



# MEDIA RELEASE

**Senator the Hon Penny Wong**

*Minister for Climate Change and Water*

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## **RUDD GOVERNMENT TO INVEST \$12.9 BILLION IN WATER**

The 2008/09 Budget will deliver on the Rudd Government's election commitments in water and establish a \$12.9 billion water investment program over ten years.

This includes \$1.5 billion in new urban water investment to help secure water supplies for Australian households and businesses.

Minister for Climate Change and Water, Senator Penny Wong today outlined details of *Water for the Future*, the Rudd Government's plan to secure the long term water supply of all Australians.

"Climate change means most Australian cities and towns have less water, and we can no longer rely on local rainfall to supply all our drinking water," Senator Wong said.

The 2008/09 Budget will provide new money for three key election commitments, ensuring urban water is no longer ignored by the Federal Government:

- \$1 billion for the *National Urban Water and Desalination Plan*
- \$250 million for the *National Water Security Plan for Cities and Towns*
- \$250 million for the *National Rainwater and Greywater Initiative*

The Rudd Government is also accelerating investment in the Murray Darling Basin, with \$400 million brought forward between 2007/08 and 2009/10.

"This money will be used to purchase water and invest in key infrastructure projects across the Murray Darling Basin so we can begin addressing the problem of overallocation and improve river health."

Senator Wong said \$3.1 billion will be set aside to purchase water to put back in Murray Darling Basin waterways as part of the Government's key focus on supporting healthy rivers.

A further \$5.8 billion will be available under the *Sustainable Rural Water Use and Infrastructure* program for key rural water projects that help secure a long term sustainable future for irrigation regions and return water to the rivers.

COAG recently agreed that a new cap for the Murray Darling Basin would be approved by the Commonwealth in 2011. As part of that agreement, existing state water plans will continue until they expire, with New South Wales plans to expire in 2014 and Victorian plans in 2019.

"In making money available for sustainable irrigation in the Murray Darling Basin, I will also give consideration to community driven projects that enable early adjustments in anticipation of a new cap."

*Water for the Future* identifies four key priorities for the Rudd Government: taking action on climate change, using water wisely, securing water supplies and supporting healthy rivers.

The \$1 billion *National Urban Water and Desalination Plan* and the \$250 million *National Water Security Plan for Cities and Towns* will help secure new water supplies for households and businesses.

“These programs will help us deal with the impacts of climate change and reduce our reliance on rainfall by investing in desalination, water recycling, stormwater re-use and efficient water infrastructure,” Senator Wong said.

The private sector, water utilities companies and governments will be able to apply for funds, which will be delivered through grants and tax offsets.

Under *Water for the Future*, the \$250 million *National Rainwater and Greywater Initiative* will deliver on the key priority of using water wisely.

“We recognise people across the country want to do their bit to conserve our precious drinking water supplies,” Senator Wong said.

“Through this initiative, families will receive support to install rainwater tanks and greywater systems which will reduce their use of drinking water.”

Households will be able to receive rebates of up to \$500 for the purchase and installation of rainwater tanks and greywater products. Funding has been set aside to provide rebates to 500,000 homes over six years.

*Water for the Future* is a \$12.9 billion long-term plan to secure the long term water supply of all Australians.

Funding under *Water for the Future* will be used to support significant water reform across the country.

## **Supporting Information**

### **Why is this important?**

- The Rudd Government is committed to helping all Australians take action on climate change as we adapt to living with less water.
- The *National Urban Water and Desalination Plan for Cities* program will help cities find new sources of water by funding the use of desalination, recycling and stormwater harvesting.
- It will also fund a Centre of Excellence in Desalination in Perth, and a Centre of Excellence in Water Recycling in Brisbane, to develop and commercialise new technologies and practices.

### **Who will benefit?**

- Cities of 50,000 people or more will benefit directly from this program by securing new water supplies that are less dependent on rainfall and runoff.
- State, territory and local governments and public water utilities will be able to apply for grants for eligible projects.
- Private companies will be able to apply for tax offsets for eligible projects.

### **What funding is the Government committing to the initiative?**

- The government is providing \$1 billion over six years from which:
  - Ø \$20 million will be for the establishment of a centre of excellence in desalination technology in Perth;
  - Ø \$20 million will be for the establishment of a centre of excellence in water recycling in Brisbane;
  - Ø \$30.1 million will be for the Glenelg to Adelaide parklands water recycling project in South Australia; and
  - Ø \$20 million will be for the Barwon Shell recycling project in Geelong, Victoria.

### **Timeframe for delivery?**

- Funding will be available from 2008-09. Most of the funds will be expended in 2010-11 through to 2012-13, reflecting the long lead times for major infrastructure projects.