintain a plan to be called the State Landscape Strategy which will provide for monitoring and evaluating the state and condition of the natural resources of the state.</p> <p>Water Allocation Plans (see Part 4, Division 2 of the <i>Landscape South Australia Act 2019</i>) and water affecting activities control policies (see Part 8, Division 2 of the LSA Act).</p>	<p>Landscape South Australia Act 2019</p> <p><i>See Part 8 – Management and Protection of Water Resources</i></p> <p>Landscape South Australia (Water Management) Regulations 2020</p> <p>Landscape South Australia (General) Regulations 2020</p>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
	Eight regional landscape boards and a metropolitan board, Green Adelaide. SA Water	<p>Regional Landscape Boards to monitor, evaluate and report on the extent of success of those plans and policies in achieving their objectives (section 25(1)(b) of the LSA Act) Reg 8(a) of the LSA (General) Regulations – Annual Report requirement</p> <p>See: Water Allocation Plan for the River Murray Prescribed Water Course Feb 2019</p> <p>Long-term planning see: KI Long-term Plan 2018-2043</p>	<p>River Murray Act 2003</p> <p>See Summary of Landscape SA</p> <p>DEW have developed a Corporate Plan and Action Plan to communicate their vision, purpose, what success looks like, and how they'll get there.</p> <p>See other DEW Plans.</p>
Long-term water Planning	Department for Environment and Water	<p><i>Water for Good Plan:</i> This plan was developed by the South Australian Government in 2009 to provide our state with the most secure water supply system in southern Australia.</p> <p>The plan outlines 94 actions we are taking to create more water and to better use the water that we do have.</p> <p>See: Water For Good Annual Report 2012</p> <p>See: Water For Good Progress Report Card 2012</p>	<p>Water for Good Plan in full</p> <p>Water for Good Plan in summary</p> <p>Water for Good actions</p> <p>Water for Good annual reports.</p>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
Water Markets and Trade	Department for Environment and Water	Water trade dashboards have been developed to provide better information about water allocation and entitlement trading in the South Australian River Murray.	<i>Water Act 2007</i> <i>The Basin Plan 2012</i>
Supply of water and sewerage services	Minister for Health and Wellbeing Or Local Government Authority	Regulation of the manufacture, installation, operation, and maintenance of wastewater systems, including on-site wastewater systems. Depending on the nature of the wastewater system. The power to inspect a wastewater system and take samples for testing.	<i>South Australian Public Health Act 2011</i> <i>South Australian Public Health (Wastewater) Regulations 2013</i> ³ Prescribed Codes: <ul style="list-style-type: none"> • <i>The On-site Wastewater Systems Code</i> • <i>Community Wastewater Management Code</i>

³ South Australian Public Health (Wastewater) Regulations 2013

[https://www.legislation.sa.gov.au/LZ/C/R/SOUTH%20AUSTRALIAN%20PUBLIC%20HEALTH%20\(WASTEWATER\)%20REGULATIONS%202013/CURRENT/2013.163.AUTH.PDF](https://www.legislation.sa.gov.au/LZ/C/R/SOUTH%20AUSTRALIAN%20PUBLIC%20HEALTH%20(WASTEWATER)%20REGULATIONS%202013/CURRENT/2013.163.AUTH.PDF)

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
	ESCOSA	<p>ESCOSA has the power to:</p> <ul style="list-style-type: none"> • make industry codes or rules that prescribe the rules of conduct and procedures that water retailers must follow in providing retail services • make determinations relating to pricing for water sewerage services. 	<p><i>Water Industry Act 2012</i> <i>Essential Services Commission Act 2002</i></p>
Drinking water quality	Department for Health and Wellbeing	<ul style="list-style-type: none"> • Compliance and enforcement monitoring • Maintain a list of registered drinking water providers on the SA Health website • Oversee audits and inspections of drinking water supplies. 	<p><u>Safe Drinking Water Act 2011</u></p>
	SA Water	<p>SA Water Reporting Obligations: SA Water are required to report against customer service and water quality indicators in its <u>annual reports</u>. The indicators include:</p> <ul style="list-style-type: none"> • Compliance with the Australian Drinking Water Guidelines 2011; • The Water Quality Management Index; • Compliance with water and sewerage services targets; and • The Incident Response Index. 	<p><u>Safe Drinking Water Regulations 2012</u></p> <p><i>Australian Drinking Water Guidelines 2011</i></p>
	Local Governments / Small-scale providers	<p>Under Section 27 of the Act, drinking water providers must make the results of any monitoring program available to the public. LGAs can provide results to consumers <i>on request</i> by letter, email or telephone.</p>	

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
Recycled water management	Department for Health and Wellbeing	Recycled water cartage is subject to approval under the <i>Public and Environmental Health (Waste Control) Regulations</i>	<i>Public and Environmental Health (Waste Control) Regulations</i> <i>South Australian Recycled Water Guidelines</i>
Environmental Health	Environmental Protection Authority (EPA)	<p>The EPA must prepare, publish and present to the Minister for Department and Environment a “State of the Environment Report” at least every 5 years.</p> <p>The statutory requirements include reporting on:</p> <ul style="list-style-type: none"> • The condition of the major environmental resources of South Australia • A specific assessment of the state of the River Murray • Trends in environmental quality • Review of significant programs, activities and achievements of public authorities relating to the protection, restoration or enhancement of the environment <p>See: <u>South Australian Environmental Trend and Condition Report Cards</u></p>	<i>Environmental Protection Act 1993</i> <i>South Australian Environment Protection (Water Quality) Policy 2015</i>

Area	Responsible Entity	Powers / Responsibilities	Relevant Legislation / Code / Guideline / Policy
Water Infrastructure	Infrastructure SA	<p>To set the long-term strategic direction and initial priorities for infrastructure development in South Australia. Sets the following water priorities:</p> <ul style="list-style-type: none"> • Priority 33: Champion Development of a National Water Plan to secure water supply. • Priority 34: Develop a South Australian Sustainable Water Resources Framework • Priority 33: Champion Development of a National Water Plan to secure water supply. • Priority 34: Develop a South Australian Sustainable Water Resources Framework 	<u>20-year State Infrastructure Plan</u>

4. Gaps Analysis / Evaluation

Section 4 attempts to compare Australia's progress on SDG 6 to South Australia, and where appropriate, regional, and remote and/or population specific context, to highlight gaps and opportunities.

SDG Target 6.1: Access to safe and affordable drinking water

"By 2030, achieve universal and equitable access to safe and affordable drinking water for all."

SDG Indicator 6.1.1: Proportion of population using safely managed drinking water services

Drinking water

The UN guidance characterises 'safe drinking water' as water being used for drinking, cooking, food preparation and personal hygiene being free from pathogens and chemical contaminants (UN-Water, 2017). At a national level, Australia reports to very high levels of compliance against the *Australian Drinking Water Guidelines 2011* for drinking water. The recognised data source for reporting on access to safe drinking water is derived from the Bureau of Meteorology's National Performance Reporting (NPR) framework (DFAT, 2019a), showing almost 100% microbiological compliance across urban water utilities (BOM, 2020a).

However, a key limitation of the Bureau of Meteorology National Performance Reporting (NPR) framework is the focus on network level statistics for urban water service providers with over 10,000 connections. The NPR framework was recently subject to review in 2018, with the review's recommendation to extend the reporting to water service providers with less than 10,000 connected properties (Aither, 2019). A working group has been tasked with implementing this recommendation, recognising there may be a need for different reporting requirements for operators of smaller scale, balancing reporting capacity, cost and benefits (Aither, 2019).

In South Australia, SA Water reported to collecting 46,118 drinking water samples across the state, and achieving 100 per cent overall compliance against the Australian Drinking Water Guidelines (ADWG) for metropolitan samples, 99.99 per cent compliance of country samples, and 99.49 per cent compliance for remote Aboriginal community samples (SA Water, 2019).⁴

⁴ Detailed disaggregated data on water quality is available in the appendices of SA Water's Annual Report For the 2018-19 period

Statewide, metropolitan, country and remote Aboriginal communities drinking water supply systems health related performance, 2018-19

Health-related parameters	Statewide systems (number of test analytes)	Metropolitan systems (number of test analytes)	Country systems (number of test analytes)	Remote Aboriginal Communities (number of test analytes)
Samples free from <i>E. coli</i>	99.99% (10,560)	100% (3,309)	99.99% (7,151)	100% (100)
Samples compliant with ADWG health parameters*#	99.92% (46,118) Target: 99.90%	100% (13,408) Target: 100%	99.90% (32,126) Target: 99.80%	99.49% (584) Target: 99.80%

* Percentage of routine results at customer taps within drinking water systems which comply with the ADWG health limits (including *E. coli*).

Direct exceedances of the ADWG were used rather than the 95th percentiles for compliance of individual chemical parameters.

Prior to calculating per cent compliance for health-related chemicals, individual results are rounded to the same number of significant figures as the guideline value in the ADWG (as prescribed in the ADWG and agreed with SA Health).

Figure 1: State-wide, metropolitan, country and remote Aboriginal communities drinking water supply systems health related performance, 2018-19

Source: SA Water (2019)

Number of sample taps and test analytes – statewide, metropolitan, country and remote Aboriginal communities water supply systems, 2018-19

Drinking water systems	Statewide	Metropolitan	Country	Remote Aboriginal Communities
Supply systems	87	8	60	19
Customer tap sample locations	490	186	285	19
Catchment to tap sample locations*	1,439	372	950	117
Catchment to tap routine test analytes	372,352	72,279	289,997	10,076

* Includes drinking water customer taps

Figure 2: Number of sample taps and tests analytes – state-wide, metropolitan, country and remote Aboriginal communities water supply systems, 2018-19

Source: SA Water (2019)

In 2018-19, there were 12 drinking water incidents reported to SA Health by registered non-SA Water drinking providers (SA Health, 2019, p. 71). These incidents were due to detection of *E.coli* in rainwater supplies, reverse osmosis failure, high fluoride concentration, increased filtered water turbidity and elevated numbers of cyanobacteria and contamination of source water. SA Health reported that all incidents appropriately responded to, as per requirements set out in the *Safe Drinking Water Act 2011*. It is unclear

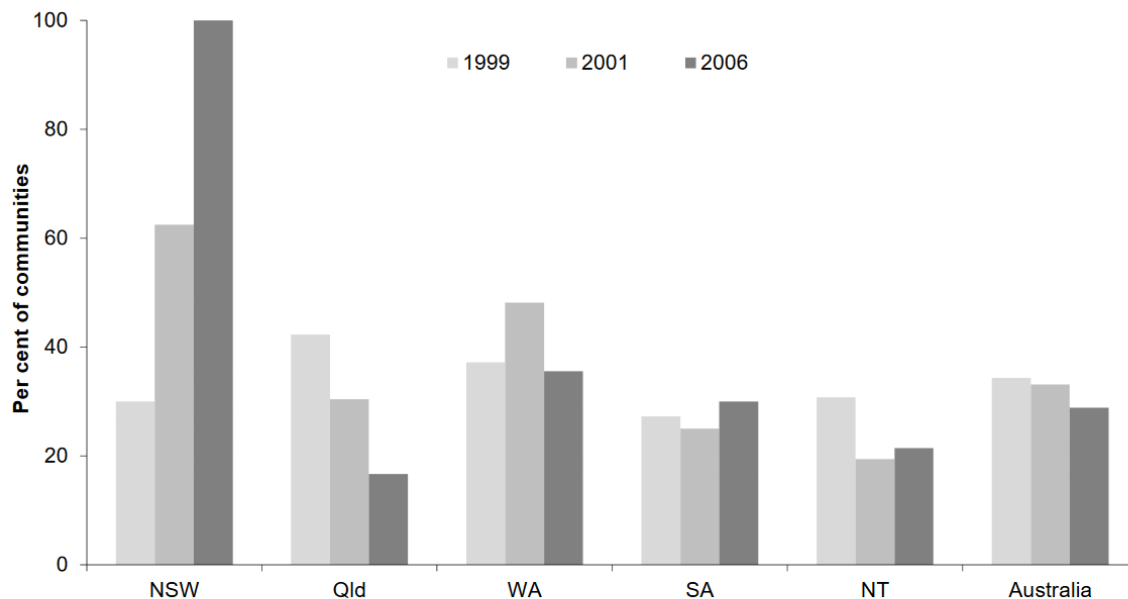
whether there is a consolidated public data set for drinking water quality of non-SA Water providers.

It is worth noting that on 7 August 2020, ESCOSA published a Draft Inquiry Report on the regulatory arrangements for small scale networks (which include Minor and Intermediate water retailers) (ESCOSA, 2020a). The Draft Inquiry Report proposes reforms to the regulatory framework, including reduced regulatory reporting requirements for water licensees. ESCOSA states that “if implemented, the proposed reforms would result in a regulatory framework which is targeted and flexible, and that places the accountability of providing a valued and sustainable service with the licensee”. The proposed “verified trust and accountability regulatory model” requirements will operate to **reduce** the amount of data that licensees are required to report to it on a regular basis (ESCOSA, 2020a, p. 2). This may result in less visibility of water access and sanitation for customers in regional and remote communities.

Remote Communities

A number of studies have suggested that there are specific gaps in accessing safe drinking water in some remote communities in Australia. These instances are not necessarily captured by systematic or regular reporting, but uncovered as part of qualitative research (Hall *et al.*, 2017; Hall, 2018, 2019), specific government reviews (e.g. OAG, WA 2015), or raised by community members themselves (e.g. ALT, 2018). The challenge of poor performance reporting and data collection has also been highlighted in a recent national audit which suggests that while there have been independent audits of access to clean water and sanitation in some remote communities, these exercises tend to be infrequent, limited in scope and rarely publicly disclosed (Infrastructure Australia, 2019).

One example is the highly relevant and useful data collected by the ABS via the Community Housing and Infrastructure Needs Survey (CHINS) (ABS, 2007). This critical dataset was last conducted in 2006, following surveys conducted in 2001 and 1999. The 2006 CHINS collected interview and survey data from all Aboriginal and Torres Strait Islander housing organisations and discrete communities in Australia (ABS, 2007). According to the survey, 48 communities who were not connected to a town water supply did not pass drinking water quality tests, out of 1,187 discrete Indigenous communities (29%). This only includes communities for which water was sent away for testing, with an additional 45 communities not tested for water-quality in the 12 months before the survey. In South Australia, 4 communities were reported to not passing drinking water quality tests in 2006. SACOSS are not aware of any more recent surveys or data collected of similar nature.



Notes

1. Communities with a population of 50 or more with an organised water supply (where the main source is not town water supply) that had their water tested.
2. Victoria and Tasmania are only included in Australia for confidentiality reasons.

Source: AIHW analysis of ABS 2002; FaHCSIA and AIHW analysis of 2006 Community Housing and Infrastructure Needs Survey.

Figure 3: Proportion of discrete Indigenous communities, with reported usual population 50 or more, where drinking water failed testing in the previous 12 months, by state/territory, 1999, 2001 and 2006

The Goyder Institute noted in their literature review of existing water source and supply information and options for 5 rural communities in South Australia that relevant data and information from government departments, non-government organisations and private sector organisations were difficult to assess given “many of the pertinent documents were not publicly available. These are part of the internal, and often confidential, repository of material.” (Willis et al., 2015, p. 27). The lack of consolidated data or sufficient monitoring to understand the extent and nature of the access to water and sanitation in remote areas (at either a state-based or national level) has been a sticking point in progressing Australia’s commitments to the UN SDGs (Infrastructure Australia, 2019).

As detailed in Attachment A to this paper, there is clearly a complex web of agreements and monitoring obligations at both a state and national level. SACOSS is concerned the complexity, voluntary self-assessment, and lack of public transparency in reporting and governance arrangements may work to obscure the water access inequities in South Australian communities, particularly remote communities.

Affordability

Another gap relates to the affordability of drinking water, with the full ambition of SDG 6.1 being “by 2030, achieve universal and equitable access to safe and **affordable drinking water for all**.” (SACOSS’ emphasis). While the SDG Indicator 6.1.1 addresses the safe

management of drinking water, it is worth noting that drinking water service prices vary among drinking water retailers in South Australia, particularly in areas not serviced by SA Water.

For example, in 2018-19, the annual residential drinking water bills based on an annual consumption of 200 kilolitres (kL) for drinking water services ranged from \$662 (Clare and Gilbert Valleys Council) to \$1,273 (District Council of Ceduna) (ESCOSA, 2020b). Drinking water retail prices reflect the costs of managing each system (for example, number of connections, length of system per connection, age of the network, topography of the area serviced and quality of the source water). Further, the methodology used to set prices (for example, whether prices are set on a cost recovery basis) also differs between retailers. Prices paid by different retailers' customers will therefore differ for those and related reasons. There are also varied arrangements in how water is paid for among remote Aboriginal communities in South Australia, where some Aboriginal communities are subsidised under a Community Service Obligation (SACOSS, 2020). The above suggests that simply having *access* to safe drinking water is not enough, and that high-level aggregated data (be it national or state-level) may hide some broader issues at local levels.

There may be value in further research into the development of indicators to benchmark and assess affordability of drinking water. SACOSS notes that there has been some work on understanding water affordability by measuring the ratio of water and sewage index to the consumer price index as a baseline (National Sustainable Development Council, 2018). On this measure, the water and sewerage price index in Australia increased at a greater rate than CPI from between 2006 and 2013, before stabilising (see Figure 4 below).

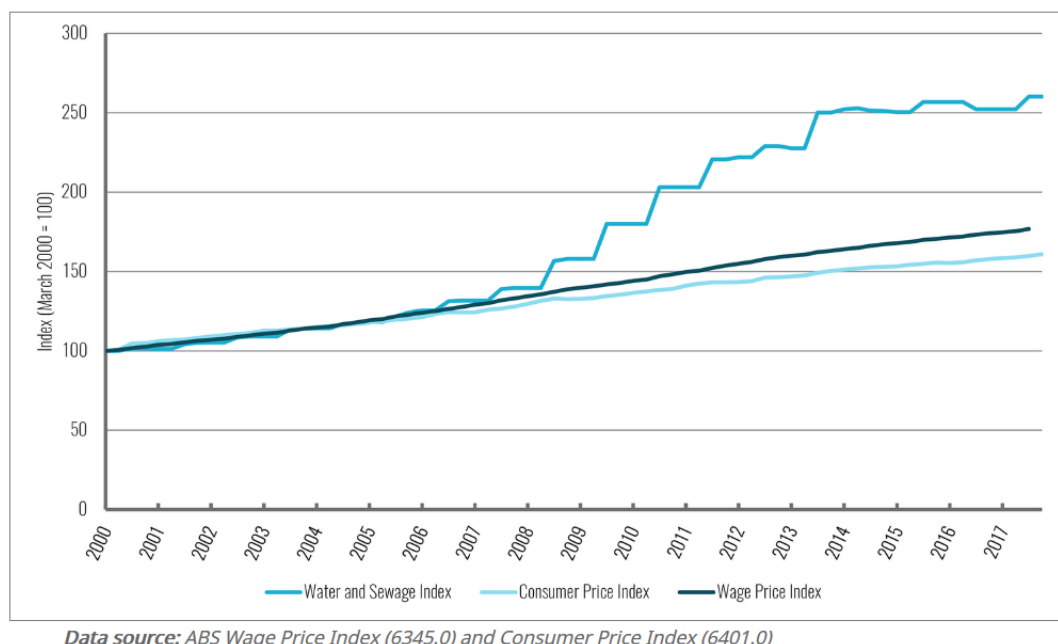


Figure 4: Change in water and sewerage price index to CPI and Wage Price Index, (2000 = 100)

Source: National Sustainable Development Council (2018)

Discussion questions:

- What are some of the challenges in developing indicators to benchmark and assess affordability of drinking water?
- Is there additional evidence of regions or communities in South Australia being left behind when it comes to access to safe and affordable drinking water?

Water restrictions

It is also worth noting ESCOSA's most recent Performance Report for Minor and Intermediate retailers, which found that 71 percent of retailers in South Australia self-reported full compliance with all of the relevant NWI pricing principles (ESCOSA, 2020b). Minor and Intermediate retailers also reported an increase in the number of legal actions and water restrictions (939 in total) to recover debts, compared to 908 in the previous year. In contrast, over the same period, SA Water reported a total of 29 residential restrictions and 9 residential legal actions.⁵ Given the difference in the number of customers serviced by SA Water and Minor and Intermediate retailers,⁶ this data points to a significant issue for customers of Minor and Intermediate retailers. Minor and Intermediate retailers are largely regional councils and private water providers, whereas SA Water is largely an urban water provider. The contrasting data on water restrictions and legal actions may point to issues of water affordability in regional locations, and call into question issues of equity, compliance, and consumer protections, which are a crucial part of the water affordability story.

Discussion questions:

- Are there alternate indicators available to track progress against SDG 6.1 in South Australia?

SDG Target 6.2: Safe Sanitation and Hygiene

“By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.”

The SDG target 6.2 is divided into two separate parts, addressing sanitation and hygiene.

⁵ Essential services Commission of SA, SA Water Regulatory performance – times series data, ‘restrictions and legal actions applied for non-payment’, see: <https://www.escosa.sa.gov.au/industry/water/regulatory-reporting/regulatory-performance-reports>

⁶ SA Water provides drinking water and sewerage services to approximately 1.7 million South Australians, 66 Minor and Intermediate Retailers provide drinking water services to approximately 5,600 customers and sewerage services to approximately 99,100 customers.

SDG Indicator 6.2.1: Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water (% of population)

Sanitation

The UN guidance defines a ‘safely managed’ sanitation service as a basic facility that safely disposes of human waste (UN-Water, 2017). The hygiene aspect of the target refers to conditions and practices (e.g. handwashing, menstrual hygiene management and food hygiene) which is important to health outcomes and preventing the spread of disease.

The National aggregate data suggests that 98% of the Australian population were connected to safely managed sanitation services (DFAT, 2019b). Like SDG Indicator 6.1.1, the data is derived from the Bureau of Meteorology’s National Performance Report (NPR). Therefore, the limitations of the NPR data, as described above, also apply to SDG Indicator 6.2.1.

However, the limitations are arguably more relevant in a South Australian context given that SA Water only services 87 per cent of the State’s sewerage customers (compared to around 99 per cent of the State’s drinking water customers). The remaining providers in South Australia serve less than 10,000 connections. This means that 13 per cent of South Australian customers are not covered in the NPR framework, and in turn, Australia’s SDG reporting for safe sanitation and hygiene.

The reporting for the 13 per cent of South Australian sewerage customers not serviced by SA Water are picked up in the Essential Service Commission of South Australia’s reporting for ‘Minor and Intermediate Retailers’ who service those living in small towns and rural and remote areas (ESCOSA, 2020b). Notably, in 2018-19, twelve small-scale sewerage operators reported a total of 144 unplanned interruptions to sewerage operations, in addition to 24 operators reporting 435 main breaks and chokes (ESCOSA, 2020b). In total, the unplanned interruptions and main brakes for sewerage systems were up from previous years, as illustrated in Figure 5 below.

Minor and Intermediate Retailers reported more unplanned interruptions and mains breaks for sewerage services

Twelve sewerage retailers reported a total of 144 unplanned interruptions to sewerage services. Twenty-four retailers reported 435 sewerage main breaks and chokes, a significant increase compared to previous years. In comparison, a total of 353 unplanned interruptions and mains breaks for sewerage services were reported in the previous year.

Figure 7: Number of unplanned interruptions and mains breaks for sewerage services

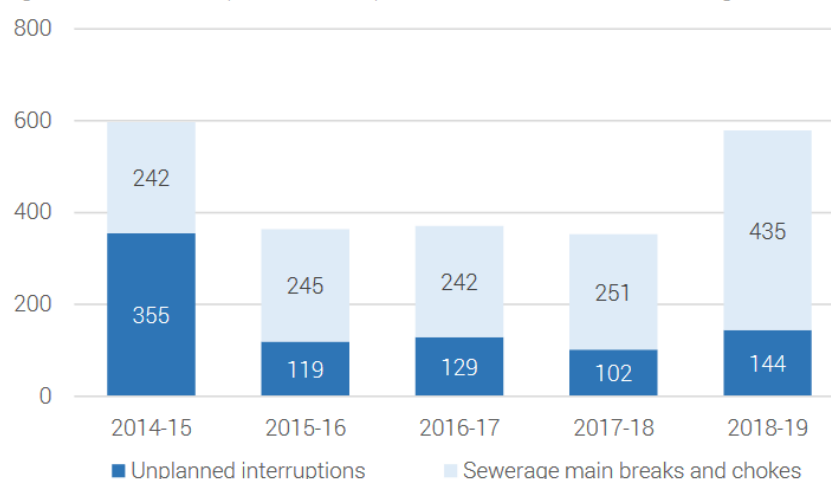


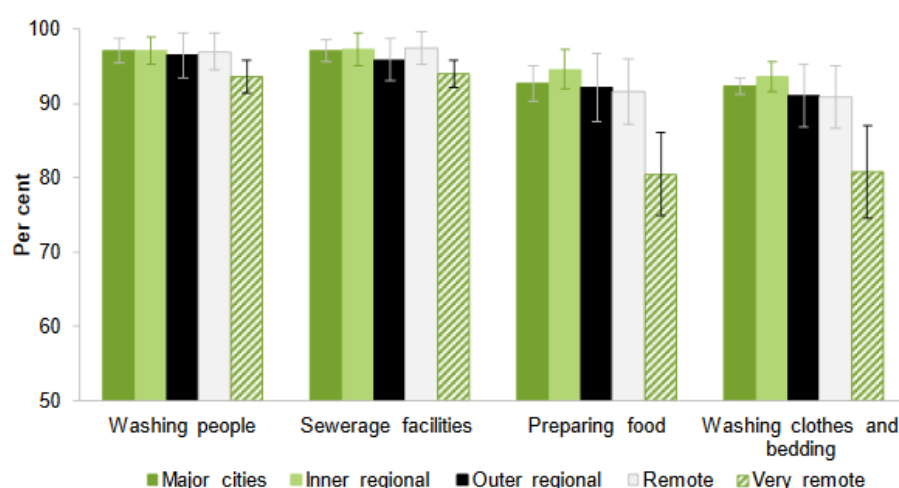
Figure 5: Minor and Intermediate Retailers – number of unplanned interruptions and main breaks for sewerage services

Source: ESCOSA (2020b)

Hygiene

As far as SACOSS is aware, Australia does not currently collect national level data on the proportion of the population with basic handwashing facilities in the home as part of its official SDG reporting. In terms of population-specific disaggregation, data from the ABS CHINS 2006 suggests that 30% of people in remote indigenous communities in Australia were connected to a town sewerage system as their main form of waste disposal; 38% relied on water-borne systems; 28% on septic tanks; 3% on pit toilets and only 0.3% of had no organised main sewerage system (ABS, 2008).

The National Aboriginal and Torres Strait Islander Social Survey (NATSISS) is conducted by the ABS every 6 years, with the last survey conducted in 2014-15 (ABS, 2016). The NATSISS includes questions about whether a household has working facilities for washing people, working sewerage facilities, working facilities for preparing food and for washing clothes and bedding. Having functional housing connected to water and sewerage and adequate 'health hardware' such as toilets, taps, showers and kitchens has been shown to have a positive impact on health outcomes (AIHW, 2018b). Figure 6 illustrates the differential outcomes for Indigenous Australians in terms of access to functional household facilities across major cities, regional and remote areas.



^a Error bars represent 95 per cent confidence intervals around the estimate.

Sources: ABS (unpublished) National Aboriginal and Torres Strait Islander Social Survey 2014-15; tables 10A.3.3.

Figure 6: Proportion of Aboriginal and Torres Strait Islander households reporting access to working household facilities, by remoteness, 2014-15

Source: Productivity Commission (2016)

The comparable South Australian data shows that 3.8 per cent of Aboriginal and Torres Strait Islander households reported to **not** having access to working household facilities for washing people; 3.8 per cent were without working sewerage facilities; 10.6 per cent were without working household facilities to wash clothes and bedding; and 7.7% without working facilities to prepare food (AIHW, 2018a).

Hall et al (2017) suggests that domestic over-crowding in remote Indigenous communities introduces risks for managing sanitation and hygiene. Other experts have observed the such health-related challenges for Indigenous Australians living in urban centres related to over-crowding and the prevention and management of coronavirus (Carson *et al.*, 2020). These risks, of course, compound existing inequalities such as poverty (and therefore ability to purchase soap, washing powder, sanitiser, and disinfectants), access to health care and a higher disease burden, including hygiene-related outcomes compared to the broader Australian population (Productivity Commission, 2016).

The National Sustainable Development Council note that while at a national level, the targets in relation to sanitation and hygiene have been largely achieved, focus must be given to remote indigenous communities, in the spirit of 'leaving no one behind' (National Sustainable Development Council, 2018). SACOSS observes that dedicated resourcing to both monitor and target the underperformance in sanitation and hygiene outcomes should be of high priority.

Discussion questions:

- Is there sufficient visibility around water, sanitation, and hygiene outcomes across all of South Australia? If not, where are the gaps?

SDG Target 6.3: Water quality and wastewater

“By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally”

The SDG target 6.3 relates to the improvement of ambient water quality by minimising pollutants from wastewater from households, commercial industries as well as run-off from urban and agricultural land. Wastewater can undergo either primary, secondary or tertiary treatment processes, with tertiary or higher treatment enabling opportunities for wastewater recycling (National Sustainable Development Council, 2018).

SDG Indicator 6.3.1: Proportion of wastewater safely treated

This indicator applies to wastewater generated by households and via economic activities. The household component is captured in the monitoring of 6.2.1 (UN-Water, 2017) as discussed in the section above (i.e. 98% of household wastewater treated safely). The industrial component is currently not captured in Australia (DFAT 2019c).

In South Australia, SA Water reported to treating 95 per cent of wastewater to a tertiary level, and 4.9 per cent to a secondary level in 2018-19 (BOM, 2020b). As previously noted, there are gaps in data for smaller water and sewerage providers with less than 10,000 connections across national records. This appears to also be the case in South Australia, with limited visibility over the proportion of wastewater safely treated across Community Wastewater Management Schemes (CWMS) in state-level reporting.

Discussion questions:

- Are current levels of wastewater treatment across Community Wastewater Management Schemes (CWMS) in South Australia appropriate?
- Is there available data on industrial water quality and treatment in South Australia?

SDG Indicator 6.3.2: Proportion of bodies of water with good ambient water quality

Good ambient water quality is critical for the function of freshwater ecosystems including rivers, lakes, and groundwater (UN-Water, 2017). The SDG indicator 6.3.2 helps to identify water bodies at risk, by monitoring the water quality of surface water bodies and groundwater bodies against the following:

- oxygen (surface water)
- salinity (surface water and groundwater)
- nitrogen (surface water and groundwater)
- phosphorus (surface water)
- acidification (surface water and groundwater)

The threshold for 'good' ambient water quality is 80 per cent compliance of monitoring data from all monitoring stations complying with the relevant targets (UN-Water, 2017).

According to Australia's official SDG reporting platform, data is not currently available for assessing this indicator at a national level (DFAT, 2018c).

From a South Australian context, state-wide reporting is picked up in the Environmental Trend and Condition Report Cards (DEW, 2018). The 2018 Surface Water (quality and quantity) report card assess the trend as 'getting worse', the condition of surface water resources as 'fair', and the reliability of data as 'very good' (see Figure 7). The trend scores are based on streamflow (water quantity) and salinity (water quality) data collected from monitoring sites at surface water resource areas of the state.⁷

The Groundwater (water level and salinity) 2018 report card assesses the state-wide trends in groundwater levels and salinity as generally being 'stable' from 2013 – 17, the condition of long-term groundwater levels, salinity and metered use as 'good', and the reliability of data as 'very good'.

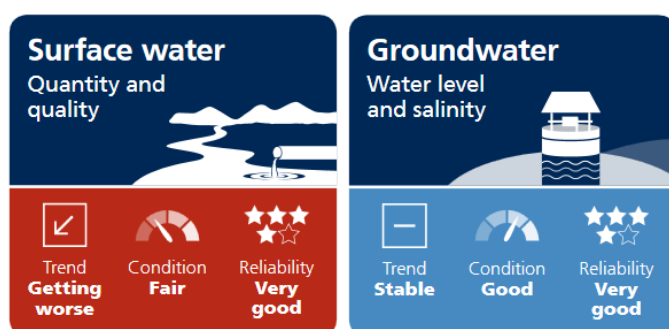


Figure 7: Report card snapshot summary, surface water and groundwater, South Australia 2018

Source: DEW (2018)

⁷ Based on South Australia's Prescribed Water Resource Areas (PWRA)
https://data.environment.sa.gov.au/Content/Publications/RC204_surface%20water_tech.pdf

SDG Target 6.4: Water use and scarcity

“By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity”

SDG Target 6.4 relates to ensuring that there is sufficient water for the population, the economy, and the environment, by targeting water-use efficiency across all sectors in society (UN-Water, 2017). While all economic sectors are targeted, focus is placed on sectors such as agriculture, industry, and domestic water supply given these tend to be areas of high-water use.

SDG Indicator 6.4.1: Change in water-use efficiency over time

SDG Indicator 6.4.1 tracks the value added in US dollars per volume of water withdrawn in cubic metres, by a given economic activity over time. It recognises that while economic growth is dependent of the use of water resources, this must be balanced with environmental and ecological function (UN-Water, 2017). As this is a newer indicator, data has only been collected for a base year reflecting 2015 values. Australia’s water-use efficiency is assessed as 66 USD/m³, which means for every cubic metre of water withdrawn, \$66 is the ‘value’ added to the Australian economy (FAO and UN-Water, 2018b).

As far as SACOSS is aware, there is no equivalent calculation available for South Australia. Another proxy measure for water-use efficiency can be calculated by comparing the total annual water extractions by industry and the total water extractions by capita (National Sustainable Development Council, 2018). In terms of water use, South Australia uses approximately 1,000 GL of water per year at an average of 600 – 700 kL per person (EPA, 2018). The water use by industry sector is broken down below for 2015-16:

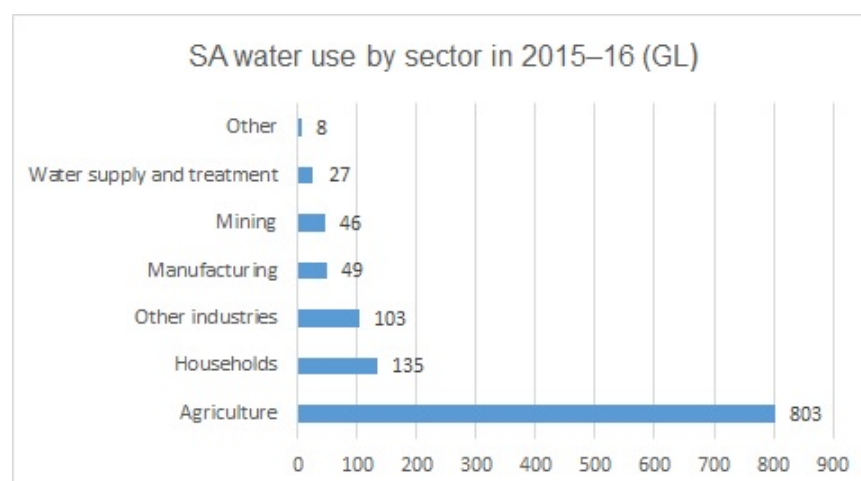


Figure 8: Water use by sector, South Australia, 2015-16

Source: EPA (2018)

SDG Indicator 6.4.2: Level of water stress: freshwater withdrawal as a proportion of available freshwater resources

SDG Indicator 6.4.2 measures the ratio between the total freshwater withdrawn by all economic activities⁸ and total renewable freshwater resources, after considering environmental water requirements. Using this method, water stress for Australia in 2015 was assessed at 6% (UN Water, 2017), which is relatively low compared to other regions (FAO and UN-Water, 2018a).

As with SDG 6.4.2, there is no available disaggregation for South Australia. However, data on changes in water use, quality, and supply is available in both the State of the Environment reporting and the SA Government trend and condition reports.

SDG Target 6.5: Water resources management

“By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate”

This SDG target recognises the fragmented nature of water resources management, and the need to bring together stakeholders across different sectors and regions.

SDG Indicator 6.5.1: Degree of integrated water resources management implementation (0–100)

Integrated water resources management refers to processes that promote the coordinated development and management of water, land and related resources, in order to maximize economic and social welfare in an equitable manner without compromising the sustainability of ecosystems (UN-Water, 2017)

SDG Indicator 6.5.1 focuses on four key components of Integrated water resources management:

- Enabling environment
- Institutions and participation
- Management instruments
- Financing

A survey instrument has been developed which targets each of the four components. Australia reported a baseline overall score of 86⁹, with high scores across the components, as illustrated below:

⁹ <http://iwrmdataportal.unepdhi.org/countrydatabase>

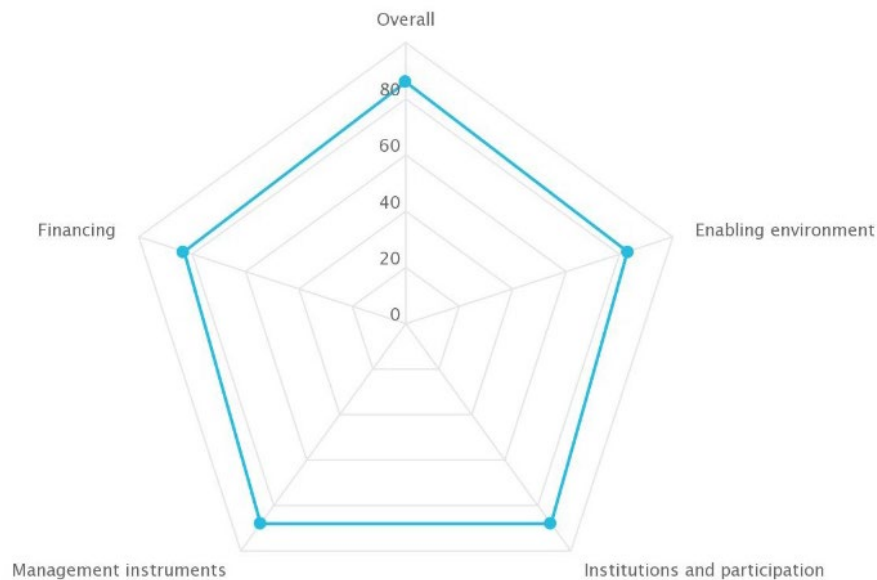


Figure 9: Degree of integrated water resources management implementation (0 – 100) in Australia, score by dimension (2017)

Source: UN Water (2017)

While it does not cover all the dimensions above, the South Australian Environmental trend and condition report card 2018 for Water Management, suggests that water allocation planning in the State has improved, with the percentage of actively managed water allocation plans (WAPs) increasing 79% from 2007 to 2017 (DEW, 2018). Further, the 'condition' of water management is assessed as 'good', with 79% (30 out of 38) of South Australia's actively managed water resources with WAPs in place (DEW, 2018).



Figure 10: Report card snapshot summary, water management, South Australia 2018

Source: DEW (2018)

Discussion questions:

- Would it be useful for the Integrated water resources management survey to be completed at the South Australian level?

SDG Indicator 6.5.2: Proportion of transboundary basin area with an operational arrangement for water cooperation

According to Australia's official reporting platform, SDG Indicator 6.5.2 is not applicable as Australia as does not share borders with any other countries (DFAT, 2018a). However, SACOSS acknowledges the Murray Darling Basin transboundary operational arrangements between the Commonwealth and the Basin States and Territories are significant.

These arrangements have been subject to inquiry by the ACCC, with the June 2020 *Interim Report on the Murray-Darling Basin Water Markets Inquiry* highlighting significant problems around the existing governance framework for water management (ACCC, 2020).

SDG Target 6.6: Water-related ecosystems

"By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes"

SDG Indicator 6.6.1: Change in the extent of water-related ecosystems over time

The SDG Indicator 6.6.1 records the change in 'spatial extent' (surface area) of water-related ecosystems including all open water bodies, such as lakes, rivers, estuaries, and artificial water bodies. A global data set was created using satellite imagery, with all geospatial data collected over 2001 – 2015 for the purposes of global reporting. A baseline was then established for a 5 year period, from which the change in spatial extent is measured in square kilometres (UN Water, 2017). Across 2011 – 2015, the spatial extent of lakes, rivers, estuaries, and artificial water bodies in Australia was 13,055 km², representing a gain of 11% from the 2001 – 2005 baseline period (see Figure 11 below).

- Baseline (2001-2005): 13,055 km²
- Latest five year period (2011-2015): 14,511 km²
- Change in extent compared to baseline: gain of 11%

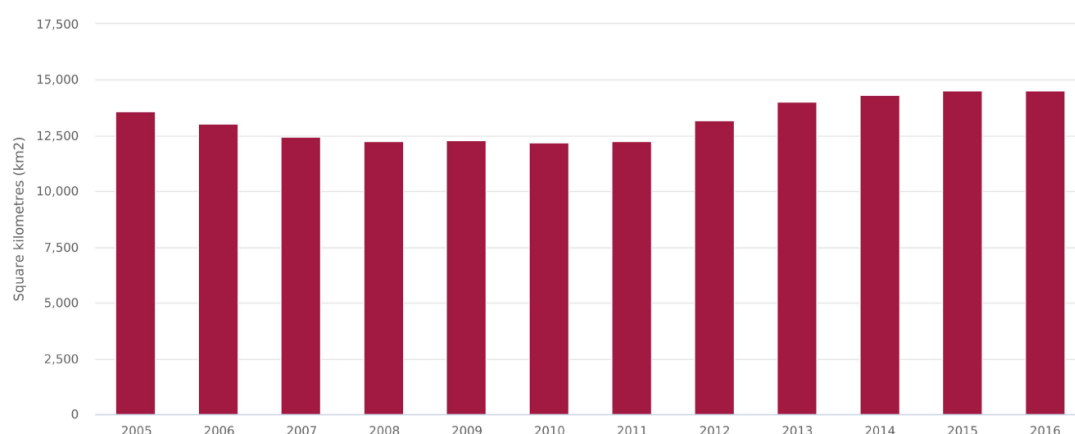


Figure 11: Spatial extent of lakes, rivers, estuaries, and artificial water bodies in Australia, 2005 – 2011

Source: UN Water (2017)

Again, there is no available disaggregation for South Australia, however water-related ecosystem health is reported in the South Australian Environmental trend and condition report cards, and summarised in the 2018 State of the Environment Report (EPA, 2018).

SDG Indicator 6.b.1 Proportion of local administrative units with established and operational policies and procedures for participation of local communities in water and sanitation management

Most States and Territories have water management legislation and policies in place where there are statutory requirements around community and stakeholder engagement.

Further, the National Water Initiative (NWI) extends a shared commitment to recognising Indigenous needs around water access and management:

Indigenous Access

52. The Parties will provide for indigenous access to water resources, in accordance with relevant Commonwealth, State and Territory legislation, through planning processes that ensure:

- i) inclusion of indigenous representation in water planning wherever possible; and*
- ii) water plans will incorporate indigenous social, spiritual, and customary objectives and strategies for achieving these objectives wherever they can be developed.*

53. Water planning processes will take account of the possible existence of native title rights to water in the catchment or aquifer area. The Parties note that plans may need to allocate water to native title holders following the recognition of native title rights in water under the Commonwealth Native Title Act 1993.

54. Water allocated to native title holders for traditional cultural purposes will be accounted for.

As detailed in Attachment A of this report, the Productivity Commission 2017 inquiry into the NWI included specific recommendations for State and Territory Governments to ensure that Indigenous cultural objectives were embedded into water planning, and that these be regularly monitored and reported publicly. The review noted while Indigenous cultural values were being considered in water planning processes, they were often not explicitly detailed in final water plans (Productivity Commission, 2017).

From a South Australian perspective, there is evidence to suggest some progress on this front. The new Landscape Act ensures the following principles are taken into account in connection with achieving sustainable development (section 7(a), (b) and (e)):

- *recognition should be given to the spiritual, social, customary and economic significance of landscapes, and especially natural resources, to Aboriginal people*
- *shared responsibility between local, State and the Commonwealth governments, the private sector, and the community more generally, and enduring and effective partnerships should be promoted and supported*

- *decision-making should be informed by local knowledge and expertise, and traditional Aboriginal knowledge, together with the best available science, to achieve a functioning, resilient and productive landscape and avoiding, where practicable, serious or irreversible damage to the environment.*

The Regional Landscape Boards established under the Landscape Act,¹⁰ are tasked with preparing a regional landscape plan and (where relevant) water allocation plans, landscapes affecting activities control policies and water affecting activities control policies. In undertaking these functions, the Landscape Act provides Regional Landscape Boards should seek to work collaboratively with:¹¹

- other regional landscape boards
- constituent councils for the region, and other councils as may be relevant
- relevant sections and cross-sections of the community, including Aboriginal people, and persons who own and occupy land within the region of the board (insofar as may be relevant).

In addition, Part 6 of the Basin Plan requires that Water Resource Plans must be prepared having regard to “the views of local communities, including bodies established by a Basin State that express community views in relation to environmental watering”.¹² As outlined in Chapter 5.14 of the South Australian River Murray WRP:

“all three (South Australian) WRPs recognise the need for ongoing engagement and capacity building to give proper consideration to Aboriginal water interests in the SAMDB and simply provide a high-level framework and commitment for that work to be done...the South Australian River Murray WRP is designed to facilitate ongoing engagement with River Nations in the review or amendment of (the Water Allocation Plans) and across all water resource planning instruments and processes as Nations and DEW build their capacity to articulate and consider how to give effect to Aboriginal water interests.”¹³

Section 2.1 of the Water Allocation Plan for the River Murray Prescribed Watercourse describes the inclusion of Aboriginal Nations’ interests, objectives and outcomes into water planning (Government of South Australia, 2019, p. 6 - 13).

¹⁰ Part 2, Division 2, Subdivision 2 of the *Landscape South Australia Act 2019*

¹¹ Section 25(4) of the *Landscape South Australia Act 2019*

¹² See Chapter 10, Part 6, 10.26 Plan for Environmental watering (2)(b) of the *Basin Plan* and Section 5.6.1 of the South Australian River Murray WRP see: https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wrp-12-august-2019_0.PDF

¹³ Department for Environment and Water, Section 5.14 of the South Australian River Murray Water Resource Plan see: https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wrp-12-august-2019_0.PDF

The monitoring and evaluation of the Water Allocation Plan for the River Murray is dealt with in Chapter 9, and highlights the need not just for community participation in planning, but also community participation in monitoring of land and waters: ¹⁴

“The South Australian Aboriginal river nations have expressed overwhelmingly the need for adequate monitoring and evaluation of the Plan to assess whether its objectives for sustainable water resource management are being achieved. The Plan provides a mechanism for assessing whether the Plan’s objectives are being met, helps to identify actions that need to be taken to protect the resource and dependent users, and improves knowledge. Together, this information allows informed improvements in water management, including changes to the Plan over time.

Aboriginal nations see the monitoring of their lands and waters as an ongoing process, embedded as part of their responsibility to speak for, care for and protect their Country. Through the monitoring, evaluation and reporting process, the Minister’s Department and the Board will aim to:

- *Provide opportunities for the involvement of Aboriginal nations in the management, planning and monitoring of water resources, and*
- *Provide opportunities for the capacity and experience building of Aboriginal nations in water resource management”*

In terms of development of better practice, the Department of Environment and Water (DEW), Flinders University and the Ngarrindjeri Regional Authority have partnered in a project “Translating Ngarrindjeri Yarnarumi into water resource risk assessments” (Goyder Institute, 2020). The project has led to DEW staff undertaking a review of the DEW Risk Management Framework for Water Planning and Management to integrate project findings and better engage First Nations peoples.

Discussion questions:

- Are current policy arrangements in South Australian adequate for embedding participation of local communities in water and sanitation management?
- What are the examples of better practice? What could be improved?

5. Preliminary Findings and Opportunities

Gaps in data to monitor SDG 6 progress

The Australian Government’s 2018 voluntary review into the implementation of the United Nations’ Sustainable Development Goals highlighted significant data gaps in monitoring

¹⁴Department for Environment and Water, South Australian River Murray Water Resource Plan, p. 133 See also Table 17 page 134 for evaluation and reporting details.

(DFAT, 2018b). The review suggested data is critical in forming a strong evidence base to inform policy, processes and decisions at the local, national, and global levels.

At a South Australian level, SACOSS' gaps analysis has shown some natural alignment between activities and monitoring in South Australia with SDG 6. While there are some good monitoring practices (e.g. State of the Environment Reporting), improvements could be made to better coordinate the delivery of strategic initiatives. This is particularly the case for smaller scale providers, where the lack of data makes it difficult to monitor whether standards are acceptable in regional and rural communities.

Crucially, there is no overarching level of oversight or state-wide mechanism to determine whether 'all the moving parts' are appropriately meeting the challenges and needs for providing equitable access to water and sanitation for all. In many aspects, there does appear to be a disconnect between the different monitoring requirements for urban water supply, as opposed to regional and remote. Further analysis will be needed to ensure that South Australia currently has the right level of coverage in its water monitoring and reporting efforts to meet strategic objectives, noting that at both the national and state level, we are falling behind on arguably the most instructive part of the SDG 6 goal – *to ensure no one is left behind*.

Opportunities

Our analysis adds to the significant existing evidence and commentary on regional and remote communities (and in particular Indigenous communities) being left behind in terms of access to clean water and sanitation. Crucially, there has been no up-to-date data on access to clean water and functional sewerage for Aboriginal and Torres Strait Islander households since the 2016 ABS Community Housing and Infrastructure Needs Survey (CHINS). There is an opportunity to adapt existing data sources, policy and monitoring frameworks to gain a more holistic understanding of access to water and sanitation such as expansion of ABS household surveys to include more questions about water and sanitation, and health records to provide indications on drinking water and sanitation (AWA, 2017).

Others have suggested that addressing the 'no one left behind' challenge will require a shift in thinking and moving away from one-size-fits-all approaches for securing sustainable and clean water for regional and remote communities. The Melbourne Sustainable Development Institute (MSDI) are currently working with the Federal National Water Reform Commission to develop new data collection processes and bespoke drinking and sanitation indicators targeting current SDG 6 gaps (MSDI, 2020).

Our research has identified several indices and scorecards which may be useful to help address key information, data, and policy gaps, including:

- Australian Water Association (AWA) National Water Security Scorecard
- The National Health and Medical Research Council (NHMRC) Community Water Planner (CWP)

- Water utilities' Reconciliation Action Plan Reporting
- UNECE Equitable Access to Water and Sanitation Scorecard
- Water Sensitive Cities (WSC) Index
- South Australia's State Trend and Condition Report Cards

Further research may be needed to assess how well aligned these are to progress SDG 6.

Discussion questions:

- Are South Australia's policy, regulatory and monitoring frameworks 'fit-for-purpose' in achieving the ambition of ensuring availability and sustainable management of water and sanitation for all?
- What are the challenges and barriers in fully achieving SDG 6 in South Australia?

Lack of an up to date, integrated state-wide strategy

When launched in 2009, 'Water for Good' set out a 40-year plan aimed at securing the long-term water supply for South Australia (Government of South Australia, 2009). As highlighted in Attachment A of this paper, there have been several regulatory and legislative changes in the decade since, and an assessment of the continued relevance of the Water for Good Plan may be timely. Barratt and Dovers (2019) note that 'Water for Good' came at a time of great uncertainty during the Millennium Drought, and had been heralded nationally and internationally as a successful approach to addressing key issues of the. According to their insights paper - *Water for Good – Ten years later, what comes next?* - a review of 'Water for Good' was conducted in 2015 by in Fusion Consulting, which suggested that "all but four actions were complete, on track or slightly delayed." While a copy of the review does not appear to be publicly available, this seems a sensible starting basis for a renewed state-wide strategy for securing the State's long-term supply of water and promoting equitable outcomes for access to water and sanitation.

Opportunities

The Landscape Act requires the Minister for Environment and Water to prepare and maintain a plan called the "State Landscape Strategy".¹⁵ The purpose of the State Landscape Strategy is to "set out principles, policies and high-level strategic directions for achieving the objects" of the Landscape Act throughout the State. One of the objects of the Landscape Act is to provide for the protection, enhancement, restoration, and sustainable management of water resources so that they are resilient in the face of change (section 7(1)(c)). The Landscape strategy must also "provide for monitoring and evaluating the state and condition of the natural resources of the State" and must "include a framework for

¹⁵ Section 9(1)(c) of the *Landscape South Australia Act 2019*

measuring the success of the State Landscape Strategy”.¹⁶ The Minister also has the general obligation to “compile, maintain and update data and other information in relation to the State's natural resources, coasts and seas” (section 9(1)(f)).

The preparation of the state-wide Landscape Strategy, coupled with the Ministers other obligations under Landscape Act, presents an opportunity to address some of the water data gaps, barriers and disparate water governance structures identified in this and other reports. In light of the requirements of the new Landscape Act, and the current review of the National Water Initiative, there is an opportunity for the Minister to undertake a re-evaluation of the ‘Water for Good’ strategic framework for water security.

The State of Environment report notes that there were five water-related targets in the now expired South Australian Strategic Plan, relating to increasing stormwater harvesting, increasing wastewater recycling, sustainable water resource management, and River Murray flows and salinity. Any revisions or updates to ‘Water for Good’ could take into account progress against these targets, as well as new challenges and risks which have emerged since 2009, such as the impact of bushfires on water quality management, and the provision of reliable water services to regional, rural and remote communities.

Discussion questions

- What opportunities does the new State Landscape Strategy present?
- Is there a need to revisit the ‘Water for Good’ strategy?

Fragmented roles and responsibilities

The ‘water story’ in South Australia is highly complex, with multiple bodies responsible for different aspects of water management, planning, supply, and monitoring. As noted by Delany-Crowe et al. (2019), there remains a significant gap in community-based knowledge and actions, and how these meet with top-down driven policy and governance framework.

The benefit of the UN Sustainable Development Goals is that it provides a common framework for collaboration across communities, businesses, sectors, and government. Notably, a consortium of 48 businesses, industry groups, universities and community organisations (Global Compact Network Australia, 2020) recently called on the Australian government to:

- Use the SDGs to unite all sectors behind a plan to build a stronger and more resilient economy
- Use the SDGs to prioritise the most vulnerable in our society and level-up regional and societal inequalities.

¹⁶ Section 44(3)(g) and 44(5) of the *Landscape South Australia Act 2019*.

- Use the SDGs to build coherent policies for a healthy planet and to aid the transition to net zero

Opportunities

Of relevance, the Senate Inquiry into the UN Sustainable Development Goals included recommendations for the Australian Government to:

- assess opportunities to include data from state, territory and local government levels on its reporting platform on the Sustainable Development Goal indicators.
- provide information resources alongside the national implementation plan to support state, territory, and local governments to create their own plans supporting the implementation of the SDGs in their jurisdictions.

It is unclear whether progress on these recommendations have been made. However, SACOSS is open to working with all interested stakeholders, including the South Australian Government and relevant departments, to ensure that we remain committed to investing in a sustainable and resilient economy, with equitable access to water and sanitation for all South Australians, where no one is left behind.

Discussion questions

- Are the Sustainable Development Goals a useful framework for improving equitable access to water and sanitation in South Australia?
- Are there other useful frameworks, scorecards, or indices?
- Are there examples of good practice under the relevant SDG targets?
- What potential role could advances in technology play in the provision of safe and affordable drinking water for all?

Attachment A. Summary of key water policy, regulatory and monitoring frameworks, Australia and South Australia

National

The management of water resources is largely the responsibility of State and Territory governments within each jurisdiction. However, the Commonwealth has played a role in funding, leadership and coordination of water planning and infrastructure, as well as the management of some 'transboundary' resources where agreed by relevant state jurisdictions.¹⁷ Historically, the shift in focus to a national approach to water management and reform commenced in 1994 with the landmark Council of Australian Governments water reform framework. Since that time, the following national agreements, initiatives and legislative instruments have been created to support efficient water use and provide greater certainty in water planning, investment and productivity:

- *Intergovernmental Agreement on a National Water Initiative 2004* (NWI)¹⁸
- *National Urban Water Planning Principles 2008*¹⁹
- *National Water Initiative Pricing Principles 2010*²⁰
- *National Water Quality Management Strategy 2018*²¹

¹⁷ Australian Government, Productivity Commission, National Water Reform Inquiry Report, No. 87, 19 December 2017, p.v see: https://www.pc.gov.au/data/assets/pdf_file/0007/228175/water-reform.pdf

¹⁸ Intergovernmental Agreement on a National Water Initiative 2004, See: <https://www.pc.gov.au/inquiries/completed/water-reform/national-water-initiative-agreement-2004.pdf>

¹⁹ National Urban Water Planning Principles 2008 See: <https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/planning-principles>

See also the *Review of the National Urban Water Planning Principles* (2013-2014) undertaken by the Australian Government Department of the Environment during 2013-14 in consultation with the states and territories. The review was in response to recommendations by the Productivity Commission, the National Water Commission and Infrastructure Australia: <https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/review-national-urban-water-planning-principles>

²⁰ Natural Resource Management Ministerial Council endorsed the [National Water Initiative](#) (NWI) pricing principles on 23 April 2010. <https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/water/national-water-initiative-pricing-principles.pdf>

²¹ Australian Government Initiative, Water Quality Australia: National Water Quality Management Strategy Charter, 2018, See: <https://www.waterquality.gov.au/sites/default/files/documents/nwqms-charter.pdf>

- *National Framework for Compliance and Enforcement Systems for Water Resource Management*²²
- *Water Act 2007 (Cth)*²³
 - The Murray-Darling Basin Agreement 2008 (now incorporated into the *Water Act*)
 - *The Basin Plan* (November 2012)
 - Murray-Darling Basin Authority Compliance and Enforcement Policy 2018-21, June 2020²⁴
 - Sustainable Diversion Limit Reporting and Compliance Framework, November 2018²⁵

Intergovernmental Agreement on a National Water Initiative 2004 and the NWI Pricing Principles

Overview

In 2004, Commonwealth and State governments entered into the *Intergovernmental Agreement on a National Water Initiative* (the NWI). The NWI builds upon the 1994 COAG Water Reform Framework, with the objective of providing “greater certainty for investment and the environment, (underpinning) the capacity of Australia’s water management regimes to deal with change responsively and fairly”²⁶

Under the NWI, governments committed to the following actions²⁷:

- *“preparing comprehensive water plans*
- *achieving sustainable water use in over-allocated or stressed water systems*
- *introducing registers of water rights and standards for water accounting*
- *expanding trade in water rights*
- *improving pricing for water storage and delivery*

²²National Framework for Compliance and Enforcement Systems for Water Resource Management, see: <https://webarchive.nla.gov.au/awa/20160106180441/http://www.environment.gov.au/resource/national-framework-compliance-and-enforcement-systems-water-resource-management>

²³ *Water Act 2007 (Cth)* see: <https://www.legislation.gov.au/Details/C2017C00151>

²⁴ Murray-Darling Basin Authority *Compliance and Enforcement Policy* 2018-21, June 2020, see: https://www.mdba.gov.au/sites/default/files/pubs/MDBA%20Compliance%20and%20Enforcement%20Policy%202018-2021_0.pdf

²⁵ Sustainable Diversion Limit Reporting and Compliance Framework, November 2018, see: <https://www.mdba.gov.au/sites/default/files/pubs/SDL-Reporting-Compliance-Framework-Nov-18.PDF>

²⁶ Intergovernmental Agreement on a National Water Initiative 2004, p. 1, see: <https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/water/Intergovernmental-Agreement-on-a-national-water-initiative.pdf>

²⁷ Australian Government, Department of Agriculture Water and the Environment webpage: <https://www.agriculture.gov.au/water/policy/nwi>

- *better managing urban water demands.”*

The NWI also contains a number of objectives recognising the need to address Indigenous interests in water. It has been noted the NWI is the main vehicle in Australia for recognising the water interests of Aboriginal and Torres Strait Islander Australians (O’Bryan, 2012).²⁸ This recognition is now reflected in the *Water Act 2007 (Cth)* (the Water Act)²⁹ and *Basin Plan 2012* (the Basin Plan) requirements.³⁰

Under the NWI, governments also made a commitment to best practice water pricing. The Steering Group on Water Charges (SGWC) was established by the National Water Initiative Committee to provide technical advice on water pricing to support the implementation of the National Water Initiative pricing reforms. The SGWC developed pricing principles in the following areas to provide a set of guidelines for rural and urban pricing practices, and to assist jurisdictions with consistent approaches to pricing, as required under the NWI.³¹

- recovery of capital expenditure
- setting urban water tariffs
- recovering the costs of water planning and management.

Commonwealth and State governments agreed to the NWI Pricing Principles in 2010, undertaking “that if a decision was made not to apply these principles in a particular case, the reasons for this would be tabled in parliament”.³²

Monitoring and compliance with the NWI and NWI Pricing Principles

The National Water Commission (NWC) was established in 2004 with the key function of monitoring, auditing, and assessing progress of the NWI on a biennial basis. The NWC undertook assessments in 2007, 2009 and 2011. In 2014, the NWC was abolished, with assessment functions transferred to the Productivity Commission on a triennial basis (in

²⁸ The main clauses of the NWI relating to Indigenous interests are clauses 52-54

²⁹ *Water Act 2007 (Cth)*, see for example: section 21(4)(c)(iv), section 22(3)(ca), section 172(1)(ia), section 177(b) <https://www.legislation.gov.au/Details/C2020C00058>

³⁰ See Chapter 10, Part 14 of the Basin Plan, which provides for Indigenous values and uses requirements in Water resource plans https://www.legislation.gov.au/Details/F2017C00078/Html/Text#_Toc451422694

³¹ NWI Pricing Principles 2010, p.2
<https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/water/national-water-initiative-pricing-principles.pdf>

³² NWI Pricing Principles 2010, Clause 10, p.3

accordance with section 88 of the Water Act. The *Water Planning Report Card* function of the NWC was transferred to State and Territory Governments respectively.³³

The SA Water Pricing Inquiry Report: *A Cautious Conclusion*, refers to the history of the South Australian government's NWI compliance and monitoring requirements.³⁴ The Report details how compliance with the COAG and NWI principles was linked to funding of Competition payments from the Commonwealth, including funding of projects such as the Adelaide Desalination Plant. The Report states the Government was "under constant pressure to demonstrate that its actions complied with the COAG and NWI pricing principles, or risk the loss of Competition payments"³⁵

As part of the SA Water Pricing Inquiry's fourth Report: *A Balanced Bargain*, the Independent Inquirer Lewis Owens, sought advice from Crown Law to clarify whether the South Australian government was bound to comply with the NWI and NWI Pricing Principles. The Inquiry was advised that "COAG and NWI Agreements are political agreements and are not legally binding –but there would be an expectation that signatories would comply with the terms and spirit of the agreements".³⁶ Whilst the legal advice suggested the government was not strictly legally bound by the NWI and NWI Pricing Principles, the Independent Inquirer found that "the government was morally bound to comply with the Principles, particularly as it had received Commonwealth payments based on this compliance, and the current government has continued in late 2018 to instruct ESCOSA to ensure NWI compliance in the next Revenue Determination."³⁷

Relevantly, in March 2015, the Australia Government's Competition Policy Review known as "The Harper Review" was delivered. The Harper Review recommended (Recommendation 20) that "all governments should progress implementation of the principles of the NWI, with a view to achieving national consistency...and State and Territory governments should

³³ The NWC's water planning report cards looked at the quality of State and Territory governments' water plans, in order to identify areas of better practice and improvement. The most recent Report Cards were prepared by the NWC in 2011 and 2013, see: <https://www.agriculture.gov.au/water/policy/nwi>

³⁴ Lewis Owens, Independent Inquirer, SA Water Pricing Inquiry Report: *A Cautious Conclusion*, p.18 https://www.treasury.sa.gov.au/_data/assets/pdf_file/0010/93646/2018-12-A-Cautious-Conclusion-report.pdf

³⁵ Ibid

³⁶ Lewis Owens, Independent Inquirer, SA Water Pricing Inquiry report: *A Balanced Bargain*, May 2019, p.49 see: https://www.treasury.sa.gov.au/_data/assets/pdf_file/0007/94192/2019-05-A-Balanced-Bargain.pdf

³⁷ Lewis Owens, Independent Inquirer, SA Water Pricing Inquiry report: *A Balanced Bargain*, May 2019, p.64 see: https://www.treasury.sa.gov.au/_data/assets/pdf_file/0007/94192/2019-05-A-Balanced-Bargain.pdf

develop clear timelines for fully implementing the NWI...”³⁸ Elements of the NWI are also referenced in the *Water Act 2007*³⁹ and the Basin Plan, bringing compliance with those aspects of the NWI within the compliance frameworks under the Act and Plan (outlined in more detail, below).

In addition to transferring the NWI assessment functions to the Productivity Commission in 2014, the *Water Act*⁴⁰ also sets out the monitoring and compliance powers and functions of the Bureau of Meteorology (see Part 7 of the Act which deals with Water Information), and the Australian Competition and Consumer Commission (see Part 4 and 4A of the *Water Act* which deal with Basin water charges and water market rules).

Under the *Water Act*, the Bureau is tasked with “collecting, holding, managing, interpreting and disseminating Australia’s water information”, and “providing regular reports on the status of Australia’s water resources and patterns of usage of those resources”.⁴¹ The ACCC is tasked with monitoring water charges and compliance in Basin States,⁴² and is also identified as the appropriate enforcement agency for breaches of Part 4 and 4A of the *Water Act*. See further discussion on the monitoring functions of the Bureau and ACCC, below.

The Productivity Commission

The Productivity Commission’s last NWI-related inquiry was completed in 2017⁴³ and published in 2018 (the National Water Reform Report). The National Water Reform Report made numerous recommendations and findings, including highlighting the risk of the “slow erosion of reforms” due to general non-compliance with the NWI and “broader questions about the effectiveness of state-based compliance and enforcement regimes, (which) risk undermining the benefits of water reform.”⁴⁴

³⁸ The Australian Government Competition Policy Review: Final Report, 2015, p.53.

https://treasury.gov.au/sites/default/files/2019-03/Competition-policy-review-report_online.pdf

³⁹ For example sections 74A and 76 of the *Water Act 2007* implement the risk assignment framework provided for in clauses 48 to 50 of the National Water Initiative, and the Basin water charging and trading objectives and principles are based on those set out in clauses 64 to 77 of the National Water Initiative (see Schedule 2 and 3 to the *Water Act 2007*).

⁴⁰ *Water Act 2007* (Cth) see: <https://www.legislation.gov.au/Details/C2017C00151>

⁴¹ See sections 120(a) and 120(b) of the *Water Act 2007* (Cth)

⁴² Section 4 of the *Water Act 2007* defines **Basin State** to mean New South Wales, Victoria, Queensland, South Australia, the Australian Capital Territory.

⁴³ Productivity Commission, National Water Reform, Inquiry Report no. 87, Canberra, 19 December 2017, p. 14 see: https://www.pc.gov.au/_data/assets/pdf_file/0007/228175/water-reform.pdf

⁴⁴ Productivity Commission, National Water Reform, Inquiry Report no.87, 2017, p.14

Some relevant recommendations from the National Water Reform Report include⁴⁵:

- **Recommendation 3.2:** *State and Territory Governments should ensure that:*
 - a. *Indigenous cultural objectives are explicitly identified and provided for in water plans*
 - b. *progress in achieving Indigenous cultural objectives is regularly monitored and reported publicly*
 - c. *there is public reporting of how Indigenous cultural objectives have been considered in the management of environmental water — both held and planned.*
- **Recommendation 3.3:** *Where State and Territory Governments provide access to water for Indigenous communities for economic development they should:*
 - a. *source water within existing water entitlement frameworks, such as by purchasing water on the market or as part of transparent processes for releasing unallocated water*
 - b. *ensure adequate supporting arrangements (such as training and business development) are in place to enable Indigenous communities to maximise the value of the resource*
 - c. *involve Indigenous communities in program design*
 - d. *specify and implement future governance arrangements*
 - e. *regularly monitor and publicly report on these provisions (such as the volume of entitlements sourced, water used and supporting arrangements) and their outcomes.*

Australian, State and Territory Governments should revise relevant provisions in the National Water Initiative to align with recommendations 3.3 (a) to 3.3 (e).

- **Recommendation 5.6:** *Australian, State and Territory Governments should improve monitoring, evaluation, auditing and reporting to demonstrate the benefit of allocating water to the environment, build public trust in its management, keep managers accountable and make better use of environmental water over time.*
- **Recommendation 6.5:** *To promote competition by comparison, Australian, State and Territory Governments should ensure that performance monitoring data are publicly reported for providers of all sizes and subject to independent scrutiny.*
- **Recommendation 10.1:** *Australian, State and Territory Governments should recommit to a renewed National Water Initiative through COAG by 2020, which should maintain the achievements in water entitlements and planning, water markets, water accounting and compliance, water pricing and institutional reform, knowledge and capacity building, and community engagement delivered by the current National Water Initiative as the key foundations underpinning sustainable water resource management and efficient infrastructure service delivery.*

⁴⁵ Productivity Commission, National Water Reform, Inquiry Report no.87, 2017, pp. 27-43

On 22 May 2020, the Federal Treasurer released the terms of reference for the Productivity Commission's second inquiry into the progress of all Australian governments in "achieving the objectives, outcomes and timelines of reform directions"⁴⁶ proposed in the NWI. The Issues Paper was published on 26 May 2020,⁴⁷ with submissions due on 21 August 2020 and the Final Report expected to be published in late 2021.

In undertaking the 2020 National Water Reform Inquiry, the Treasurer's Terms of Reference direct the Productivity Commission to assess:⁴⁸

- *"progress in jurisdictional adoption of NWI principles, objectives and key outcomes, and where these have not been adopted, the impacts and opportunity costs of not doing so*
- *the outcomes to date of the NWI and related water reform efforts, taking account of other drivers of reform*
- *the extent to which the NWI reforms are adequate to support government responses to emerging or changing water management challenges such as climate change, and*
- *provide any further practical advice on addressing the joint governments' priorities for implementation of a renewed NWI, and*
- *provide specific practical advice on ways in which the NWI could be improved to support better social, economic and environmental outcomes.*

The Commission should also consider:

- *the interaction of water policy with other policy areas such as climate, energy, agriculture, forestry, land use planning and urban development*
- *the policy ramifications of emerging climate change impacts on water resources*
- *the provision of reliable water services to regional, rural and remote communities*
- *the principles to be satisfied for any government investment in major water infrastructure projects*
- *issues identified in the Commission's 2017 Report, and*
- *international experiences and examples."*

The Terms of Reference further recognise the complexity around water planning processes and governance arrangements, stating that:

⁴⁶ See: Frydenberg, National Water Reform Terms of Reference, Australian Government, Productivity Commission website: <https://www.pc.gov.au/inquiries/current/water-reform-2020/terms-of-reference>

⁴⁷ Australian Government National Water Reform Productivity Commission Issues Paper, May 2020 <https://www.pc.gov.au/inquiries/current/water-reform-2020/issues/water-2020-issues.pdf>

⁴⁸ See: Frydenberg, National Water Reform Terms of Reference, Australian Government, Productivity Commission website: <https://www.pc.gov.au/inquiries/current/water-reform-2020/terms-of-reference>

“in order to enhance transparency, the Commission should also assess the progress of water planning across Australia to improve clarity around the complex and often not well understood water planning processes within each jurisdiction. There should be a focus on policy and legislative processes for water planning in each jurisdiction, rather than detailed on-ground implementation arrangements.”⁴⁹

Given SACOSS’ concerns around the lack of a holistic approach to governance, monitoring and reporting requirements relating to water planning and management in South Australia (particularly remote South Australia), SACOSS welcomes the focus on policy and legislative processes in the forthcoming Productivity Commission review.

The Bureau of Meteorology

Urban Water Utility National Performance Reports⁵⁰ are published annually by the Bureau of Meteorology and prepared with information provided by State and Territory governments, and the Water Services Association of Australia (WSAA). These reports satisfy “the commitments made by States and Territories under the NWI to report publicly and independently on the performance of water utilities”.⁵¹ As part of its role and responsibilities under the Water Act, the National Performance Reports published by the Bureau provide commentary, analysis of key indicators and data for indicators reported on by utilities and bulk water authorities. Indicators include water resource supply and usage, financial operations, bills and pricing, assets, water quality compliance and customer performance. This allows for nationally consistent urban water information and benchmarks the pricing and service quality of Australian water utilities.

Under the Water Act (section 130), the Director of Meteorology also has the authority to issue National Water Information Standards by legislative instrument. The Bureau has chosen not to issue mandatory standards under this authority, but is instead working together with the water industry to develop “voluntary water information standards and guidelines”.⁵² SACOSS has observed a focus on the voluntary provision of information for the purposes of monitoring and compliance across the water industry in South Australia,⁵³

⁴⁹ Australian Government National Water Reform Productivity Commission Issues Paper, May 2020, p.iv <https://www.pc.gov.au/inquiries/current/water-reform-2020/issues/water-2020-issues.pdf>

⁵⁰ Bureau of Meteorology, *National performance report 2018–19: urban water utilities*, Introduction, p. 10 see: http://www.bom.gov.au/water/npr/docs/1_Introduction.pdf

⁵¹ See Intergovernmental Agreement on a National Water Initiative, Clauses 75-76.

⁵² <http://www.bom.gov.au/water/standards/aboutStds.shtml>

⁵³ See for example the Essential Services Commission of South Australia’s Performance Reporting for Minor and Intermediate Retailers [Water Industry Guideline No.1 Compliance System and Reporting](#) July 2016, and the [Water Industry Guideline No.3 Regulatory Information requirements for Minor and Intermediate retailers](#) July 2015

and questions whether this less prescriptive approach supports the implementation of the NWI.

The Australian Competition and Consumer Commission

The Water Act establishes the ACCC with a key role in developing and enforcing water charge and water market rules, along the lines agreed in the NWI. Specifically, the ACCC advises the Murray Darling Basin Authority (MDBA) on the development of water trading rules under the Water Act (section 42(2)), and advises the Commonwealth minister responsible for water on the development of water market rules and water charge rules (section 93 of the Water Act). The ACCC also monitors compliance with the water charge rules (section 94 of the Water Act) and enforces the water market rules and water charge rules.⁵⁴

The ACCC's June 2020 *Interim Report on the Murray-Darling Basin Water Markets Inquiry* found there are significant "deficiencies associated with the settings and governance of water trading, which undermines the efficiency of water markets and their dependent industries".⁵⁵ The ACCC found that many of the problems highlighted in the Interim Report were partly due to failures of the existing governance framework for water management, summarising the complex and fragmented system as follows:

*"The government agencies involved in water management include the Murray-Darling Basin Authority (MDBA), Australian and state government water departments, numerous state water authorities and resource managers, and many regulators and compliance agencies (including the ACCC). These various agencies are themselves governed by an array of Australian and state government laws and inter-governmental agreements, including the Basin Plan, the Murray–Darling Basin Agreement and the National Water Initiative. At the highest level, the Murray–Darling Basin Ministerial Council is the decision-making forum established to consider and determine outcomes and objectives on major policy issues of common interest to the Basin government."*⁵⁶

⁵⁴ Australian Competition and Consumer Commission, *Murray-Darling Basin Water Markets Inquiry: Interim Report*, 30 June 2020, p.228 <https://www.accc.gov.au/system/files/Murray-Darling%20Basin%20inquiry%20-%20interim%20report.pdf>

⁵⁵ Australian Competition and Consumer Commission, *Murray-Darling Basin Water Markets Inquiry: Interim Report*, 30 June 2020, P. 7 <https://www.accc.gov.au/system/files/Murray-Darling%20Basin%20inquiry%20-%20interim%20report.pdf>

⁵⁶ Australian Competition and Consumer Commission, *Murray-Darling Basin Water Markets Inquiry: Interim Report*, 30 June 2020, p.484

The ACCC determined there is a need to “bolster enforcement and address regulatory gaps to create a fair and efficient water market characterised by integrity and transparency”.⁵⁷

National Urban Water Planning Principles 2008

The aim of the National Urban Water Planning Principles (NUWPP)⁵⁸ is to assist jurisdictions to undertake long-term planning for urban water supplies, in order to ensure that future demand can be met. The Principles were finalised at a time when jurisdictional governments were experiencing the Millennium Drought, and facing issues of water security for cities and towns across the country. The Principles were endorsed by COAG in November 2008.

Monitoring and compliance with the National Urban Water Planning Principles

In response to recommendations by the Productivity Commission, the National Water Commission and Infrastructure Australia, the Australian Government Department of Environment (in consultation with the State and Territories) undertook a review of the Principles during 2013-14, with the Report published in May 2015.

The objective of the review was to assess the jurisdictional adoption of the NUWPP and to identify opportunities for improvement. State and Territory departments were asked to provide information on urban water planning requirements in their jurisdiction, with the intention of assessing the extent to which the NUWPP have informed government planning processes to date, and will do so into the future. The information provided by the South Australian government (see Appendix C to the Report)⁵⁹ provides an overview of urban water planning and governance arrangements in South Australia (as at 2014), the extent to which the Principles were used at that time, the usefulness of the principles, the role of the principles in new approaches to planning, and opportunities for improving the principles.

South Australia’s input to the review was that “while South Australia’s water planning processes do not explicitly refer to the Principles, where relevant the processes in place are

⁵⁷ Australian Competition and Consumer Commission, *Murray-Darling Basin Water Markets Inquiry: Interim Report*, 30 June 2020, p.27

⁵⁸ See Appendix A to the Review of the National Urban Water Planning Principles <https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/review-national-urban-water-planning-principles>

⁵⁹ Review of the National Urban Water Planning Principles – Appendix C pp. 21-29 <https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/review-national-urban-water-planning-principles>

generally consistent with the Principles”.⁶⁰ The South Australian government’s response also notes that “in general South Australia’s approach to water planning and management is less concerned with ‘urban’ (and non-urban) but focuses more on the overall planning and management of natural water resources (e.g. surface water, groundwater, wastewater, stormwater etc)”.⁶¹

This response indicates there is no formal monitoring of compliance with the NUWPP in SA, with “flexible application of the Principles in South Australia and elsewhere (considered) appropriate in order to maximise their relevance to local communities and local circumstances”.⁶² Overall, the review found the Principles remain useful, and the review process itself provided a useful mechanism for the States and Territories to share information on urban water planning concepts and practices.

National Water Quality Management Strategy

The National Water Quality Management Strategy (NWQMS) was introduced in 1992 and incorporated into the COAG Water Reform Framework in 1994. The NWQMS follows the guiding principles set out in the National Strategy for Ecologically Sustainable Development (which was also endorsed by COAG in 1992), and is the principal COAG mechanism for the management of water quality. While the NWQMS is voluntary, it is used by all State and Territory governments in establishing their own guidelines, regulations, policies, processes and/or standards for managing the quality and supply of water. The Australian Government also utilises the NWQMS for various purposes such as meeting international obligations.

The 2017 Water Reform Inquiry found that water quantity and water quality management are both critical in maximising the economic, environmental and social benefits the community derives from Australia’s water resources. The Inquiry found that continued implementation of the NWQMS would complement the outcomes of the NWI. Since 2014, the Australian, State and Territory Governments have progressed several measures to better integrate water quality into planning. In 2018 the Australian Government published a Charter that details the delivery of the NWQMS, and brings a greater focus on integration of

⁶⁰ Review of the National Urban Water Planning Principles – Appendix C p. 27

<https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/review-national-urban-water-planning-principles>

⁶¹ Review of the National Urban Water Planning Principles – Appendix C p. 27

<https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/review-national-urban-water-planning-principles>

⁶² Review of the National Urban Water Planning Principles – Appendix C p. 27

<https://www.agriculture.gov.au/water/urban/policy-reform-urban-water/review-national-urban-water-planning-principles>

water quality and quantity in water planning and management (Australian Government, 2018b).

Monitoring the implementation of the National Water Quality Management Strategy

An independent evaluation of the NWQMS undertaken by KPMG in 2011 recommended “developing a small set of qualitative and quantitative performance measures that align with national objectives and priorities and implementing ongoing reporting at the national level to measure the success of the NWQMS”.⁶³

The Monitoring and Evaluation Plan developed in 2018 provides performance measures the Australian Government, and state and territory governments, can use to evaluate the performance of the NWQMS. Under the Plan, the Australian Government has responsibility for reporting on output indicators for NWQMS information, tools and arrangements every 5 years. One of the Outcome Indicators provides for jurisdictional governments to report on how they have incorporated NWQMS into legislation, policies and licence requirements.⁶⁴

SACOSS is not aware of a report from the South Australian Government detailing the implementation of the NWQMS at this stage, with the reporting requirement due in 2023.

National Framework for Compliance and Enforcement Systems for Water Resource Management

The National Framework for Compliance and Enforcement Systems for Water Resource Management aims to provide a nationally consistent approach to compliance with water requirements and enforcement of breaches within each jurisdiction, through:⁶⁵

- *robust compliance standards and enforcement strategies*
- *rigorous and appropriate application of compliance standards and enforcement strategies*
- *regular and consistent public reporting of monitoring and compliance action*
- *raised public awareness, and*
- *an increase in resources to appropriate levels.*

⁶³ Department of Agriculture and Water Resources, Monitoring and evaluation plan: National Water Quality Management Strategy, 2018, p.4 <https://www.waterquality.gov.au/sites/default/files/documents/monitoring-evaluation-plan.pdf>

⁶⁴ Department of Agriculture and Water Resources, Monitoring and evaluation plan: National Water Quality Management Strategy, 2018, P.8 <https://www.waterquality.gov.au/sites/default/files/documents/monitoring-evaluation-plan.pdf>

⁶⁵ The National Framework for Compliance and Enforcement Systems for Water Resource Management, p.1 <https://webarchive.nla.gov.au/awa/20160106180441/http://www.environment.gov.au/resource/national-framework-compliance-and-enforcement-systems-water-resource-management>

The Department for Environment and Water (DEW) in South Australia uses the risk-based approach, as defined in the National Framework, to support a focus on compliance activities that focus on “at risk” water resources, and target breaches of water resources legislation that are most likely to further stress water resources. The Department’s Water Compliance Reporting Activities Table⁶⁶ confirms DEW is required to report on any water use compliance breaches as part of the National Framework for Compliance and Enforcement Systems for Water Resource Management. DEW has indicated that compliance activities for 2019-20 will focus on the River Murray Prescribed Watercourse.⁶⁷

The Water Act 2007 (Cth) and Water Regulations 2008 (Cth)

The Water Act establishes the MDBA as an independent Authority with the functions and powers needed to ensure that Murray Darling Basin water resources are managed in the national interest. The Australian Government Department of Agriculture and Water Resources (DAWR) is responsible for the administration of the Water Act.

The MDBA is an Australian Government statutory authority responsible for developing, implementing and enforcing the Basin Plan 2012.⁶⁸ The role of the MDBA is to oversee water planning by considering the Basin as a whole, rather than state by state.⁶⁹ In 2008, the Basin states (New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory) agreed to a partial referral of powers under the Constitution to the Commonwealth to allow for the establishment of the MDBA. The Water Act recognises that Australian states in the Murray-Darling Basin continue to manage Basin water resources within their jurisdictions.

In summary, the Water Act:⁷⁰

⁶⁶ South Australian Government, Department for Environment and Water, Water Compliance Activities Table, Summary of compliance actions conducted in 2018-19 see:

<https://www.environment.sa.gov.au/topics/compliance/water-compliance/water-compliance-reporting>

⁶⁷ South Australian Government, Department for Environment and Water, Water Compliance Activities Table, Summary of compliance actions conducted in 2018-19 see:

<https://www.environment.sa.gov.au/topics/compliance/water-compliance/water-compliance-reporting>

⁶⁸ *Basin Plan 2012*, made under subparagraph 44(3)(b)(i) of the *Water Act 2007*, see:

<https://www.legislation.gov.au/Details/F2017C00078>

⁶⁹ Australian Government, Department of Environment, summary of Key features of the Water Act 2007, See webpage:

<https://webarchive.nla.gov.au/awa/20160109201243/https://www.environment.gov.au/topics/water/australian-government-water-leadership/water-legislation/key-features-water-act-2007>

⁷⁰ See Australian Government, Department of Agriculture website:

<https://www.agriculture.gov.au/water/policy/legislation>

- *“establishes the **Murray-Darling Basin Authority (MDBA)** with the functions and powers, including enforcement powers, needed to ensure that Basin water resources are managed in an integrated and sustainable way.*
- *requires the MDBA to prepare the **Basin Plan** - a strategic plan for the integrated and sustainable management of water resources in the Murray-Darling Basin.*
- *establishes a **Commonwealth Environmental Water Holder** to manage the Commonwealth's environmental water to protect and restore the environmental assets of the Murray-Darling Basin, and outside the Basin where the Commonwealth owns water.*
- *provides the Australian Competition and Consumer Commission (ACCC) with a key role in developing and enforcing **water charge and water market rules** along the lines agreed in the National Water Initiative.*
- *gives the Bureau of Meteorology **water information** functions that are in addition to its existing functions under the Meteorology Act 1955.*
- *gives the **Productivity Commission** a role in reporting on the effectiveness of the implementation of the Murray-Darling Basin Plan and water resource plans and the progress towards achieving the **objectives and outcomes of the National Water Initiative.**”*

The MDBA also reviews compliance with state and territory-based regulations governing water use in the Murray–Darling Basin (the Basin).

Basin Plan 2012

The Water Act provides for the preparation of a Basin Plan⁷¹ by the MDBA (see Part 2, Division 1 of the Water Act). The Basin Plan was adopted by the Commonwealth Minister on 22 November 2012. The MDBA is responsible for enforcement of the Basin Plan, in conjunction with the Basin States.

The purpose of the Basin Plan is to limit the amount of water that can be taken from the Basin and water resource areas. The Basin Plan supports integrated water resource management through the development of Water Resource Plans (WRPs) (see section 19(2) of the Water Act). The Basin Plan requirements also build on the NWI, which (as outlined above) includes a commitment to include Aboriginal representation in water planning, to incorporate Aboriginal social, spiritual and customary objectives and strategies, and to take account of the possible existence of native title rights to water.⁷²

⁷¹ Basin Plan 2012, made under subparagraph 44(3)(b)(i) of the *Water Act 2007*, see: <https://www.legislation.gov.au/Details/F2017C00078>

⁷² SA Murray River Water Allocation Plan, p. 16 See <https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wap-february-2019.PDF>

Under the Basin Plan, South Australia is required to develop WRPs for the following areas:

- **South Australian River Murray**⁷³ (all surface water resources in the area, which replicates the River Murray PWC boundary)
- **South Australian Murray region**⁷⁴ (all surface and groundwater water resources in the area, excluding the surface water resources of the South Australian River Murray) and
- **Eastern Mount Lofty Ranges**⁷⁵ (all surface and groundwater resources in the area).

WRPs align water management with elements of the Basin Plan and are made up of several components, including water allocation plans (WAPs) (see more detail on water allocation plans, below). For example, the SA Murray River Water Allocation Plan⁷⁶ is a key component of the South Australian River Murray WRP. Where the Plan contributes to the Basin Plan, the relevant section of the Basin Plan is referenced in the WRP.⁷⁷

According to the MDBA's Water Resource Plan Quarterly Report (June 2020), South Australia has currently completed and accredited all three of its WRPs.⁷⁸

Basin Plan 2012 – monitoring and compliance

Chapter 13 of the Basin Plan sets out a program for monitoring, evaluating and reporting on the effectiveness of the Basin Plan. The MDBA, Basin states, the Commonwealth Environmental Water Holder (CEWH), and the Department of Agriculture and Water Resources all have obligations under Chapter 13 to report on a wide range of matters.⁷⁹ The Basin Plan includes “a range of annual and five-yearly reports, evaluations and reviews,

⁷³ SA River Murray Water Resource Plan https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wrp-12-august-2019_0.PDF

⁷⁴ SA Murray Region Water Resource Plan <https://www.mdba.gov.au/sites/default/files/pubs/SA-Murray-Region-WRP-2018.PDF>

⁷⁵ Eastern Mount Lofty Ranges Water Resource Plan <https://www.mdba.gov.au/sites/default/files/pubs/sa-eastern-mount-lofty%20ranges-wrp-2019.PDF>

⁷⁶ See <https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wap-february-2019.PDF> see also <https://www.mdba.gov.au/sites/default/files/pubs/SA-Murray-Region-factsheet.pdf>

⁷⁷ SA Murray River Water Allocation Plan, p. 15 See <https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wap-february-2019.PDF>

⁷⁸ Murray Darling Basin Authority's, [Water Resource Plan Quarterly Report](https://www.mdba.gov.au/sites/default/files/pubs/water%20resource%20plan%20quarterly%20report%20-%20June%202020.pdf) see: <https://www.mdba.gov.au/sites/default/files/pubs/water%20resource%20plan%20quarterly%20report%20-%20June%202020.pdf>

⁷⁹ Murray Darling Basin Authority, The Murray- Darling Basin Water Compliance Review, p.111 <https://www.mdba.gov.au/sites/default/files/pubs/MDB-Compliance-Review-Final-Report.pdf>

designed to contribute to adaptive water management as well as meeting compliance and public accountability requirements”.⁸⁰

In 2017 the MDBA conducted a Murray-Darling Basin Water Compliance Review⁸¹ in accordance with its functions and powers (including under Sections 172 and 173 of the Water Act). The purpose of the Review was to independently examine compliance with state and territory-based regulations governing water use in the Murray–Darling Basin. The review found that “of all the Basin states, South Australia’s compliance framework is the most extensively codified by way of guidelines for staff and transparent, with detailed annual reports on compliance activity and outcomes”.⁸²

One of the recommendations from the Review was that a Basin Compliance Compact comprising implementation plans for the MDBA and each of the Basin states should be developed. The Basin Plan Compliance Compact⁸³ was endorsed at the COAG meeting on 12 December 2018. The Compliance Compact commits the Australian government and the Basin states to actions and work programs “to ensure a strong culture of compliance amongst water users, and within responsible government agencies” ensuring regular and public reporting.⁸⁴ The Parties also commit to building improved compliance and enforcement practices into their ‘business as usual’ management of Basin water resources. The Compact builds on existing agreements, in particular, COAG’s *Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin*⁸⁵ (IGA) (as revised on August 2019) and the *National Framework for Compliance and Enforcement Systems for Water Resource Management*⁸⁶ (2011). Importantly, the reporting by the Basin States under

⁸⁰ Murray-Darling Basin Authority, Annual Report 2018-19, p.27

https://www.mdba.gov.au/sites/default/files/pubs/basin-plan-annual-report-2018-19_0.pdf

⁸¹ The Murray–Darling Basin Water Compliance Review, 2017

<https://www.mdba.gov.au/sites/default/files/pubs/MDB-Compliance-Review-Final-Report.pdf>

⁸² The Murray–Darling Basin Water Compliance Review, 2017, p. 12

<https://www.mdba.gov.au/sites/default/files/pubs/MDB-Compliance-Review-Final-Report.pdf>

⁸³ Basin Plan Compliance Compact <https://www.mdba.gov.au/sites/default/files/pubs/Basin-Compliance-Compact-12-December-2018.pdf>

⁸⁴ Basin Plan Compliance Compact, p. 2 <https://www.mdba.gov.au/sites/default/files/pubs/Basin-Compliance-Compact-12-December-2018.pdf>

⁸⁵ Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin, August 2019 <https://www.coag.gov.au/sites/default/files/agreements/iga-on-implementing-water-reform-mbd-9-august-2019.pdf>

⁸⁶ National Framework for Compliance and Enforcement Systems for Water Resource Management <https://webarchive.nla.gov.au/awa/20160106180441/http://www.environment.gov.au/resource/national-framework-compliance-and-enforcement-systems-water-resource-management>

the Basin Plan is based on self-assessment, the MDBA does not check the information contained in the reports.

The IGA is an undertaking by the Commonwealth and Basin States to commit to implementing further water reforms to improve the health of the Basin. As part of the IGA the Australian Government commits to providing financial support to the Basin states through the *National Partnership Agreement on Implementing Water Reform in the Murray-Darling Basin* (NPA)⁸⁷. The NPA provides for Commonwealth payments to the Basin states if each Basin state implements the reforms in accordance with the milestones set out in the agreement, and reports on milestone progress through an annual ‘statement of assurance’. On the basis of these statements, it is estimated that between 2012-13 and 2019-20, the Commonwealth will have made a financial contribution to South Australia in the amount of \$13,151,737.⁸⁸

The MDBA’s *Compliance and Enforcement Policy 2018-2021*⁸⁹ sets out the MDBA’s regulatory approach. The MDBA’s *Compliance Priorities for 2020-21*⁹⁰ (June 2020), summarises the MDBA’s compliance focus for the coming year. The MDBA has also developed a guideline⁹¹ for annual reporting of compliance and enforcement activities by state and Australian government water agencies. The guideline reflects the reporting requirements of the *National Framework for Compliance and Enforcement Systems for Water Resources* and the *Murray–Darling Basin Compliance Compact*.⁹²

The Basin Plan Annual Report 2018-19⁹³ published in March 2020, is a “key mechanism through which transparency of and accountability for Basin Plan implementation is

⁸⁷ *National Partnership Agreement on Implementing Water Reform in the Murray-Darling Basin*
<https://www.agriculture.gov.au/water/mdb/npa-water-reform-mdb-milestone-reports>

⁸⁸ Australian Government, Department of Agriculture 2019, *National Partnership Agreement on Implementing Water Reform in the Murray-Darling Basin: Commonwealth Payments to Basin States*, Canberra CC BY 4.0, this publication is available at [agriculture.gov.au/water/mdb/npa-water-reform-mdb-milestone-reports](https://www.agriculture.gov.au/water/mdb/npa-water-reform-mdb-milestone-reports).

⁸⁹ Murray Darling Basin Authority, *Compliance and Enforcement Policy 2018-2021*
<https://www.mdba.gov.au/sites/default/files/pubs/MDBA-Compliance-and-enforcement-policy-2018.pdf>

⁹⁰ Murray-Darling Basin Authority, *Compliance Priorities for 2020-21*, June 2020
<https://www.mdba.gov.au/sites/default/files/pubs/MDBA%20Compliance%20Priorities%202020-2021.PDF>

⁹¹ <https://www.mdba.gov.au/sites/default/files/pubs/Guidelines-annual-reporting-compliance-activities.pdf>

⁹² Murray Darling Basin Compliance Compact, 12 December 2018 see:
<https://www.mdba.gov.au/sites/default/files/pubs/Basin-Compliance-Compact-12-December-2018.pdf>

⁹³ Murray-Darling Basin Authority, *Basin Plan Annual Report 2018-19*
https://www.mdba.gov.au/sites/default/files/pubs/basin-plan-annual-report-2018-19_0.pdf

provided”.⁹⁴ The Basin Plan Annual Report is prepared by the MDBA and draws on information in the annual implementation reports prepared by Basin jurisdictions, the Murray–Darling Basin Authority (MDBA) and the Commonwealth Environmental Water Office, as well as information provided by the Department of Agriculture. Chapter 4 of the Annual Report for 2018-19 deals with monitoring, evaluation, reporting and improvement.

South Australia’s Basin Plan Annual Report and statement of assurance for 2018-19⁹⁵ outlines the reporting matters, reporting requirements and responses to satisfy the annual reporting obligations for:

- Basin Plan Schedule 12 responses (including Matter 6 - Local knowledge and Solutions, which requires information on activities undertaken to increase Traditional Owners’ capacity to participate in the development of WRPs, and improve engagement between water planners and Traditional Owners, in order to incorporate indigenous values and uses into WRPs).
- National Partnerships Agreement (NPA) assurance of milestone achievement.
- Basin Plan Implementation Agreement (BPIA) self-assessment of compliance with implementation tasks.

In early 2019, the Productivity Commission released its first five-yearly assessment of the effectiveness of the Basin Plan as required by the Water Act. The Commission identified four principles for effective institutional arrangements and good governance in this assessment:⁹⁶

- *‘Clear roles and responsibilities: including clear powers and functions for each institution and clear decision-making responsibilities.*
- *Conflicting objectives and functions are effectively managed: which is concerned with separating regulatory, service delivery, and policy-making functions into separate institutions.*
- *Effective mechanisms for accountability: institutions have a responsibility to fulfil their duties, and open and transparent processes enable stakeholders to understand the reasons behind decisions.*
- *Effective processes for collaboration: coordination among government institutions helps streamline decision making and avoids overlaps and duplication.’*

⁹⁴ Murray-Darling Basin Authority, *Basin Plan Annual Report 2018-19*, p. 1 see:

https://www.mdba.gov.au/sites/default/files/pubs/basin-plan-annual-report-2018-19_0.pdf

⁹⁵ South Australia’s Basin Plan Annual Report and Statement of Assurance for 2018-19,

<https://www.mdba.gov.au/sites/default/files/pubs/2018-19-Basin-Plan-Annual-Report-schedule12-SA.pdf>

⁹⁶ Productivity Commission, *Murray-Darling Basin Plan: Five-year assessment, Final Report*, 2018, p.347,

<https://www.pc.gov.au/inquiries/completed/basin-plan#report> Also referred to in the Australian Competition and Consumer Commission, *Murray-Darling Basin Water Markets Inquiry: Interim Report*, 30 June 2020, p.485

State and Regions

Overview

The South Australian Minister for Environment and Water, together with the newly established Regional Landscape Boards, are responsible for the administration and management of the state's water and other natural resources. At a regional level, Local councils are responsible for planning and managing stormwater, with some regional councils responsible for the sale and supply of water. State government agencies (including the Environmental Protection Authority), and independent regulator the Essential Services Commission of South Australia (ESCOSA) are involved in a regulatory or monitoring capacity.

The following Acts provide the legislative basis for managing water resources in South Australia:

- *Landscape South Australia Act 2019*⁹⁷ (the Landscape Act) (which replaced the *National Resources Management Act 2004* on 1 July 2020) promotes sustainable and integrated management of the State's landscapes, to make provision for the protection of the State's natural resources, and is the foundation for the sustainable management of water in South Australia.
- *Water Industry Act 2012*⁹⁸ provides the framework to facilitate water supply planning, it also provides for the regulation of the water industry through the establishment of a licensing regime and provides for regulation of prices, customer service standards, technical standards for water and sewage infrastructure and plumbing, and performance monitoring of the water industry.
- The *Environment Protection Act 1993*⁹⁹ provides the basis for management of water quality and pollution.
- *Essential Services Commission Act 2002*¹⁰⁰ establishes ESCOSA as an independent regulator responsible for the economic regulation of water and sewerage services in

⁹⁷ *Landscape South Australia Act 2019*

<https://www.legislation.sa.gov.au/LZ/C/A/LANDSCAPE%20SOUTH%20AUSTRALIA%20ACT%202019/CURRENT/2019.33.AUTH.PDF> see also Extract from the Second Reading Speech:
<http://hansardpublic.parliament.sa.gov.au/Pages/HansardResult.aspx#/docid/HANSARD-11-33262>

⁹⁸ *Water Industry Act 2012*

<https://www.legislation.sa.gov.au/LZ/C/A/WATER%20INDUSTRY%20ACT%202012/CURRENT/2012.10.AUTH.PDF>

⁹⁹ *Environmental Protection Act 1993*

<https://www.legislation.sa.gov.au/LZ/C/A/ENVIRONMENT%20PROTECTION%20ACT%201993/CURRENT/1993.7.6.AUTH.PDF>

¹⁰⁰ *Essential Services Commission Act 2002*

<https://www.legislation.sa.gov.au/LZ/C/A/ESSENTIAL%20SERVICES%20COMMISSION%20ACT%202002/CURRENT/2002.14.AUTH.PDF>

South Australia, as well as industry licensing, consumer protection, retail pricing, service/reliability standard setting, and performance monitoring and reporting.

- *South Australian Water Corporation Act 1994*¹⁰¹ establishes SA Water (a statutory corporation) as a business enterprise with the principal responsibility of providing water and sewerage services for the benefit of the people and economy of the State.

Supporting the operation of each of these Acts are various regulations,¹⁰² codes, guidelines and plans, including the South Australian government's 2010 water security plan, *Water for Good*,¹⁰³ which outlines 94 actions to ensure the future availability of water for South Australians to 2050.

Other relevant South Australian plans are:

- State Natural Resources Management Plan South Australia 2012 – 2017¹⁰⁴ (which remains valid until the State Landscape Strategy is developed under the *Landscape South Australia Act 2019*).
- Regional Natural Resource Management Plans¹⁰⁵ (which continue until the development of Regional Landscape Plans by the newly established Regional Landscape Boards).¹⁰⁶
- Water allocation plans (79% - 30 out of 38 - of South Australia's actively managed water resources have WAPs in place).¹⁰⁷
- 30-Year Plan for Greater Adelaide¹⁰⁸ (the 30-Year Plan for Greater Adelaide - first prepared in 2010 - is the strategic land-use plan that guides the long-term growth of the city and its surrounds).

¹⁰¹ *South Australian Water Corporation Act 1994*

<https://www.legislation.sa.gov.au/LZ/C/A/SOUTH%20AUSTRALIAN%20WATER%20CORPORATION%20ACT%201994/CURRENT/1994.82.AUTH.PDF>

¹⁰² See for example: Landscape South Australia (Water Management) Regulations 2020

[https://www.legislation.sa.gov.au/LZ/C/R/LANDSCAPE%20SOUTH%20AUSTRALIA%20\(WATER%20MANAGEMENT%20REGULATIONS%202020/CURRENT/2020.223.AUTH.PDF](https://www.legislation.sa.gov.au/LZ/C/R/LANDSCAPE%20SOUTH%20AUSTRALIA%20(WATER%20MANAGEMENT%20REGULATIONS%202020/CURRENT/2020.223.AUTH.PDF)

¹⁰³ Government of South Australia, Office for water security, *Water for Good: A Plan to ensure our water future to 2050*, June 2010 <file:///C:/Users/Georgina/AppData/Local/Temp/water-for-good-full-plan.pdf>

¹⁰⁴ See link on Department for Environment and Water website: <https://www.environment.sa.gov.au/about-us/our-plans?BestBetMatch=NAtural%20Resource%20Management%20Plan|720cd45f-5fec-4627-9f29-24303b5b894c|1771538a-419d-4c71-bd57-9e0e00fd8c25|en-AU>

¹⁰⁵ See for example: <https://landscape.sa.gov.au/aw/about-us/our-regions-plan>

¹⁰⁶ See links to the Regional Demand and Supply Statements at the Department for Environment and Water website: <https://www.environment.sa.gov.au/topics/water/planning/regional-demand-and-supply-statements>

¹⁰⁷ See https://data.environment.sa.gov.au/Content/Publications/RC207_water%20management_tech.pdf

¹⁰⁸ See Target 5 and p. 117 https://livingadelaide.sa.gov.au/_data/assets/pdf_file/0003/319809/The_30-Year_Plan_for_Greater_Adelaide.pdf

- SA Water’s long-term plan for Kangaroo Island 2018-2043¹⁰⁹ (prepared by SA Water to ensure that its customers have a secure water supply and that its wastewater treatment plants have capacity to meet potential increases in demand).
- DEW have developed a Corporate Plan and Action Plan¹¹⁰ to communicate their vision, purpose, what success looks like, and how they’ll get there. The Corporate Action Plan includes goals and priority activities for 2019-20 to secure water for the future.
- South Australian Government released its 20-year State Infrastructure Strategy in May 2020 which acknowledges that water resources need to be managed in a holistic way that requires national coordination (given water resources are not constrained by state boundaries).¹¹¹

The Landscape South Australia Act 2019

The new Landscape Act came into effect on 1 July 2020 and is the key framework for managing the state’s land, water, pest plants and animals. In a move to decentralise decision-making, the Landscape Act creates eight Landscape Regions (which replace the previous Natural Resource Management regions) and a new entity known as Green Adelaide. The eight new Landscape Regions are:

- Alinytjara Wilurara
- Northern and Yorke
- Limestone Coast
- Murraylands and Riverland
- Eyre Peninsula
- South Australian Arid Lands
- Kangaroo Island
- Hills and Fleurieu

The functions of the Minister for Environment and Water under this Act¹¹² include to:

- *monitor, evaluate and audit the state and condition of the State's natural resources, coasts and seas*
- *report on the state and condition of the State's natural resources, coasts and seas*

¹⁰⁹SA Water, KI Long-term Plan 2018-2043, see:

https://www.sawater.com.au/_data/assets/pdf_file/0005/322799/KI-Long-term-Plan_FINAL.pdf

¹¹⁰ Department for Environment and Water, Corporate Plan and Action Plan see:

<https://www.environment.sa.gov.au/about-us/our-plans>

¹¹¹ Infrastructure SA, 20-year State Infrastructure Strategy in May 2020, p. 156 see:

https://www.infrastructure.sa.gov.au/_data/assets/pdf_file/0006/197511/20-Year-State-Infrastructure-Strategy-Full.pdf

¹¹² See section 9 of the *Landscape South Australia Act 2019*

- *prepare and maintain the State Landscape Strategy*
- *develop, implement, apply or co-ordinate policies relating to natural resources management, and to promote sound management programs and practices for the use, development or protection of the natural resources of the State*
- *compile, maintain and update data and other information in relation to the State's natural resources, coasts and seas*
- *promote the integration or co-ordination of policies, programs, plans and projects insofar as they are relevant to the proper management, use or protection of the State's natural resources.*

The State Landscape Strategy¹¹³ is currently being developed by the Minister for Environment and Water. The Landscape Act's transitional provisions provide for the State Natural Resources Management (NRM) Plan¹¹⁴ to be the Strategy until a new Strategy is developed. The State Landscape Strategy will “set out principles, policies and high-level strategic directions”¹¹⁵ for achieving the objects of the Landscape Act throughout the State, including by providing for monitoring and evaluating the state and condition of the natural resources of the State.¹¹⁶ The Strategy must be reviewed every 10 years.

The Minister must also, by notice in the Gazette, establish a Regional Landscape Board for each landscape management region (other than for Green Adelaide).¹¹⁷ Some of the functions of the Regional Landscape Boards¹¹⁸ include to:

- prepare a regional landscape plan and (where relevant) water allocation plans (WAPs), “landscapes affecting activities control policies” and “water affecting activities control policies”, in accordance with the Landscape Act
- facilitate the implementation of those plans and policies, and
- monitor, evaluate and report on the extent of success of those plans and policies in achieving their objectives.

Under the Landscape Act, Regional Landscape Plans must include a 5 year strategic plan that is focussed on its 5 strategic priorities, and in the case of the Green Adelaide Board—a 5 year strategic plan that is focussed on its 7 key priorities. The regional landscape plans must:

¹¹³ State Landscape Strategy (see Part 3 of the *Landscape South Australia Act*)

¹¹⁴ State Natural Resources Management Plan South Australia 2012 – 2017
<https://data.environment.sa.gov.au/NRM-Report-Cards/Documents/State%20NRM%20Plan.pdf>

¹¹⁵ See section 44(2) of the LSA Act 2019

¹¹⁶ See Part 3, Section 44(3)(g) of the LSA Act 2019

¹¹⁷ See section 13 of the LSA Act.

¹¹⁸ See section 25(b)(i) – (iii) of the LSA Act

*‘include information about the issues surrounding the management of natural resources and the state of landscapes at the regional and local level, including information as to methods for protecting, improving and enhancing the quality or value of natural resources within the relevant region, and the health of those aspects of the environment that depend on those natural resources’.*¹¹⁹

The Regional Landscape Plan must be consistent with the State Landscape Strategy, and must also set out the method or methods the board will use to assess the extent to which it has succeeded in implementing the plan.¹²⁰ As noted above, Regional NRM plans continue to operate while the landscape boards prepare new regional landscape plans in consultation with their local communities.

WAPs¹²¹ are statutory documents that establish the rules for managing the use of prescribed water resources, in order to ensure resource sustainability. WAPs are prepared in accordance with the requirements of the Landscape Act, and must include key features outlined in the Act. WAPs must be reviewed every 10 years in accordance with the Act. As noted earlier, WAPs also form part of the Water Resource Plans required to be provided in respect of each region under the Basin Plan.¹²² Currently, regional and state NRM plans are used to guide the development of WAPs.

Part 8 of the Landscape Act deals with the management and protection of water resources. Under that Part, “water affecting activities control policies”¹²³ may be prepared by Regional Landscape Boards with respect to the conservation, management or protection of a watercourse, lake or well, or surface water. However, where the water resource is prescribed, the policy should not overlap with the provisions of a WAP. The Water Register¹²⁴ contains details of the registration of entitlements issued under Part 8 of the Landscape Act.

¹¹⁹ See section 47(1) of the LSA Act 2019

¹²⁰ See section 47(1)(e) of the LSA Act 2019

¹²¹ See Part 4, Division 2 of the *Landscape South Australia Act 2019*

¹²² See for example, the Water Allocation Plan for the River Murray Prescribed Water Course Water Allocation Plan for the River Murray Prescribed Watercourse, February 2019.
<https://www.mdba.gov.au/sites/default/files/pubs/sa-river-murray-wap-february-2019.PDF>

¹²³ see Part 8, Division 2 of the LSA Act

¹²⁴ See Schedule 4 to the LSA Act

The Water Industry Act 2012

The Water Industry Act 2012 (the Water Industry Act) requires the Minister for Environment and Water to prepare a *State Water Demand and Supply Statement*.¹²⁵ The Demand and Supply Statement must assess the state of water resources, demand for water resources, and outline policies, plans and strategies to ensure the State's water supplies are secure and reliable. The Statement must be reviewed by the Minister every 5 years.¹²⁶ To date this requirement has been met by the development of Regional Demand and Supply Statements¹²⁷ prepared by DEW on behalf of the Minister. Five regional demand and supply statements have been released, including:

- Eyre Peninsula Demand and Supply Statement (15 April 2011, last reviewed in 2014)
- Northern Yorke Demand and Supply statement (12 December 2011, last reviewed in 2013)
- Alinytjara Wilurara and South Australian Arid Lands Demand and Supply Statements (December 2013)
- Kangaroo Island Water Demand and Supply Statement (November 2015).

It doesn't appear that any of the Demand and Supply Statements have been reviewed in the last five years.

Interestingly, Part 7 of the *Water for Good Plan 2009* deals with implementation and monitoring of the Plan and Regional Supply and Demand Statements. The Water for Good Plan refers to the development of the Supply and Demand Statements as being a vital component of the Plan,¹²⁸ and outlines a "robust and adaptive monitoring and assessment framework" to track the Statements and the implementation of the 90 plus actions contained in the Plan. The Water for Good Plan highlights "New Actions" to:

"Undertake annual reviews of Water for Good and regional water demand and supply plans, checking both the status of resources and the assumptions on which the plans are based.

Undertake comprehensive review and amendment of Water for Good and regional water demand and supply plans on a five-yearly basis.

¹²⁵ Section 6(1) of the *Water industry Act 2012*

<https://www.legislation.sa.gov.au/LZ/C/A/WATER%20INDUSTRY%20ACT%202012/CURRENT/2012.10.AUTH.PDF>

¹²⁶ Section 6(4) of the *Water Industry Act 2012*

¹²⁷ See: Natural Resources Management Boards SA Regional Supply and demand statements at <http://www.nrm.gov.au/regional/regional-nrm-organisations>

¹²⁸ Government of South Australia, Office for water security, *Water for Good: A Plan to ensure our water future to 2050*, June 2010, page 160.

The Minister will publish an annual statement that will:

- *assess progress and identify any risks or issues*
- *review and confirm water security standards for the upcoming review period*
- *provide a demand and supply status for each region*
- *identify and analyse impacts of any emerging issues.”*

The current status of the Water for Good Plan and the Regional Demand and Supply Statements is unclear. SACOSS has been unable to find any recent annual reviews of all the Statements, or any five yearly reviews of the majority of the Statements. SACOSS has also been unable to locate any details of the monitoring of the implementation actions contained in the Water for Good Plan. While the State Government initially appeared committed to this plan, releasing annual reports tracking the implementation of the Water for Good actions, the last annual review was released in 2012, with no apparent update since.¹²⁹

Water pricing and economic regulation

The Water Industry Act¹³⁰ declares the water industry to constitute a regulated industry for the purposes of the *Essential Services Commission Act 2002* (ESC Act), and sets out the licensing regime. The Water Industry Act also gives ESCOSA the power to make a determination under the ESC Act regulating prices, conditions relating to prices, and price-fixing factors for water retail services (known as a regulatory or price determination). ESCOSA has responsibility for the economic regulation of the retail services provided by SA Water (Major retailer) and other Minor and Intermediate Water retailers. As at 30 June 2018, 67 retailers were licensed to provide water and sewerage services in South Australia:¹³¹

- Major – more than 50,000 customers (currently only SA Water)
- Intermediate – between 500 and 50,000 customers (37 licences)
- Minor – fewer than 500 customers (29 licences)

SA Water provides drinking water and sewerage services to approximately 1.7 million South Australians. Collectively, 66 Minor and Intermediate Retailers provide drinking water services to approximately 5,600 customers and sewerage services (including Community

¹²⁹ Department of Environment, Water and Natural Resources (May 2013), *Water for Good Annual Report*, 2012 <https://www.environment.sa.gov.au/about-us/our-reports/annual-reports>, see also <https://www.environment.sa.gov.au/topics/water/planning>

¹³⁰ Section 17 of the *Water Industry Act 2012*

¹³¹ Essential Services Commission of South Australia, *South Australian Water Industry Overview, Information Sheet* see: <https://www.escosa.sa.gov.au/ArticleDocuments/547/20190122-Water-SouthAustralianWaterIndustryOverview-InformationSheet.pdf.aspx?Embed=Y>

Wastewater Management Systems) to approximately 99,100 customers. Regulatory Determinations for SA Water are made by ESCOSA every four years, with the most recent determination covering the period from 2020-2024. ESCOSA's most recent Price Determination for Minor and Intermediate retailers was in June 2013 (amended in July 2015). In performing its regulatory functions, ESCOSA's primary objective is the protection of the long-term interests of South Australian consumers with respect to price, quality and reliability of essential services.¹³²

The Treasurer is given the power under the Water Industry Act to issue a Pricing Order that ESCOSA must comply with when issuing price determinations.¹³³ All the Pricing Orders issued by the Treasurers have largely incorporated the NWI Pricing Principles referred to earlier,¹³⁴ with the more recent Pricing Orders excluding the application of the NWI Pricing Principles in certain circumstances. It is unclear whether the Treasurer has tabled reasons for the departure from the Pricing Principles in Parliament,¹³⁵ (in accordance with Clause 10 of the NWI Pricing Principles).

Under the ESC Act, ESCOSA also has responsibility for monitoring and reporting on matters such as:

- outcomes for South Australian consumers in terms of the price, quality and reliability of essential services, and
- regulated water businesses' compliance with their regulatory obligations.

In addition to retail licences issued by ESCOSA,¹³⁶ the following industry codes and guidelines (made under the ESC Act) provide specific information gathering provisions to support ESCOSA's monitoring and reporting functions:

- *Water Retail Code (Major Retailers) July 2020*¹³⁷

¹³² Section 6(a) of the *Essential Services Commission Act 2002*

¹³³ Section 35 of the *Water Industry Act 2012*

¹³⁴ See the Department of Treasury website for copies of the Pricing Orders dating from September 2012 to 25 May 2020: <https://www.treasury.sa.gov.au/economy,-taxes-and-rebates/economic-regulation>

¹³⁵ See for example Clause 5.7.2 of the Second Pricing Order for July 2020-June 2024, dated 25 May 2020 see: https://www.treasury.sa.gov.au/_data/assets/pdf_file/0003/215139/Second-Pricing-Order-for-the-Regulatory-Period-1-July-2020-to-30-June-2024.pdf

¹³⁶ See the The Licence / Exemptions Register that lists all the licensed entities providing a water or sewerage 'retail service' in South Australia water licences in South Australia. <https://www.escosa.sa.gov.au/industry/water/licensing/licence-register>

¹³⁷ ESCOSA, *Water Retail Code (Major Retailers) 1 July 2020*, see: <https://www.escosa.sa.gov.au/ArticleDocuments/21489/20200701-Water-RetailCode-MajorRetailers-MR03.pdf.aspx?Embed=Y>

- *Water Retail Code (Minor and Intermediate Retailers) March 2015*¹³⁸
- *Water Industry Guideline No.1 Compliance System and Reporting July 2020*¹³⁹
- *Water Industry Guideline No.2 Regulatory Information requirements for Major Retailers July 2016*¹⁴⁰
- *Water Industry Guideline No.3 Regulatory Information requirements for Minor and Intermediate retailers July 2015*¹⁴¹

ESCOSA publishes annual performance reports for SA Water and Minor and Intermediate retailers, and also reports on specific compliance matters. This year, ESCOSA published a webpage that provides a long-term overview of SA Water's operational performance against the following key elements of the 2016-2020 regulatory determination:¹⁴²

- How reliable were SA Water's drinking water and sewerage retail services? (for the period 1 July 2015 to 31 March 2020)
- How much were South Australians paying for their drinking water and sewerage retail services? (for the period 1 July 2014 to 30 June 2019)
- How SA Water responded to its customers (for the period 1 July 2015 to 31 March 2020).

The *National Performance Report: urban water utilities*¹⁴³ reports on SA Water's performance in other matters, including pricing, finance, assets and water resources. The Urban National Performance Report is prepared by the Australian Bureau of Meteorology on behalf of State and Territory Governments and economic regulatory agencies, supporting state and territory commitments under the NWI. ESCOSA's performance reporting should

¹³⁸ ESCOSA, *Water Retail Code (Minor and Intermediate Retailers) March 2015*

<https://www.escosa.sa.gov.au/ArticleDocuments/429/20150311-Water-WaterRetailCode-MIR-02.pdf.aspx?Embed=Y>

¹³⁹ ESCOSA, *Water Industry Guideline No 1 – Compliance System and Reporting* WG1/05, July 2020

<https://www.escosa.sa.gov.au/ArticleDocuments/616/20200724-Water-ComplianceSystemsReportingGuideline-WG1-05.pdf.aspx?Embed=Y>

¹⁴⁰ ESCOSA, *Water Industry Guideline No.2 Regulatory Information requirements for Major Retailers July 2016*

<https://www.escosa.sa.gov.au/ArticleDocuments/952/20160706-Water-GuidelineNo2-MajorRetailers-WG2-03.pdf.aspx?Embed=Y>

¹⁴¹ ESCOSA, *Water Regulatory Information Requirements For Minor And Intermediate Retailers water Industry Guideline No. 3 (Wg3/04)*, July 2015, <https://www.escosa.sa.gov.au/ArticleDocuments/398/20150727-Water-InformationRequirementsGuidelineNo3-MinorInte.pdf.aspx?Embed=Y>

¹⁴² ESCOSA, SA Water year to date operational performance see:

<https://www.escosa.sa.gov.au/industry/water/regulatory-reporting/sa-water-operational-performance>

¹⁴³ Australian Government, Bureau of Meteorology: National performance report 2018–19: urban water utilities see: <http://www.bom.gov.au/water/npr/>

be read together with the Bureau's reports to provide a complete picture of SA Water's performance.¹⁴⁴

In June 2013, ESCOSA made a price determination to apply to Minor and Intermediate retailers for the period 1 July 2013 to 30 June 2017.¹⁴⁵ It was amended in July 2015 to give effect to ESCOSA's decision to simplify the reporting requirements for minor and intermediate retailers. The amended Price Determination will continue to apply until the completion of ESCOSA's review into the regulation of small-scale networks. The 2017 price determination requires Minor and Intermediate retailers to comply with the *National Water Initiative Pricing Principles* when charging for water and sewerage services and report to the Commission on how they are complying with those principles.

ESCOSA's *Minor and Intermediate Retailers Regulatory Performance Report for 2018-19* was published in June 2020.¹⁴⁶ The performance reporting requirements for Minor and Intermediate retailers (*Water industry Guideline No. 2*) only require those retailers to provide an operational report to ESCOSA every 12 months (in line with the financial year) on a self-assessment basis.

Water quality and safety

Water Quality Monitoring

The *Environmental Protection Act 1993* (EP Act) contains special environmental protection provisions dealing with water quality in water protection areas.¹⁴⁷ Water protection areas are proclaimed by the Governor on the recommendation of the Environment Protection Authority (EPA). Amongst other things, the EP Act gives the EPA¹⁴⁸ the power to:

¹⁴⁴ <https://www.escosa.sa.gov.au/industry/water/regulatory-reporting/regulatory-performance-reports>

¹⁴⁵ ESCOSA, Economic Regulation Of Minor And Intermediate retailers of Water And Sewerage Services Final Decision, June 2013 <https://www.escosa.sa.gov.au/ArticleDocuments/413/130627-EconomicRegulationMinorIntermediateRetailer.pdf.aspx?Embed=Y>

¹⁴⁶ ESCOSA, Minor and Intermediate Retailers Regulatory Performance Report 2018-19, <https://www.escosa.sa.gov.au/ArticleDocuments/547/20200702-Water-RegulatoryPerformanceReport-2018-19-MIR.pdf.aspx?Embed=Y>

¹⁴⁷ Part 8 of the *Environmental Protections Act 1993* <https://www.legislation.sa.gov.au/LZ/C/A/ENVIRONMENT%20PROTECTION%20ACT%201993/CURRENT/1993.7.6.AUTH.PDF>

¹⁴⁸ Section 63 of the EP Act provides the Water Resources Minister may exercise the EPA's compliance and enforcement powers under Part 10, for the protection of the quality of surface or underground water within a water protection area.

- Impose conditions on an environmental authorisation requiring the holder to undertake tests, monitoring or audits.¹⁴⁹
- Issue an information discovery order.¹⁵⁰
- Give Authorised Officers powers of entry and investigation.¹⁵¹

Operating together, the EP Act and the *South Australian Environment Protection (Water Quality) Policy 2015*¹⁵² (the Water Quality Policy), provide the legislative framework to minimise the risk of water contamination, and prescribe appropriate penalties for companies and individuals who do not comply with the regulatory requirements.

The Water Quality Policy is the key regulatory tool ensuring that water quality is maintained, or improved, in South Australia. The policy establishes the framework for the protection of water quality in surface-water, marine and groundwater environments in South Australia. Clause 6 of the Water Quality Policy provides for the environmental values of water, which includes “drinking water for human consumption” (Clause 6(1)(c)). The Water Quality Policy also incorporates Chapters of the Water Quality Guidelines,¹⁵³ which were prepared in 2000 as part of Australia’s National Water Quality Management Strategy (NWQMS). The Water Quality Monitoring and Reporting Guidelines¹⁵⁴ were also prepared as part of the NWQMS in 2000, but it is unclear whether these Guidelines have been incorporated into regulatory frameworks in South Australia.

Section 112 of the EP Act requires the EPA must prepare and publish a report on the State of the Environment at least every five years. The State of Environment Report must:

- “include an assessment of the condition of the major environmental resources of South Australia

¹⁴⁹ Part 6, Division 5, section 52 of the Environmental Protections Act 1993

<https://www.legislation.sa.gov.au/LZ/C/A/ENVIRONMENT%20PROTECTION%20ACT%201993/CURRENT/1993.7.6.AUTH.PDF>

¹⁵⁰ Part 10, Division 3 of the *Environmental Protections Act 1993*

¹⁵¹ Part 10, Division 1 of the *Environmental Protections Act 1993*

¹⁵² *South Australian Environment Protection (Water Quality) Policy 2015*

[https://www.legislation.sa.gov.au/LZ/C/POL/ENVIRONMENT%20PROTECTION%20\(WATER%20QUALITY\)%20POLICY%202015/CURRENT/2015.-.AUTH.PDF](https://www.legislation.sa.gov.au/LZ/C/POL/ENVIRONMENT%20PROTECTION%20(WATER%20QUALITY)%20POLICY%202015/CURRENT/2015.-.AUTH.PDF)

¹⁵³ ANZG 2018. Australian and New Zealand Guidelines for Fresh and Marine Water Quality. Australian and New Zealand Governments and Australian state and territory governments, Canberra ACT, Australia. Available at www.waterquality.gov.au/anz-guidelines

¹⁵⁴ National Water Quality Management Strategy No. 7, Australian Guidelines For Water Quality Monitoring And Reporting, October 2000 <https://www.waterquality.gov.au/sites/default/files/documents/anzecc-armcanz-monitoring-reporting.pdf>

- *include a specific assessment of the state of the River Murray, especially taking into account the Objectives for a Healthy River Murray under the River Murray Act 2003*
- *identify significant trends in environmental quality based on an analysis of indicators of environmental quality*
- *review significant programmes, activities and achievements of public authorities relating to the protection, restoration or enhancement of the environment*
- *review the progress made towards achieving the objects of this Act, and*
- *identify any significant issues and make any recommendations that, in the opinion of the Authority, should be drawn to the attention of the Minister.”*

The most recent *State of Environment Report 2018* made the following recommendations:¹⁵⁵

- **Recommendation 5** *It is recommended that the SA Government prioritise water management and on-ground land stewardship initiatives based on the risks to the sustainability of significant aquatic ecosystems.*
- **Recommendation 6** *It is recommended that the SA Government review environmental reporting in the state, including the environmental themes and measures that are assessed and reported by the trend and condition report cards, to further improve reporting, and strengthen links between reporting and environmental management.*

The *South Australian Environmental Trend and Condition Report Cards* feed into the EPA’s State of the Environment Reporting.¹⁵⁶ The report cards are a collaborative product of the Department for Environment and Water, EPA, Primary Industries and Regions SA, Bureau of Meteorology, and SA Health.¹⁵⁷ DEW are responsible for monitoring groundwater quantity and quality at over 3000 groundwater wells across South Australia (DEW, 2020). The South Australian Environment Protection Authority (EPA) also conduct their own water quality monitoring of creeks, streams, rivers, coastal waters, groundwater and aquifers (EPA, 2020). This information is fed into Aquatic Ecosystem Condition Reports (AECRs) which are produced annually, and then feed into the Report Cards.

The trend and condition report cards are acknowledged by DEW to be:

“a useful communication tool... and there is support for them to continue to be produced to highlight data gaps and reliability issues to a broad audience including:

¹⁵⁵ Environmental Protection Authority SA, 2018, *State of the Environment Report*, p. 11
https://www.epa.sa.gov.au/soe-2018/files/14003_soer2018_print-summary_cover.pdf

¹⁵⁶ South Australian Environmental Trend and Condition Report Cards
<https://data.environment.sa.gov.au/Trend-and-condition-reports/Pages/default.aspx>

¹⁵⁷ South Australian Environmental Trend and Condition Report Cards
<https://data.environment.sa.gov.au/Trend-and-condition-reports/Pages/default.aspx>

*policy makers and investors; environmental managers; and the community...(however)...there are issues with data availability, access, consistency and transparency, which will need to be addressed and improved over time in future trend and condition report cards".*¹⁵⁸

On the issue of data availability, it is also worth noting the South Australian Government's website *WaterConnect*, which provides direct access to water-related publications and data, including water resource assessments.¹⁵⁹

Drinking Water Monitoring

The Department for Health and Wellbeing is responsible for the administration of the *Safe Drinking Water Act 2011* and *Safe Drinking Water Regulations*. The objectives of the Act and Regulations are to:

- Ensure that drinking water supplied to the South Australian public is safe.
- Provide direction to drinking water providers on how to achieve a safe drinking water supply.
- Implement principles of the *Australian Drinking Water Guidelines 2011*¹⁶⁰ (ADWG).

Within the Department for Health and Wellbeing, the Water Quality Unit is responsible for day to day administration of the *Safe Drinking Water Act* (with help from the Health Protection Operations and Food Safety and Audit sections). Under Section 50(1) of the Act, the Minister for Health and Wellbeing must take reasonable steps to consult with the Local Government Association (LGA) in relation to the administration and enforcement of the Act. The Minister must also prepare an Annual Report¹⁶¹ on the operation of the Act by 30 September each year (section 51 of the *Safe Drinking Water Act*).

The *Safe Drinking Water Act* applies to all drinking water providers who supply water to the public; including SA Water, operators of independent town supplies and supplies in rural

¹⁵⁸ Department for Environment and Water, *Technical information supporting the 2018 Inland Waters –Water management: water allocation planning Trend and Condition Report Card*, August 2018. P.2
https://data.environment.sa.gov.au/Content/Publications/RC207_water%20management_tech.pdf

¹⁵⁹ WaterConnect see: <https://www.waterconnect.sa.gov.au/Water-Resources/Groundwater/SitePages/Water%20Resource%20Assessments.aspx>

¹⁶⁰ National Health and Medical research Council, *National Water Quality Management Strategy: Australian Drinking Water Guidelines* 62011Version 3.5, Updated August 2018 <https://www.nhmrc.gov.au/about-us/publications/australian-drinking-water-guidelines#block-views-block-file-attachments-content-block-1>

¹⁶¹ See 2018-19 ANNUAL REPORT for the Department for Health and Wellbeing, pp 68-73
<https://www.sahealth.sa.gov.au/wps/wcm/connect/571b64f9-7366-4c1f-adf3-3768a6b1faf4/Department+for+Health+and+Wellbeing+Annual+Report+2018-19+Accessible+PDF+format.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-571b64f9-7366-4c1f-adf3-3768a6b1faf4-n5il-R0>

and remote communities, water carters and providers of drinking water in facilities including hospitals, accommodation premises, child care and aged care centres.¹⁶² At 30 June 2019, there were 181 drinking water providers registered with SA Health (some dual registered).¹⁶³ All drinking water providers must have a Risk Management Plan (RMP) that includes an approved monitoring program and an incident protocol.

Under Section 27 of the Act, drinking water providers must make the results of any monitoring program available to the public. SA Water provides consumers with water quality information through publication of data on their website and in their annual report. Other drinking water providers can provide results to consumers *on request* by letter, email or telephone.

Audits and inspections of drinking water providers are required under Part 4 of the *Safe Drinking Water Act*. A drinking water provider must “ensure that an audit or inspection is carried out by an approved auditor or an approved inspector (as the case requires) in accordance with a determination of the Chief Executive” under section 20 of the Act (Division 2, Section 20(4)). It is the responsibility of the drinking water provider to organise an audit or inspection as required. The audit or inspection process will:¹⁶⁴

- *ensure that a drinking water provider has complied with their risk management plan*
- *review monitoring results*
- *review maintenance records*
- *provide opportunity to remedy any deficiencies identified.*

The SA Health *Audit and Inspection Schedule for Drinking Water Providers* provides that the APY Lands -Homelands must have an **Inspection** every 2 years, and Indigenous Water Supplies (managed by SA Water) must undergo an **Audit** every 2 years.¹⁶⁵ An auditor or inspector must report the results of any audit or inspection in writing to the Chief Executive (section 22(1)), and a copy of the report must be given to the relevant drinking water

¹⁶² See Section 4 of the *Drinking Water Act 2011* and the SA Health website <https://www.sahealth.sa.gov.au/wps/wcm/connect/public+content/sa+health+internet/about+us/legislation/safe+drinking+water+act>

¹⁶³ List of Registered Drinking Water Providers, SA Health website: <https://www.sahealth.sa.gov.au/wps/wcm/connect/public+content/sa+health+internet/public+health/water+quality/providing+safe+drinking+water/registered+drinking+water+providers>

¹⁶⁴ 2018-19 ANNUAL REPORT for the Department for Health and Wellbeing, pp 68-73.

¹⁶⁵ SA Health *Audit and Inspection Schedule for Drinking Water Providers* <https://www.sahealth.sa.gov.au/wps/wcm/connect/929f3b004468bc549126b376d172935c/Audit+and+Inspection+Schedule-public+health-water+quality-20140616+%283%29.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-929f3b004468bc549126b376d172935c-n5hJX8X>

provider (section 22(6)). It is unclear whether the Audit or Inspection reports are available to the public.

Wastewater and sewerage

The *South Australian Public Health Act 2011* provides for the power to make regulations regulating wastewater systems (or schemes associated with wastewater systems), including by:¹⁶⁶

- *“requiring approvals for specified classes of wastewater systems or providing for the referral of applications for approvals in relation to wastewater systems to specified persons or bodies*
- *in connection with the implementation or operation of a scheme for a wastewater system for a town, regional area or other community:*
 - *requiring public notification of the scheme, and*
 - *requiring, or empowering a prescribed authority to require, installation, alteration or connection of wastewater systems for the purposes of the scheme*
- *regulating the connection or disconnection of wastewater systems from the undertaking under the Sewerage Act 1929.”*¹⁶⁷

The *South Australian Public Health (Wastewater) Regulations 2013*¹⁶⁸ (Wastewater Regulations) contain the legislative requirements for the manufacture, installation, operation and maintenance of wastewater systems, including on-site wastewater systems. Depending on the nature of the wastewater system, the relevant authority under the Regulations is either the local government authority (for on-site wastewater systems) or the Minister for Health and Wellbeing. The following two Codes have been prescribed under the Regulations:

- *The On-site Wastewater Systems Code*
- *Community Wastewater Management Code*

Part 5 of the Wastewater Regulations deals with enforcement, and gives authorised officers the power to inspect a wastewater system and take samples for testing. If the Minister or Council suspect the wastewater system is adversely affecting or threatening public or environmental health, Regulation 29 gives the Minister or the Council (or an authorised

¹⁶⁶ See: Section 109(2)(m) *South Australian Public Health Act 2011*

<https://www.legislation.sa.gov.au/LZ/C/A/SOUTH%20AUSTRALIAN%20PUBLIC%20HEALTH%20ACT%202011/CURRENT/2011.21.AUTH.PDF>

¹⁶⁷ Note that the *Sewerage Act 1929* was repealed by the *Water Industry Act 2012*.

¹⁶⁸ *South Australian Public Health (Wastewater) Regulations 2013*

[https://www.legislation.sa.gov.au/LZ/C/R/SOUTH%20AUSTRALIAN%20PUBLIC%20HEALTH%20\(WASTEWATER\)%20REGULATIONS%202013/CURRENT/2013.163.AUTH.PDF](https://www.legislation.sa.gov.au/LZ/C/R/SOUTH%20AUSTRALIAN%20PUBLIC%20HEALTH%20(WASTEWATER)%20REGULATIONS%202013/CURRENT/2013.163.AUTH.PDF)

officer) the power to require the operator of a wastewater system to obtain an expert report on the system.

As outlined earlier, the Water Industry Act establishes the regulatory framework for the water *and* sewerage industry in relation to economic regulation, technical regulation, water planning and customer complaint handling. The objects of the Water Industry Act include to:¹⁶⁹

- *“provide mechanisms for the transparent setting of prices within the water industry and to facilitate pricing structures that reflect the true value of services provided by participants in that industry*
- *provide for and enforce proper standards of reliability and quality in connection with the water industry, including in relation to **technical standards** for water and **sewerage infrastructure** and installations and plumbing, and*
- *protect the interests of consumers of water and **sewerage services**.”*

As noted earlier, ESCOSA is responsible for the economic regulation of water **and sewerage services** in South Australia, through:

- Licensing and making industry codes or rules that prescribe the rules of conduct and procedures that water retailers must follow in providing retail services,¹⁷⁰ including by setting service standards, consumer protection obligations, and performance monitoring requirements.
- Making determinations relating to pricing for water retail services (includes sewerage services).

ESCOSA’s Industry Codes that apply to water retailers in South Australia are listed earlier in this Paper. Specifically relating to SA Water’s sewerage services, the Water Retail Code: Major Retailers requires SA Water to comply with certain obligations relating to disconnection and billing. The Code also contains the following service standards relating to the provision of sewerage services by SA Water:

19. Sewerage service restoration timeliness – Adelaide metropolitan
20. Sewerage service restoration timeliness – regional areas
21. Sewer overflow clean-up timeliness – Adelaide metropolitan area
22. Sewer overflow clean-up timeliness – regional areas

¹⁶⁹ See section 3(c),(d) and (e) of the *Water Industry Act 2012*

¹⁷⁰ Retail services are defined in section 4 of the WI Act. A retail service is:(a) the sale and supply of water to a person for use (and not for resale other than in prescribed circumstances (if any)) where the water is to be conveyed by a reticulated system; or (b) the sale and supply of sewerage services for the removal of sewage (even if the service is not actually used), but does not include any service, or any service of a class, excluded via regulations.

*Water Industry Code No. 2*¹⁷¹ contains the information requirements SA Water must provide to ESCOSA in relation to sewerage services, including financial and operational requirements. Many of the general operational reporting requirements relating to water also relate to sewerage (including customer complaints, restriction actions, financial support measures). Specific sewerage reporting requirements cover:

- Sewerage infrastructure reliability
- Timeliness of sewerage service restoration
- Timeliness of sewerage overflow attendance
- Timeliness of sewerage overflow clean-up.

In its Final Decision on SA Water's Regulatory Determination 2020, ESCOSA has undertaken to:

*"monitor and publicly report on underlying drinking water and sewerage network performance, working with other regulators of SA Water (the Environment Protection Authority (EPA), SA Health, Office of the Technical Regulator, the Department for Environment and Water¹⁷² (DEW) and the Department of Human Services) to ensure that the networks are being operated and maintained in a way that promotes safe and reliable services in the long term."*¹⁷³

ESCOSA made a price determination for Minor and Intermediate retailers in 2013,¹⁷⁴ covering the period 1 July 2013 to 30 June 2017.¹⁷⁵ In this decision, ESCOSA determined not to introduce any service standards or targets for Minor and Intermediate Retailers during the regulatory period. Rather, ESCOSA decided to focus on the data provided through *Water Guideline No.3* for the initial regulatory period, and then develop service standards in future periods on the basis of that data.

¹⁷¹ <https://www.escosa.sa.gov.au/ArticleDocuments/952/20160706-Water-GuidelineNo2-MajorRetailers-WG2-03.pdf.aspx?Embed=Y>

¹⁷² It is worth noting that ESCOSA's determination included up to \$64.1 million of capital expenditure together with associated operating costs not exceeding \$1.0 million for SA Water to acquire assets currently owned and operated by the City of Tea Tree Gully Council for the provision of sewerage services to Properties where they meet SA Water standards or can be upgraded to meet standards, and where the assets currently owned and operated by the City of Tea Tree Gully cannot provide the services, in line with the Direction of the Minister for Environment and Water.

¹⁷³ ESCOSA, SA Water Regulatory Determination 2020, Final Determination Statement of Reasons, June 2020, p.8 <https://www.escosa.sa.gov.au/ArticleDocuments/21489/20200611-Water-SAWRD20-FinalDetermination-StatementOfReasons.pdf.aspx?Embed=Y>

¹⁷⁴ ESCOSA, Economic Regulation Of Minor And Intermediate retailers of Water And Sewerage Services Final Decision, June 2013 <https://www.escosa.sa.gov.au/ArticleDocuments/413/130627-EconomicRegulationMinorIntermediateRetailer.pdf.aspx?Embed=Y>

¹⁷⁵ This determination was amended in July 2015 to give effect to ESCOSA's decision to simplify the reporting requirements for Minor and Intermediate retailers.

As with *Water Industry Guideline No. 2*, most of the general operational reporting requirements relating to water in *Water Industry Guideline No.3* also relate to sewerage (including customer complaints, restriction actions, financial support measures). Specific reliability of supply measures for sewerage services for Minor and Intermediate retailers include:

- unplanned interruptions – number of events, customers affected and the average duration of interruptions
- number of mains' breaks and chokes
- number of sewerage overflow events.¹⁷⁶

ESCOSA's annual performance reports include a summary of the data provided by SA Water and Minor and Intermediate Retailers in relation to sewerage services, including pricing and operational requirements.¹⁷⁷

It is worth noting that at a National level, to support the delivery of the COAG *Strategy on Water and Wastewater Services in Remote (including Indigenous) Communities*, the Australian Government had provided \$51.7 million in funding through the National Water Security Plan for Cities and Towns¹⁷⁸ (May 2014), to improve water and wastewater services for 17 Indigenous communities. The National Water Security Plan for Cities and Towns program is now closed and the Australian government has indicated that no future funding rounds are planned at this time.¹⁷⁹

¹⁷⁶ ESCOSA, *Water Regulatory information requirements for Minor and Intermediate Retailers Water Industry Guideline No. 3* (WG3/04), p. 25 <https://www.escosa.sa.gov.au/ArticleDocuments/398/20150727-Water-InformationRequirementsGuidelineNo3-MinorInte.pdf.aspx?Embed=Y>

¹⁷⁷ See ESCOSA's Water Fact Sheet, SA Water 2018-19 at: <https://www.escosa.sa.gov.au/ArticleDocuments/547/20200304-Water-SAWater-RegulatoryPerformanceReport2018-19-factsheet.pdf.aspx?Embed=Y> See also ESCOSA's Minor and Intermediate Retailers Regulatory Performance Report 2018-19 at: <https://www.escosa.sa.gov.au/ArticleDocuments/547/20200702-Water-RegulatoryPerformanceReport-2018-19-MIR.pdf.aspx?Embed=Y>

¹⁷⁸ Australian Government, Department of the Environment, (2014) National Water Security Plan for Cities and Towns, COAG *Strategy on Water and Wastewater Services in Remote (including Indigenous) Communities*, May 2014 <https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/water/coag-strategy-map.pdf>

¹⁷⁹ <https://www.agriculture.gov.au/water/urban/completed-programmes/national-water-security-plan> see also map of proposed projects as at May 2014: <https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/water/coag-strategy-map.pdf> and competitive grants projects as at May 2014: <https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/water/competitive-grants-projects-map.pdf>

Infrastructure Planning

The South Australian Government released its 20-year State Infrastructure Plan in May 2020¹⁸⁰ (Infrastructure SA, 2020). The plan notes the challenges in managing infrastructure needs that have been brought on by climate change, particularly the water security issues for remote areas with a reliance on rainwater for their drinking water supply and variable rainfall.¹⁸¹

“Over the next 20 years, climate change, increasing urbanisation and population growth will increase the challenges in managing and planning for the infrastructure needs in the water sector”.

The 20-year Plan identifies four future priorities relating to water:

- **Priority 33: Champion Development of a National Water Plan to secure water supply.**
- **Priority 34: Develop a South Australian Sustainable Water Resources Framework to include:**
 - *an urban water direction statement for Adelaide and South Australian towns that optimises the use of all water sources to support growth and greening in a changing climate, and*
 - *water security strategies for priority regional areas to optimise the use of all water sources to support economic growth.*

*All available sources of data need to be integrated to identify the location, capacity and quality of water resources for productive use. This should be matched with demand forecasts so that supply can be planned and secured.*¹⁸²

- **Priority 35: Develop water infrastructure to unlock economic opportunities.**¹⁸³
- **Priority 36: Identify necessary flood mitigation infrastructure.**

Infrastructure SA also points out that “Water resources need to be managed in a holistic way that requires national coordination, given water resources are not constrained by state boundaries.”¹⁸⁴

¹⁸⁰ https://www.infrastructure.sa.gov.au/__data/assets/pdf_file/0006/197511/20-Year-State-Infrastructure-Strategy-Full.pdf

¹⁸¹ Infrastructure SA, *20 Year State Infrastructure Strategy*, May 2020, p.156
https://www.infrastructure.sa.gov.au/__data/assets/pdf_file/0006/197511/20-Year-State-Infrastructure-Strategy-Full.pdf

¹⁸² Infrastructure SA, *20 Year State Infrastructure Strategy*, May 2020, p. 165

¹⁸³ It is worth noting that there is no specific mention of economic opportunities for Aboriginal people in remote communities in Priority 35.

¹⁸⁴ Infrastructure SA, *20 Year State Infrastructure Strategy*, May 2020, p. 162
https://www.infrastructure.sa.gov.au/__data/assets/pdf_file/0006/197511/20-Year-State-Infrastructure-Strategy-Full.pdf

At a National infrastructure planning level, the Commonwealth Government established the National Water Grid Authority¹⁸⁵ in 2019 to develop, in partnership with state and territory governments, a national framework for investment in water infrastructure. This entails “identifying a series of priority water infrastructure projects that will increase the capacity, connectivity and resilience of Australia’s water storage and supply infrastructure”.¹⁸⁶ Over \$1.5 billion of Australian Government funding is already committed to fund the construction of more than 22 water infrastructure projects, including the following projects in South Australia:¹⁸⁷

- Northern Adelaide Irrigation Scheme (NAIS)
\$155.6 million project, \$45.6 million committed by the Australian Government.
- Coolanie Water Scheme, \$1.4 million project, \$715,000 committed by the Australian Government.
- McLaren Vale Water Storage, \$5.4 million project, \$2.5 million committed by the Australian Government.

It is significant that Infrastructure Australia has identified the development of a National Water Strategy as a high priority in its 2020 Infrastructure Priority List.¹⁸⁸

¹⁸⁵ National Water Grid Authority: <https://www.nationalwatergrid.gov.au/>

¹⁸⁶ Infrastructure SA, 20 year State Infrastructure Strategy, p. 162 see: https://www.infrastructure.sa.gov.au/_data/assets/pdf_file/0006/197511/20-Year-State-Infrastructure-Strategy-Full.pdf

¹⁸⁷ National Water Grid Authority, National Water Infrastructure Development Fund see: <https://www.nationalwatergrid.gov.au/nwi-development-fund/water-infrastructure-projects>

¹⁸⁸ Infrastructure Australia, Infrastructure Priority List Update to the February 2020 Infrastructure Priority List, August 2020, p. 33 https://www.infrastructureaustralia.gov.au/sites/default/files/2020-08/FINAL_Mid-year%202020%20IPL_low_res.pdf

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