

Request for Costing an Election Commitment

Name of proposal:	Caring for waterways and catchments
Person requesting costing:	Shane Rattenbury MLA
Date of request:	10 October 2024
Summary of proposal:	<p>To restore and protect the health of waterways and catchments the Greens will:</p> <ul style="list-style-type: none"> • Expand the Healthy Waterways program with an additional \$50 million investment to restore creeks and rivers, enhance biodiversity, build new wetlands and deliver water quality education and research • Support community catchment groups and Frogwatch by providing increased funding and certainty for four years • Improve transparency and accountability by ensuring the Water Abstraction Charge is spent on water management and improving catchment health. • Improve water governance by expanding the Office of Water with 2 new positions. • Embed First Nations perspectives and knowledge in water management by creating two new dedicated First Nations positions in the Office of Water. • Upgrade river crossings to enable fish passage, improving connectivity of fish habitat.
Issue the proposal will address:	<p>Rivers, creeks and lakes are an important part of what makes life in the ACT great - whether it's a local pond or the Murrumbidgee River, these places add beauty and value to our lives. The growth of our city and climate change are both putting pressure on the health of local waterways. They are the lifeblood of our local environment and need our support.</p> <p>This proposal will build on previous achievements to deliver new wetlands, creek and river restoration projects, education programs and water quality research. It seeks to ensure healthy rivers, creeks and lakes across our city that support wildlife and provide great places for us all to enjoy.</p>
Proposal's public announcement details (media release or policy statement)	https://greens.org.au/act/policies/environment#water

published on a party website)¹:

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

Expand the Healthy Waterways program with an additional \$50 million investment

\$47 million capital investment in infrastructure and restoration projects.

\$1.17 million for staffing (1 SOG C and 1 ASO6 from January 2025 to June 2028).

\$2 million for monitoring, evaluation and research.

Depreciation uses a 40 year useful asset life, based on ATO advice.

Support community catchment groups and Frogwatch

\$2.58 million including \$250,000 per year for each of the 3 catchment groups and \$110,000 per year for the Frogwatch program from July 2025.

Improve transparency and accountability by ensuring the Water Abstraction Charge is spent on water management and improving catchment health

We propose hypothecation of the Water Abstraction Charge (WAC).

WAC revenue over the 3.5 years from January 2025 to June 2028 is estimated to be at least \$105 million. This is based on a conservative estimate of \$30 million per year. Around \$37 million was expected to be collected through the WAC in 2023-24. WAC revenue varies year to year depending on water use.

We have included \$56.89 million of WAC revenue as an offset. The remaining WAC revenue has been included as an offset in our Caring for the Environment costing request.

Improve water governance by expanding the Office of Water

\$1.47 including 1.17 million for staffing (1 SOG C and 1 ASO6 from January 2025 to June 2028) and \$0.3 million for project costs and consultancies.

Create two new dedicated First Nations positions in the Office of Water

\$1.17 million for staffing (1 SOG C and 1 ASO6 from January 2025 to June 2028).

Upgrade river crossings to enable fish passage, improving connectivity of fish habitat

\$1.5 million in capital upgrades to road crossings. Crossings will be identified based on ecological value.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2024-25	2025-26	2026-27	2027-28	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)					
Expenses ^(a)	-674	-2,542	-2,571	-2,598	-8,385

¹ As per Part 2, section 5 of the *Election Commitments Costing Act 2012*

Capital^(a)	-2,000	-15,500	-15,500	-15,500	-48,500
Depreciation^(a)		-50	-450	-850	-1,350
Offset - Expenses^(a)	674	2,542	2,571	2,598	8,385
Offset - Capital^(a)	2,000	15,500	15,500	15,500	48,500
Full-time equivalent employees	3	6	6	6	

(a) A negative number indicates a decrease in revenue or an increase in expenses, depreciation or capital outflows. A positive number indicates an increase in revenue or decrease in expenses, depreciation or capital inflows. The expenses row is not to include depreciation costs.

Has any specific information or data been utilised in generating the proposal? Please provide links or attach information/data sources referenced.

WAC revenue from ACT budget papers

Where relevant, is funding for the proposal to be demand driven or a capped amount?

Capped

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?

Additional funding could be sought from the Commonwealth or external partners, but has not been factored into this costing.

Will funding/the cost require indexation?

No

Who will administer the proposal?

EPSDD

How will the proposal be administered?

Staffing has been included to manage additional workload. For Healthy Waterways assets, sites will be selected based on an evaluation of the priority location list and consideration of new locations across Canberra.

Is the proposal part of a broader package? If so, please identify the other elements of the package.

Yes. Additional elements that haven't been included in this costing request due to having no cost impact are:

- Further integrate climate change projections and risks in water management.
- Restore the health of the upper Murrumbidgee River working with stakeholders, First Nations and governments to restore flows.
- Protect the free-flowing status of the Naas and Gudgenby Rivers.
- Implement the Murray Darling Basin Plan and improve water efficiency to save 6.36GL each year (already funded by Commonwealth).
- Investigate building a fish ladder at Scrivener Dam to allow fish passage from the lower section of the Molonglo River up to Lake Burley Griffin.

Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
Yes, as stated in assumptions section.
Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.
Yes, the proposal is fully offset by WAC revenue.
Has the proposal been previously costed by an external (third) party? If so, will a copy of this material, including any assumptions, be made available to Treasury?
No
What are the community impacts associated with the proposal? Who and how many people will be affected?
Canberrans will benefit from improved amenity in green spaces, improved water quality and healthy catchments and ecosystems.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
No
What is the intended implementation date of the proposal?
<p>Expand the Healthy Waterways program – January 2025</p> <p>Support community catchment groups and Frogwatch – July 2025</p> <p>Hypothecate the Water Abstraction Charge – from January 2025</p> <p>Improve water governance by expanding the Office of Water - January 2025</p> <p>Create two new dedicated First Nations positions in the Office of Water – January 2025</p> <p>Upgrade river crossings to enable fish passage – July 2025</p>
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
<p>Expand the Healthy Waterways program – January 2025 to June 2028</p> <p>Support community catchment groups and Frogwatch – July 2025 to June 2028</p> <p>Hypothecate the Water Abstraction Charge – from July 2025 onwards</p> <p>Improve water governance by expanding the Office of Water - January 2025 to June 2028</p> <p>Create two new dedicated First Nations positions - January 2025 to June 2028</p> <p>Upgrade river crossings to enable fish passage – July 2025 to June 2028</p>
Will the proposal cease, and if so, when?
<p>Elements of the proposal will cease when completed (pending new funding to continue) – Expand Healthy Waterways, upgrade river crossings.</p> <p>Elements of the proposal are intended to be ongoing – Support for community catchment groups, hypothecation of WAC, office of water, First Nations positions.</p>

Is there any additional information relevant to this proposal?

No