

Not Relevant

112      SAW06/013CS

Level 3 Water Restrictions (Michael Wright)  
**APPROVED**

Not Relevant

**COVER SHEET**

- 1. **TITLE:** **LEVEL 3 WATER RESTRICTIONS**
- 2. **MINISTER:** **JOHN HILL MP  
A/MINISTER FOR ADMINISTRATIVE  
SERVICES & GOVERNMENT ENTERPRISES**
- 3. **PURPOSE** To seek Cabinet approval for the imposition of Level 3 water restrictions for SA Water consumers served by supplies drawn from the River Murray.
- 4. **IDENTIFY THE RELEVANT GOVERNMENT POLICY AND/OR SA's STRATEGIC PLAN TARGET**

The proposed water restrictions support the South Australia Strategic Plan objective of attaining sustainability, specifically target 3.10 to reduce the impact of human settlements and activities.

While restrictions on water use are an emergency measure, they nevertheless contribute to the priority action of changing behaviours in ways that reduce ecological demands. The heightened public awareness associated with water restrictions will lead many families to take steps to reduce their water use, which will have benefits long after the restrictions have been removed.

The restrictions are also consistent with the Water Proofing Adelaide Strategy. While that strategy is directed at securing Adelaide's water supply in the longer term, the strategy also recognises that water restrictions may be needed – and are an important tool – in years of extreme drought.
- 5. **ICT COMPONENT** There is no material ICT Component.
- 6. **RESOURCES REQUIRED FOR IMPLEMENTATION** Imposition of more stringent water restrictions will require the hiring of staff to administer the restriction, administrative overheads and advertising as follows:
  - recruitment of an additional two call centre staff and ten water conservation officers at an estimated annualised cost of \$480,000;
  - administrative overheads for the additional staff (eg vehicles, telephone enquiries) at an estimated annualised cost of \$100,000; and

- the estimated budget for advertising is \$432,000, incorporating:
  - Press – \$200,000
  - Radio – \$100,000
  - Bus stops – \$32,000
  - Direct mail - \$90,000
  - Creative - \$10,000

All these costs are additional to the previously approved budget for the Level 2 water restrictions. SA Water 'in house' activities have not been included in the budget but will form part of the agency's overall drought response budget.

Level 3 restrictions are expected to reduce water sales by 30GL compared with budget. Lost sales and costs are expected to decrease SA Water's distribution to Government by \$14 million.

**7. COMMUNITY AND ENVIRONMENTAL IMPACT**

The imposition of Level 3 water restrictions will support community efforts to conserve water during the current drought. The restrictions will allow for the maintenance of gardens, parks, sporting field, etc with only minimal inconvenience to consumers.

There is likely to be further impact on nurseries, landscaping and garden maintenance contractors which will exacerbate the pressures they are already experiencing in response to Level 2 restrictions.

**8. RISKS**

More stringent water restrictions are necessary to ensure that domestic water supplies can be maintained in the face of continuing drought conditions. They are also necessary to ensure sufficient water is available for reservoirs to enable SA Water to manage water quality incidents that may arise as a consequence of the drought. Failure to tighten water restrictions may lead to a failure of water supplies or more adverse water quality impacts, including the possibility that reticulated water supplies become non-potable.

**9. CONSULTATION**

Due to the tight time constraints no formal consultation has been possible. Development of the provisions under Level 3 water restrictions has, however, taken account of the experience of water utilities in other jurisdictions, market research among SA Water customers and discussions with SA Water's Customer Council, local government and industry.

10.

## **COMMUNICATION STRATEGY**

A comprehensive communications campaign for Level 3 restrictions is being presented to the Premier's Communication Advisory Group on Wednesday 29 November 2006 to enable its roll out in early December 2006 for implementation of Level 3 water restrictions from 1 January 2007.

The target audiences are:

- Primary:
  - SA Water customers, including the nursery and gardening sector;
  - those responsible for watering community use areas (including schools, councils, sporting clubs, nursing homes and hospitals).
- Secondary:
  - the community at large (including those with English as second language).
- Other key stakeholders:
  - pool and spa retailers;
  - hardware stores;
  - resident and community groups (eg Neighbourhood Watch, Rotary);
  - SA Water staff and contractors
  - Peak industry bodies (Business SA, HIA, NGISA, PIA etc).

An effort will be made to target identified high water use areas through the period that water restrictions are in place. This will include the ongoing prominent placement of advertising and bus stop signage in the eastern and southern suburbs.

11.

## **URGENCY**

The submission is not within the ten day rule. An urgent decision is necessary, however, to allow sufficient time for all elements of an advertising campaign to be implemented and ensure greater public awareness of the restrictions. Publicising the new restrictions during December will ensure that customers who vacate their properties over the Christmas-New Year period are able to adjust watering systems to take account of the new restrictions to apply from 1 January 2007 before they leave home.

12.

**RECOMMENDATIONS**

It is recommended that Cabinet:

- 4.1 approve Level 3 water restrictions being announced as early as possible and commence from 1 January 2007;
- 4.2 note that, should drought conditions continue in the Mount Lofty Ranges through autumn and assuming that the River Murray is still under stress, it will be necessary to consider further restrictions to maintain storages at levels that will ensure water quality issues can be managed. Formal advice would be provided at that time. That advice may also include recommendations for extending restrictions to areas served by groundwater sources; and
- 4.3 if in response to continuing failure in both the Mount Lofty Ranges and the River Murray, the Government approves construction of a temporary weir near Wellington, and urgent consideration should be given to a total ban on outdoor domestic water use.

I declare that I have no actual or potential conflict of interest in relation to the proposals contained in this submission.

**JOHN HILL MP  
A/MINISTER FOR ADMINISTRATIVE SERVICES &  
GOVERNMENT ENTERPRISES**

/ /2006

**Contact Officer: Geoff Henstock  
Telephone Number: 8204 1454**

TO: THE PREMIER FOR CABINET

RE: LEVEL 3 WATER RESTRICTIONS

1. PROPOSAL

- 1.1 To seek Cabinet support for measured escalation of the water restriction regime for consumers supplied by SA Water with water from the River Murray to ensure that water resources are managed in a way that guarantees continued supply while allowing water quality issues to be managed effectively.
- 1.2 To seek Cabinet approval for the imposition of Level 3 water restrictions (as outlined in the Attachment) with effect from 1 January 2007.

2. BACKGROUND

- 2.1 Section 31 of the *Waterworks Act 1932* (the Act) requires SA Water to provide constant supplies of water. Where there is a shortage of water Section 33 of the Act allows the introduction of water restrictions, subject to:
  - 2.1.1 The approval of the Minister,
  - 2.1.2 Publishing of a public notice in the Gazette, and
  - 2.1.3 The Corporation having come to the conclusion that either:
    - 2.1.3.1 Water available under the Act is insufficient or is likely in the future to be insufficient to meet demand, or
    - 2.1.3.2 Other circumstances exist to justify the implementation of measures to provide for the conservation or efficient use or management of water.
- 2.2 In accordance with the Act, SA Water carried out a resource assessment as at the end of August 2006 (but updated to include the latest Bureau of Meteorology forecast of 19 September 2006). This was forwarded to the Minister for Administrative Services and Government Enterprises in September 2006. On the basis of that assessment the Government accepted SA Water's recommendation to introduce Level 2 water restrictions on 22 October 2006.
- 2.3 When the Level 2 restrictions were announced by the Government it was acknowledged that the water resource outlook would continue to be monitored and that further more stringent restrictions would be introduced as appropriate to manage demand within the water resource constraints applying or anticipated at the time.

### 3. DISCUSSION

#### 3.1 Purpose

Since the August 2006 resource assessment the Minister for the River Murray has increased the Adelaide licence from 124GL to 146GL, while the Country licence has reduced from 35GL to 30GL in line with general reductions to irrigation licences to 60% of allocations. SA Water has also made arrangements to lease government owned water from PIRSA and DWLBC.

- 3.2 The net outcome of these changes is that SA Water could manage during 2006-07 with Level 2 restrictions. By June 2007 reservoirs would be at their normal minimum operating levels. Analysis of scenarios for 2007-08, however, indicates the need for higher than normal minimum operating levels due to the drought conditions in the River Murray and the possibility of blue-green algae conditions and other water quality issues. As drought conditions worsen ideally the level of water in reservoirs should be increased by at least 50GL. This is to provide a buffer to enable SA Water to continue to supply customers in the event of a significant water quality incident.
- 3.3 Under existing allocations increased reservoir levels can only be achieved by purchasing temporary water or through further water restrictions, or a combination of both.
- 3.4 Under existing Cabinet approvals SA Water could purchase only a further 1GL of permanent entitlements. SA Water supported the 'The Living Murray' water recovery measures and agreed to the transfer of 10GL of its purchased water allocations on the understanding that this water would be replaced through additional purchases. MPICC endorsed the re-purchase subject to a business case being approved by the Treasurer. Treasury and Finance has endorsed the business case and has recommended that the Treasurer approve the purchase.
- 3.5 In-principle agreement has been reached between officers of SA Water, PIRSA, and DWLBC to lease government-owned water. In addition to government water, SA Water could purchase temporary water allocations from the water market. Analysis of the market suggests that up to 10GL of temporary water could become available between now and the end of June 2007.
- 3.6 SA Water has developed parameters for Level 3 water restrictions (Attachment) which allow for an appropriate and measured escalation in severity. This work has been informed by analysis of actions taken in other jurisdictions, market research targeting a cross-section of SA Water's customer base and discussions with the SA Water Customer Council, local government and industry.

3.7 It should be noted that odds and evens rationing on a once per week basis could result in some customers experiencing very low pressure. Modelling suggests this should not be widespread and that the majority of customers will experience periods of lower but acceptable pressure.

### 3.8 Economic, financial and budgetary implications

The measured escalation of water restrictions will minimise the adverse economic, financial and budgetary impacts of water restrictions for the community and the Government. The budgetary impacts of more stringent restrictions have been estimated as follows (This analysis of the impact of restrictions on distribution to Government is dependant on the weather conditions for 2006-07):

Net Impact on Distributions to Govt from SA Water	Customer Demand Scenario	
	Budget/Dry	Drought
Level 2 (enhanced)	\$19m	\$4m
Level 3	\$29m	\$14m
Level 4	\$38m	\$23m
Level 5	\$48m	\$33m

*Note Distribution includes CSOs, Dividend & Income Tax*

The impact on the budget under drought conditions is less severe than the forecast under dry conditions because climatic conditions in a severe drought increase demand above that which would apply in dry conditions in spite of the imposition of water restrictions. Water restrictions, however, will have a significant impact on the growth in demand in response to a drought.

### 3.9 Required Resources

The required resources are outlined under staffing implications and the communication strategy.

### 3.10 South Australia's Strategic Plan

The proposed water restrictions support the **South Australia Strategic Plan** objective of attaining sustainability, specifically target 3.10 to reduce the impact of human settlements and activities. While restrictions on water use are an emergency measure, they nevertheless contribute to the priority action of changing behaviours in ways that reduce ecological demands. The heightened public awareness associated with water restrictions will lead many families to take steps to reduce their water use, which will have benefits long after the restrictions have been removed.

The restrictions are also consistent with the Water Proofing Adelaide Strategy. While that strategy is directed at securing Adelaide's water supply in the longer term, the strategy also recognises that water restrictions may be needed – and are an important tool – in years of extreme drought.

### 3.11 Information and Communication Technology Requirements

There is no material ICT Component.

### 3.12 Staffing implications

Imposition of more stringent water restrictions will require the hiring of staff to administer the restrictions as follows:

- 3.12.1 recruitment of an additional two call centre staff and ten water conservation officers at an estimated annualised cost of \$480,000; and
- 3.12.2 administrative overheads for the additional staff (eg vehicles, telephone enquiries) at an estimated annualised cost of \$100,000.

### 3.13 Impact on the community and the environment

Level 3 restrictions should allow all industries to maintain operations while using water in a responsible manner. There will be some impact on nurseries, landscaping and garden maintenance contractors but these impacts will be only an exacerbation of pressures they are already experiencing under Level 2 restrictions.

By comparison, it should be noted that as with distributions to Government, restrictions above Level 3 will have a much greater impact on the community and the economy. Under the envisaged Level 4 restrictions customers will find it difficult to maintain lawns but would be able to keep garden beds, trees and shrubs alive. Under the envisaged Level 5 restrictions most lawns and gardens, trees and shrubs would die. There is also likely to be some loss of street trees.

The loss of residential gardens, cracking of buildings and loss of open space amenity would be costly to the community. The following estimates, which are subject to refinement, make no allowance for the social costs associated with these impacts. They provide, however, some idea of the challenges the community face:

Replacement cost of gardens	\$470 million
Increased cracking of buildings	\$94 million
Replacement of ovals, parks, etc	\$113 million

### **Nursery and Garden Service Industry**

The banning of outdoor watering and even severe restrictions on the outdoor use of water under Levels 4 or 5 will have severe consequences for the nursery industry. In the eastern States this is already evident and job losses have been significant. There will also be severe impacts on landscaping businesses and garden and lawn maintenance contractors. These impacts are already being felt in the community. It is difficult to quantify the cost of this in terms of business failure and unemployment because some of these businesses are active in more than one market (eg landscaping and building supplies, garden and home maintenance).

There are no specific regional impacts.

#### **3.14 Risk Management Strategy**

More stringent water restrictions are necessary to ensure that domestic water supplies can be maintained in the face of continuing drought conditions. They are also necessary to ensure sufficient water is available for reservoirs to enable SA Water to manage water quality incidents that may arise as a consequence of the drought. Failure to tighten water restrictions may lead to a failure of water supplies or more adverse water quality impacts, including the possibility that reticulated water supplies become non-potable.

Implementation over the Christmas-New Year period of policy changes that require the cooperation of the public can be problematic because many consumers are less attentive to media and advertising at that time. For that reason an early announcement of Cabinet's decision will facilitate roll out of a communications strategy in early December. This will also ensure that consumers who plan to be away over the Christmas-New Year period or businesses that close down over that period can take steps to ensure that automated water systems are adjusted prior to Christmas.

#### **3.15 Consultation**

Due to the tight time constraints no formal consultation has been possible. Development of the provisions under Level 3 water restrictions has, however, taken account of the experience of water utilities in other jurisdictions, market research among SA Water customers and discussions with SA Water's Customer Council, local government and industry.

#### **3.16 Implementation Plan**

It is proposed that the decision to implement Level 3 water restrictions from 1 January 2007 be announced as early as possible. Tentative arrangements have been made for an advertisement in *The Advertiser*

on 28 November 2006. This will signal the start of the roll out of the communications strategy to inform consumers of the change.

A notice will be published in the Government Gazette prior to the end of December 2006.

SA Water has already commenced recruitment of additional water conservation officers required as a consequence of level 2 restrictions. This process can be extended to recruit the additional resources required to administer level 3 resources.

### 3.17 **Communication Strategy**

A comprehensive communications campaign for Level 3 restrictions is being presented to the Premier's Communication Advisory Group on Wednesday 29 November 2006 to enable its rollout in early December for implementation of Level 3 water restrictions from 1 January 2007.

In the meantime, level 2 material will be modified to reflect the 1 January 2007 start date for Level 3. An advertisement has also been drafted for *The Advertiser* for Tuesday 28 November 2006 to:

- highlight the water efficiency efforts of the community; and
- announce the imminent Level 3 restrictions.

This will also point readers to the SA Water website and hotline for more details.

In summary, the Level 3 revised campaign will target those areas where Level 3 restrictions will apply.

#### **Target Audience**

- **Primary:**
  - SA Water customers, including the nursery and gardening sector;
  - those responsible for watering community use areas (including schools, councils, sporting clubs, nursing homes and hospitals).
- **Secondary:**
  - The community at large (including those with English as second language).
- **Other key stakeholders:**
  - pool and spa retailers;
  - hardware stores;
  - resident and community groups (eg Neighbourhood Watch, Rotary);
  - SA Water staff and contractors;

- peak industry bodies (Business SA, HIA, NGISA, PIA etc).

An effort will be made to target identified high water use areas through the period that water restrictions are in place. This will include the ongoing prominent placement of advertising and bus stop signage in the eastern and southern suburbs.

### **Objectives**

The campaign's main aims will be to:

- inform the target audiences that Level 2 water restrictions have been replaced by an even tougher regime, Level 3;
- raise awareness of the requirements of Level 3 water restrictions; and
- direct target audiences to the SA Water hotline and website for further information

### **Key messages**

Key messages will include:

- Level 2 restrictions have been replaced by Level 3 water restrictions – the ongoing drought has severely limited our water supply and the forecasts for the months ahead mean we must all cut our consumption.
- restrictions are necessary and will be enforced; and
- we are all responsible for water efficiency – including industry, agricultural, residential and business sectors.

### **Scope**

The campaign will include:

- **Media/PR:** To include media announcement, briefings, media kits, talkback radio and ongoing weekly 'Water Restrictions Update' for media detailing consumption, emerging issues, warnings and penalties, hotline call numbers, most common queries answered etc. All media information will be approved by the Minister for Administrative Services and Government Enterprises' media adviser.
- **Print advertising:** In all metropolitan and regional print media across the State covered by Level 3 restrictions; will consist of:

- Stage 1: Existing Level 2 restrictions material will be updated to include a reference to Level 3 being on the way.
- Stage 2: Level 3 restrictions in detail – large advertisement and smaller versions featuring individual Level 3 measures.
- The restrictions ‘gauge’ will be modified to sit at Level 3.
- Radio advertising: 30-second advertisements for metropolitan, regional and multicultural radio. The script will be developed consistent with other campaign elements, along the following lines:
  - Level 3 water restrictions now apply (key features);
  - due to serious and continuing drought conditions, available water resources for the coming year will be reduced;
  - there will be penalties for non-compliance;
  - to find out more call the Water Restrictions Hotline on 1800 130 952 or visit [www.sawater.com.au](http://www.sawater.com.au);
  - this message brought to you by the Government of South Australia and SA Water.
- Bus stops: The existing bus stop material will be updated to L3 and continue for an additional three-month period. These will target high water use areas and “outbound” passengers who may be returning home to water their gardens.
- Mailout: An updated flier will be sent to all homes in the State affected by restrictions.

SA Water will continue with its presentations, hotline and website updates.

### **Equity and access**

Press and radio will include translated multicultural media.

The brochure will be available in multi-lingual formats and will also outline – in a range of languages – where people can have the information translated.

The website will include the restrictions in a range of language formats.

Copies of the audio for the radio advertisement will be distributed to networks for the vision impaired and will be made available via the SA Water call centre.

**Budget**

The estimated budget for this activity is \$432,000, incorporating:

- Press – \$200,000
- Radio – \$100,000
- Bus stops – \$32,000
- Direct mail – \$90,000
- Creative – \$10,000

These costs are additional to the previously approved budget for the Level 2 campaign. **SA Water** 'in house' activities have not been included in the budget but will form part of the agency's overall drought response budget.

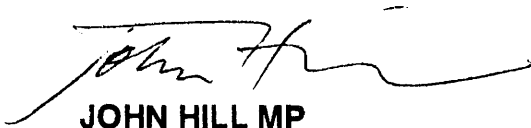
**3.18 Executive Council**

The approval of Her Excellency the Governor in Executive Council is not required.

**4. RECOMMENDATIONS**

It is recommended that Cabinet:

- 4.1 approve Level 3 water restrictions being announced as early as possible and commence from 1 January 2007;
- 4.2 note that, should drought conditions continue in the Mount Lofty Ranges through autumn and assuming that the River Murray is still under stress, it will be necessary to consider further restrictions to maintain storages at levels that will ensure water quality issues can be managed. Formal advice would be provided at that time. That advice may also include recommendations for extending restrictions to areas served by groundwater sources; and
- 4.3 If in response to continuing failure in both the Mount Lofty Ranges and the River Murray, the Government approves construction of a temporary weir near Wellington, and urgent consideration should be given to a total ban on outdoor domestic water use.

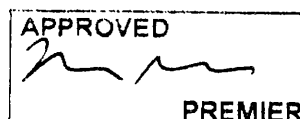


**JOHN HILL MP  
MINISTER FOR ADMINISTRATIVE SERVICES &  
GOVERNMENT ENTERPRISES**

21/11/2006

***In Cabinet***

27 NOV 2006



**MINUTES forming ENCLOSURE to****SAW06/013CS****ATTACHMENT****LEVEL 3 RESTRICTIONS****Domestic Gardens and Lawns**

Hand-held hoses fitted with a trigger nozzle or drip-watering systems may be used on any day but only before 8am or after 8pm.

Watering cans and buckets may be used at any time.

Sprinkler systems can be used on one day a week: from 8am to 8am and/or from 8pm to 11pm in accordance with the following:

- Even numbered properties on Saturday
- Odd numbered properties on Sunday

(It should be noted that this watering regime could pose a risk of low pressure in isolated locations in the water distribution network. This could be partly mitigated if the days were not consecutive.)

Sprinklers cannot be used to water verges.

**Sports Grounds and Recreation Facilities**

Hand-held hoses fitted with a trigger nozzle may be used on any day but only before 8am or after 8pm.

Watering cans and buckets may be used at any time.

Sprinkler systems may be used once a week between the hours of 8pm and 8am.

The day of the week and time of operation for each of the sprinkler stations is to be determined in conjunction with SA Water and subject to a permit.

Testing of sprinklers will not be permitted without prior approval of SA Water.

**Hard Surfaces**

Water must not be used to wash paved or concreted areas, decking, walls or roofs of a building at any time unless it is necessary to do so to protect public health, ensure safety of people using the area, ensure the health and welfare of animals using the area or in case of accident, fire or other emergency.

Windows may be cleaned from a bucket filled directly from a tap.

**MINUTES forming ENCLOSURE to****SAW06/013CS****Fountains, Ponds and Water Features**

A fountain, pond or water feature that does not recycle water must not be operated and must not be topped up unless it supports fish.

The level of water in a fountain, pond or water feature that recycles water may be topped up only with water from a hand held hose or bucket.

Fountains, ponds and water features must not be refilled after emptying.

**Swimming Pools and Spas**

Existing pools and spas must not be refilled from empty.

The level of water in a swimming pool or spa that has been previously filled with water may be topped up or maintained only with water from a hand held hose or bucket.

New pools or spas may be filled only under the authority of a permit from SA Water. A permit will not be granted unless there is proof a cover has been purchased to prevent water loss through evaporation.

Children's wading pools must not be filled with more than 250 litres of water.

**Washing Cars and Boats**

Water must not be used to wash a vehicle except by means of a commercial car wash or a bucket filled directly from a tap.

Hoses are not to be used.

Boat owners are permitted to flush out motors and rinse off metal parts to prevent corrosion.

**Farms or Rural Properties Using SA Water Supplies**

A farm dam or tank must not be filled with water unless it is being used for domestic or stock consumption or fire fighting. A permit is required to fill a dam or tank for any other reason.

If a rainwater tank has been plumbed directly into a house by a licensed plumbing contractor it is acceptable to have a quantity of mains water in the tank.

**MINUTES forming ENCLOSURE to****SAW06/013CS****Building/Construction Activities**

Water must not be used for dust suppression and compaction unless it is applied from a hand held hose fitted with a trigger nozzle or directly from a motor vehicle designed and approved to carry/deposit water.

**Commercial Nurseries and Garden Centres**

Hand held hoses fitted with a trigger nozzle, watering cans, buckets and drip-watering systems may be used at any time to water plants in commercial nurseries and garden centres.

Sprinkler systems may be used between the hours of 8pm and 8am.

On days when the maximum temperature is forecast to exceed 30 degrees sprinkler systems may also be used between the hours of 1pm and 2pm.

**Caravan and Camping Sites**

Permits are required to water outside the garden and lawn guidelines.

Permits allow watering under the following conditions:

**October – March**

Grassed sites that have been damaged by cars, caravans and/or tents may be watered with a sprinkler for not more than 30 minutes on the day the area is vacated. If grassed areas are not being used then they may be watered with a sprinkler no more than once per week, for no more than 30 minutes at any time.

**April – September**

Grassed sites that have been damaged by cars, caravans and tents with a sprinkler no more than once per week at any time for no more than 30 minutes at any time.