

ECR-2025-3258

Re-establish the National Water Commission								
Party: Aust	ralian Greens							

Summary of proposal:

The proposal would re-establish and expand the remit of the National Water Commission to regulate and safeguard water resources.

The proposal would be ongoing and start on 1 July 2026.

Additional information (based on further advice provided)

The newly established Commission would be a similar size to the previous National Water Commission prior to it being abolished.

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$24.2 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in departmental expenses.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

The Parliamentary Budget Office (PBO) has not made any assessment as to whether the specified funding would be sufficient to meet the objectives of the proposal.

Table 1: Re-establish the National Water Commission – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-9.3	-7.4	-7.5	-24.2
Underlying cash balance	-	-9.3	-7.4	-7.5	-24.2

⁽a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

Key assumptions and methodology

It is assumed that the new Commission would have the same Average Staff Level (ASL) as the former National Water Commission, which was 36 in 2014-15, as well as a 5-person board, with members assumed to be part time.

Departmental expenses were estimated using the PBO's departmental cost calculator, indexed to Wage Cost Index 3 less an efficiency dividend. Provision was made for a scale up of staffing in the first year, and for implementation costs.

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⁽b) PDI impacts are not included in the totals.

⁻ Indicates nil.

It is assumed that some statutory responsibilities will be transferred back to the Commission from other agencies, and that this will have no net impact.

It is also assumed that the policy and legislative work to restore the Commission will be at no net cost, as Government departments are already resourced for this activity.

We assume that no funds allocated to a given year are left unspent.

Financial implications were rounded consistent with the PBO's rounding rules.¹

Data sources

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025,* Commonwealth of Australia.

National Water Commission (2014) <u>Annual Report 2014-15</u>, Department of Climate Change, Energy, the Environment and Water website, accessed 28 May 2025.

¹ https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules

Attachment A – Re-establish the National Water Commission – Financial implications

Table A1: Re-establish the National Water Commission – Fiscal and underlying cash balances (\$m)(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Total – departmental	-	-9.3	-7.4	-7.5	-7.6	-7.7	-7.8	-7.9	-8.0	-8.1	-8.2	-24.2	-79.5
Total (excluding PDI)	-	-9.3	-7.4	-7.5	-7.6	-7.7	-7.8	-7.9	-8.0	-8.1	-8.2	-24.2	-79.5

⁽a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

Table A2: Re-establish the National Water Commission – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-	-0.2	-0.6	-0.9	-1.3	-1.7	-2.1	-2.6	-3.1	-3.6	-4.1	-1.7	-20.2
Underlying cash balance	-	-0.2	-0.5	-0.9	-1.2	-1.6	-2.0	-2.5	-2.9	-3.4	-4.0	-1.6	-19.2

⁽a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary.²

Indicates nil.

⁽b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

⁻ Indicates nil.

² Online budget glossary – Parliamentary Budget Office (pbo.gov.au)