

2007 STATE ELECTION COUNTRY TOWNS WATER SUPPLY AND SEWERAGE PROGRAM POLICY PLATFORM

The Country Towns Water Supply and Sewerage Program (CTWSS) provides technical and financial assistance to local councils and water utilities to help them provide water supply and sewerage services to their local communities.

Over nearly twelve years Labor has failed to properly manage or fund the CTWSS program and now plans to scrap the program completely.

Labor's failure has put local water infrastructure at risk and will leave a long backlog of projects needing funding for completion.

A NSW Liberal/Nationals Coalition Government will clear the backlog of projects within our first two terms of government, and fund new projects.

We will:

- Commit \$100 million a year to the CTWSS budget; and
- Make the CTWSS priority list publicly available and transparent.

Local government groups need and deserve certainty of funding. Within six months of the election we will openly and transparently allocate funding for our first term of Government.

We will also commit to spending the entire \$100 million each financial year, with unspent funds from any given year rolled over into the next financial year to ensure ongoing investment.

This policy is part of our approach to securing New South Wales' water future and follows the NSW Liberal/Nationals' recent commitment to increase the water tank rebate for residents of Sydney and country and coastal NSW¹.

Labor's Failure

After nearly twelve years in office the NSW Labor Government has failed to properly address the critical issue of water management in NSW.

In July 2006, Morris Iemma stated "In NSW we have secure supplies for the next decade and a half²". This is despite the fact that as of August 2006, 92.8 per cent of NSW was declared drought-affected³.

¹ NSW Liberal/Nationals Coalition, 'Use it. Don't Lose it: Increasing the Rainwater Tank Rebate in NSW', *Policy Document*, 16 June 2006.

² Rehn, A. 'Iemma flushes sewage vote', *The Daily Telegraph*, 31 July 2006, p. 11.

³ Areas of NSW suffering drought conditions as at August 2006, *NSW Department of Primary Industries*, retrieved from <http://www.agric.nsw.gov.au/reader/drt-area-200608-large.gif>.

NSW Labor has pursued a flawed Sydney-centric water policy at the expense of country and coastal NSW. In the last two years Labor has released three costly Sydney Metropolitan Water Plans⁴. However it has not released one water plan for country and coastal NSW.

Labor has spent more than \$120 million of taxpayer funds on the flawed desalination plant, which will only be used if Sydney's water supplies fall below 30 per cent⁵. A Parliamentary Committee has reported that the desalination plant should not be designated critical infrastructure⁶.

After nearly twelve years of underinvestment by the NSW Labor Government, water infrastructure in regional NSW is badly run down. The final report of the Allan Inquiry found that many rural and regional councils have ageing water and sewerage assets and because of their small population have a limited rates base to fund renewal⁷.

In 1995 the NSW Government identified that the cost of eliminating the lengthy backlog of water infrastructure projects was \$1,700 million⁸.

Over the last twelve years Labor has failed to allocate the funding necessary to clear the backlog of projects, forcing local councils to take on a greater share of the costs. The shortfall is currently estimated at \$800 million. This has set many projects back by years and forced some councils to seek special rate rises.

In addition, Labor has not allocated any future funding to the CTWSS Program. More than 200 projects prioritised back in 1996⁹ will not receive funding.

Some examples of the projects still unfunded include:

- **Cooma Water Supply Reservoir Upgrade:** Cooma's reservoir works at Church Hill and Royal Hill must be upgraded to increase capacity and ensure the water is fit to drink. Both reservoirs need roofing in order to prevent contamination by windborne matter and/or bird life. Roofing will also significantly improve water disinfection levels by eliminating sunlight.

⁴ NSW Government '2004 Metropolitan Water Plan', retrieved from http://www.waterforlife.nsw.gov.au/_data/assets/pdf_file/1878/2004_Metro_Water_plan_.pdf and NSW Government 'February 2006 Progress Report – Metropolitan Water Plan', retrieved from http://www.waterforlife.nsw.gov.au/_data/assets/pdf_file/1447/waterprogressreport_2006.pdf and NSW Government, '2006 Metropolitan Water Plan', retrieved from http://www.waterforlife.nsw.gov.au/_data/assets/pdf_file/1446/wfl2006.pdf.

⁵ Sydney Water Website, 'Desalination', retrieved 14 August 2006 from <http://www.sydneywater.com.au/EnsuringTheFuture/Desalination/>.

⁶ Cohen, I. MLC (Chair), 'Inquiry into a Sustainable Water Supply for Sydney', *General Purpose Standing Committee No.5*, retrieved 14 August 2006 from <http://www.parliament.nsw.gov.au/prod/parliament/committee.nsf/0/3E8AE06E2B25EE84CA2571870005CF87>.

⁷ Allan, P. AM (Chair), 'Are Councils Sustainable? The Final Report of the Independent Inquiry into the Financial Sustainability of NSW Local Government', *Local Government and Shires Associations*, May 2006.

⁸ Mackenzie, P. 'Review of the Country Towns Water Supply and Sewerage Program - The Need to Restore Funding', commissioned by the *Local Government and Shires Associations*, August 2005, p. 3.

⁹ *Ibid*, pp. 7 & 17.

- **Tweed Shire Council Water and Sewerage Schemes:** A number of sewerage schemes are required in the Tweed Shire. Towns such as Burringbar and Mooball rely on septic tanks and desperately need new sewerage schemes to collect, transfer, treat and dispose of their effluent.
- **Tamworth Sewerage Augmentation Scheme:** The Tamworth City Council has put forward a proposal to see old sewerage works shut down and replaced with an up to date treatment facility and effluent disposal farm to achieve effluent reuse rates of up to 100 per cent.
- **Parkes Water Supply:** Parkes Shire Council has proposed a new water and sewerage scheme that would collect, transfer, treat and dispose of wastewater for up to 12,000 people.

Local councils rely on the CTWSS program to provide matching funding for local town sewerage and supply schemes. Councils need certainty and a clear indication whether unfunded projects in their area will receive funding in the future, yet Labor's eligibility criteria are so restrictive that in many cases funding cannot be accessed.

Under Labor, councils that begin work on projects without State Government CTWSS program funding approval become ineligible for future funding for those projects. This removes the incentive for local councils to commence local projects.

Labor's approach to water has been all spin and no substance. Labor has spent millions of dollars on self-promotional advertising including running commercials on prime time television while regional NSW is literally drying up.

Costing

2007/08	2008/09	2009/10	2010/11	Total
\$100m	\$100m	\$100m	\$100m	\$400m

Funding

Funding for 'Securing Water for Country and Coastal Communities' the NSW Liberal/Nationals commitment to the Country Town and Water Supply and Sewerage Program will be provided through savings found from cutting identified waste and duplication of the NSW public service including recruitment freeze on Sydney backroom bureaucrats.