

Question on Notice

No. 1384

Asked on 1 November 2006

MR SEENEY asked the Deputy Premier, Treasurer and Minister for Infrastructure (Ms **BLIGH**) –

QUESTION:

With reference to the announcement of the Queensland Water Commission on 13 October 2006 of the final details of the South East Queensland Level 4 Water Restrictions whereby

- (a) businesses using more than 20 million litres of water per year will have to submit water saving plans by 30 April 2007,
- (b) businesses using between 10 million and 20 million litres of water per year will have to submit water savings by 31 July 2007 and
- (c) Government agencies and businesses using between 1 million and 10 million litres per year will have to install water saving devices by 30 June 2007 —

What are the estimated administrative, infrastructure and compliance costs for Government and businesses for each of the categories outlined above?

ANSWER:

It is difficult to specify costs associated with the restriction activities. Non-residential water users have the ability to achieve significant savings in water bills, energy and labour costs in many cases by reviewing their water use in accordance with Water Efficiency Management Plans. The net cost of undertaking these activities depends significantly on business-specific issues and the timeframes in which offsetting savings are achieved.

These measures are new requirements triggered by a severe drought.

Under Level 4 water restrictions, major water users, including businesses, industry and government agencies, are being asked to reduce their water consumption and achieve water efficient practices.

These restrictions are specifically aimed at achieving efficiency in the top ten percent of the non-residential customers, who consume approximately 80 percent of this sector's use.

In consultation with stakeholders, the Queensland Water Commission devised a package of measures that will deliver long-term efficiencies and savings for businesses, while minimising risks to economic production and employment.

The measures include business-specific Water Efficiency Management Plans which will demonstrate that a business is already at best practice in water efficiency or is planning to become water efficient in the near future. By preparing these plans, businesses will be able to account for their water use, identify water saving measures and prepare plans to implement identified saving measures.

Unlike private residences, a business can offset these legitimate business costs through tax concessions. The payback on the retrofitting of water efficient taps and showers has been demonstrated to range between six months and three years. A business that achieves this quantity of water saving will make a good return on their investment, generally after only a few years.