

WATER LICENSING FEES

4958. Hon Nigel Hallett to the Leader of the House representing the Minister for Water Resources

In answer to question No. 4799, the Minister for Water Resources said in rejecting the analogy of a driver's licence fee equivalent for an annual water licence fee that it is not equitable to charge the same fee to licences with different water entitlements. In relation to the \$200 fee for an application for a water licence, I ask -

- (1) Why is a flat \$200 application fee appropriate for licences sought for different water allocations, when a flat annual licence administration fee is not?
- (2) What rationale was used to determine that an application fee should be \$200?
- (3) How many new licence applications were assessed in 2005-06, and what was the total cost of conducting the assessments?
- (4) The answer to question No. 4780 estimated that in 2006-07 there would be 640 applications for new licences for estimated revenue of \$130 000. Will this fully recover the cost of assessment of the 640 applications?
- (5) If no to (4), what is the estimated actual cost in 2006-07?
- (6) Does the \$200 application fee recover the cost of assessing an application for a water licence across the seven classes of licences ranging from less than five megalitres to greater than five gigalitres allocation?
- (7) If the \$200 application fee doesn't recover the cost of assessing an application for a water licence across the seven classes of licences, why doesn't it?
- (8) What is the average time in hours applied by Department of Water officers to assess an application for -
 - (a) a surface water licence for a less than 50 megalitre allocation;
 - (b) a ground water licence for less than 50 megalitre allocation;
 - (c) surface water licence for a greater than one gigalitre allocation; and
 - (d) ground water licence for a greater than one gigalitre allocation?
- (9) What was the average time in hours required of Department of Water officers to assess an application for -
 - (a) surface water licence; and
 - (b) a ground water licence in 2005-06?

Hon KIM CHANCE replied:

The Minister for Water Resources has provided the following response:

- (1) The \$200 application fee is to initiate the water licensing process. Administration also includes assessment of a licence which is often complex. Application and assessment are not the same thing. Annual fees are based on the amount of work related to the larger, more complex licences. Upon grant of the water licence, the licensee would be required to pay the difference between the application fee and the annual fee in accordance with the approved fee schedule.
- (2) The recommended application fee of \$200 is equivalent to, and replaces, the former application fee for approval to transfer a licence. The \$200 application fee was selected because it matched the lowest fee and would become the annual fee if the licence was granted.
- (3) In 2005-2006 the Department of Water assessed 1780 applications for new water licences (this does not include renewal applications). Of the 1780 applications received, 640 applications were for short term and temporary bore construction licences or bed and bank permits. The total cost of only assessing the new applications plus renewals was 71% of \$5.8 million.
- (4) Yes. The estimated revenue of \$130 000 is only for the application fee and assessment of short term bore construction licence and bed and bank permits. For licences to take water the \$200 application fee is to initiate the assessment process. The remaining costs for assessing new applications with different annual water entitlements is recovered through the licensee paying the difference between the application fee and the annual fee (in accordance with the fee schedule) on grant of the water licence.
- (5) Refer to answer for Question 4.
- (6) No. Refer to answer for Question 4.

- (7) Refer to answer for Question 4.
- (8) Assessment activities are the same for groundwater and surface water.
 - (a) 11 hours for 5 - 50 megalitres surface water applications
 - (b) 11 hours for 5 - 50 megalitres groundwater applications
 - (c) 80 hours for greater than 1 gigalitre surface water applications
 - (d) 80 hours for greater than 1 gigalitre ground water applications
- (9) The average time in hours required to assess an application for groundwater or surface water in 2005-06 was 14 hours.