



MWH

*BUILDING A **BETTER** WORLD*

MWH

Water Gauge

2010



Conserve or Create?

Water sustainability remains one of the most pressing issues facing Australia, and wise water management makes up a significant part of MWH's mission to build a better world.

As recognised leaders in water and environmental consulting, MWH commissioned a piece of independent research of Australian households to explore attitudes and behaviours toward water. In particular, we set out to explore whether the prolonged drought, and years of water restrictions, have had a lasting impact. Or, now that the drought is easing in many parts of the country, are Australians reverting to old habits? What are the drivers of household water usage? Will increasing the price of water motivate Australians to reduce their consumption? How important is water to the Australian psyche? And, importantly, how concerned are Australians about the impact of the projected population growth on our water supply?

The inaugural MWH Water Gauge 2010 has revealed Australians are gravely concerned about the nation's water supply, particularly in light of forecast population growth. Though Australians are committed to reducing household water usage and waste, there is widespread preference for more infrastructure to ensure adequate water supply in the future.

Our nation's water issues boil down to a question of supply versus consumption: governments must continue to encourage Australians to reduce their water consumption, but at the same time, our water supply must be increased through greater investment in water infrastructure. This is the big issue that must be addressed if we are to ensure water security for the future.

Importantly, while the effects of the drought on current water supply have eased supply pressures, government should not lift its foot off the pedal in providing now for water supply needs of the future – we need to plan for a drier Australia.

Despite the concerns expressed by respondents, it is encouraging to see, from this report, the strong sense of responsibility felt by Australians to look after our precious natural resource – something for policy makers, governments and councils to take heart in.

It is our hope that this report will help shed light on cultural attitudes and consumer behaviour that will affect future water conservation planning in Australia.

We must also recognise that water is grossly undervalued in Australia. Unless the underlying issue is addressed, it will continue to prove difficult to invest adequately in our future water supply. Bottled water costs \$2.50 each, yet tap water costs around \$2 for 1,000 litres. We must strike a balance that ensures water is better valued into the future, while not placing too hard a burden on consumers.

Investment in long-term and sustainable water management infrastructure and water-usage legislation is a vital task for the nation and we must all play our part in building a better world for the future.

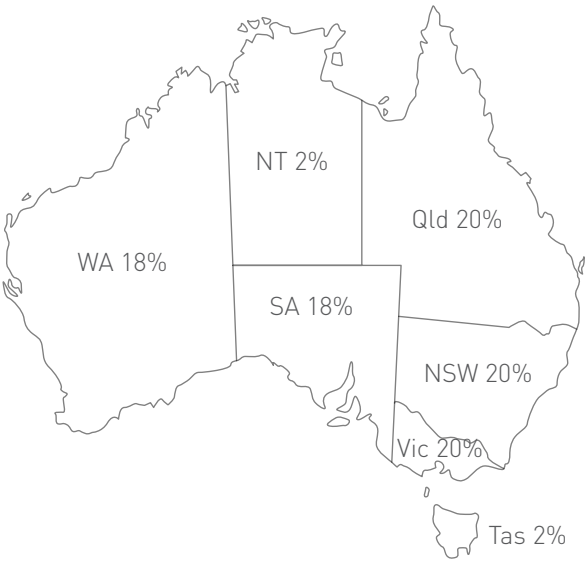


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About the MWH Water Gauge 2010

Between 2 June and 7 June 2010, MWH commissioned a study to establish attitudes and current practices with regard to water usage across Australia. The survey was conducted among 1026 Australians, 18 years of age and over, located in both capital city and regional areas.

Questions asked in the survey ranged from opinions on current and future water restrictions, water consumption, lifestyle influences, population growth considerations, and opinions of water security and future infrastructure.



The survey was conducted online by Lonergan Research and results were weighted to the population estimates according to the Australian Bureau of Statistics.

1: Attitude

Australians have a positive attitude towards conserving water with 95% of people indicating that it is every Australian's responsibility to make good use of our water.

Almost one-third (29%) of Australians describe their household as being very water conscious.

On a state-wide basis, Victorians ranked themselves as Australia's best water savers, with 57% saying they do a good to excellent job. Only 38% of Western Australians assessed themselves as good to excellent water savers.

Those living in houses are more likely to believe their households are doing a very good or excellent job in water conservation (49%), compared to 41% of those living in apartments.

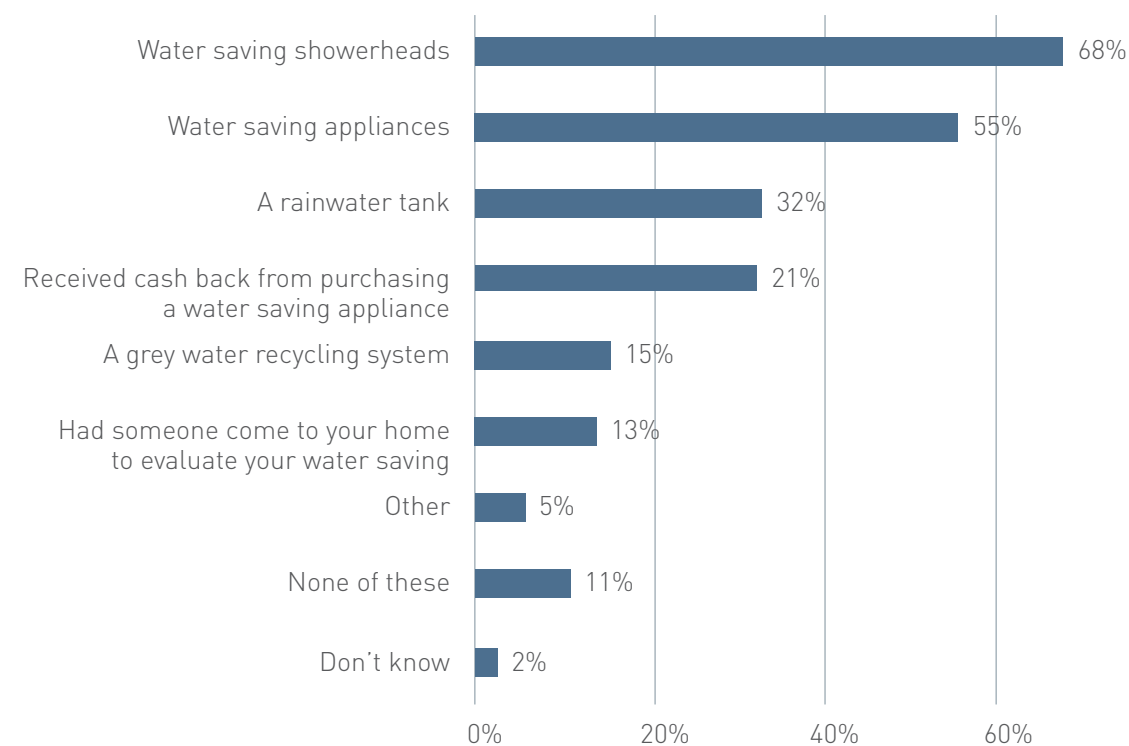
Baby Boomers are the most likely to see themselves as very good or excellent water savers (57%) than younger Australians (cf. 47% Gen X, 35% Gen Y).

2: Behaviour

The introduction of water restrictions across Australia has had a positive influence in changing the way Australian households use water with four in five (82%) people agreeing it has been fundamental in the reduction of water usage.

However, of the people surveyed, 50% believe they would be less careful if water restrictions were lifted.

Water saving initiatives have been widely successful with 87% of Australians saying they are actively participating. Water saving showerheads (68%) and water saving appliances (55%) ranked highest (see chart below).

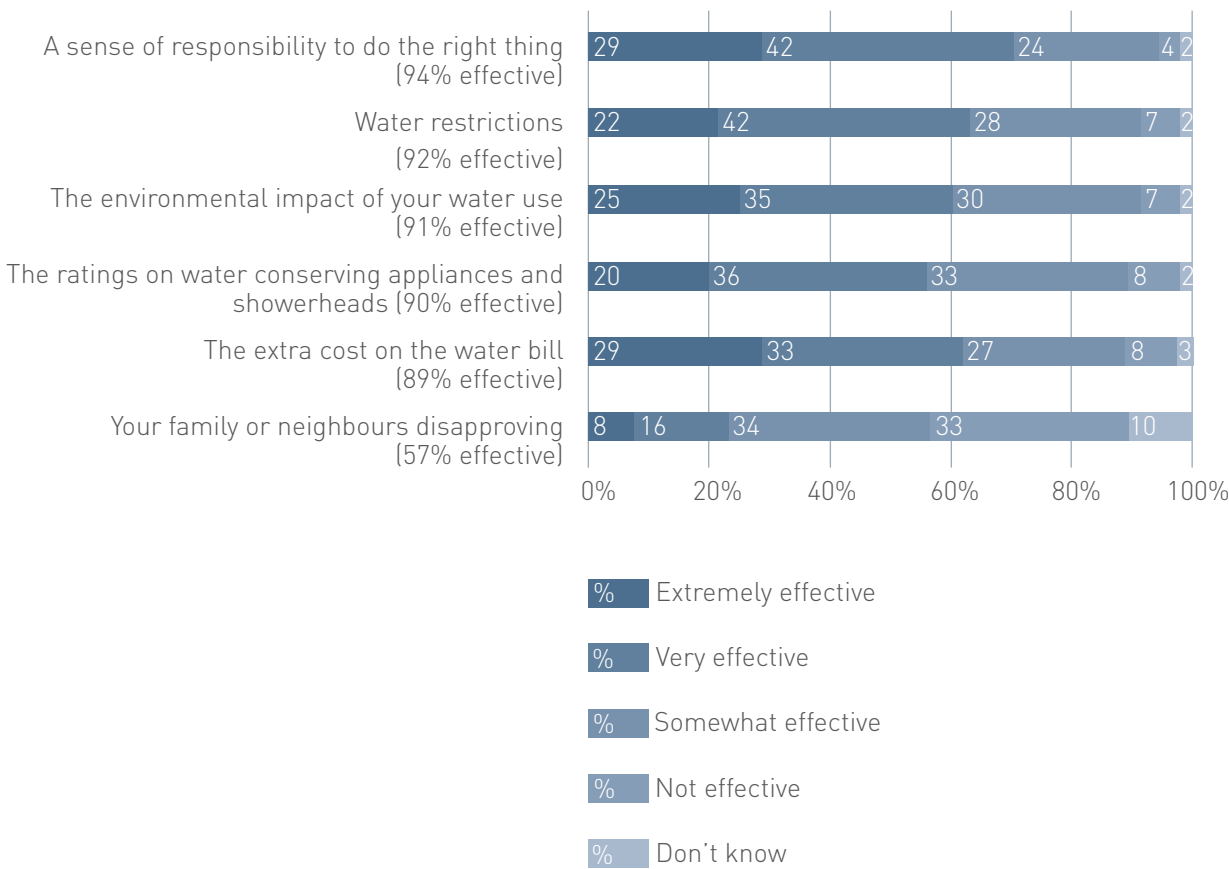


3: Conservation drivers

Australians have developed an emotional reaction to wasting water – 90% do not feel right leaving a tap running, just like riding in a car without a seatbelt, and 81% feel guilty if they use water unwisely.

When asked which factors motivated water saving behaviour, 94% responded that a sense of responsibility was the main driver for conserving water.

Water restriction measures and environmental impacts also ranked highly as drivers, with results of 92% and 91% respectively (see chart below).



3: Conservation drivers continued

Generational Differences

Baby Boomers and Gen X are the most likely to be motivated to save water by:

- Water restrictions (93% and 94% respectively, cf. 84% Gen Y);
- A sense of responsibility (95% and 96% respectively, cf. 90% Gen Y); and
- The ratings on water saving appliances and showerheads (91% and 93% respectively, cf. 82% Gen Y).

Gen X are the most likely to be motivated to save water by:

- Their family or neighbours disapproving if they waste water (64% cf. 57% Gen Y, 51% Baby Boomers); and
- The environmental impact their water usage (94% cf. 88% Gen Y, 89% Baby Boomers).

State Differences

Those living in New South Wales are the most likely to be influenced to save water by the disapproval of family members 64% when compared to the national average of 57%. NSW also came out on top when asked if extra costs in their water bills were an influencing factor to reduce consumption, with 93% of NSW respondents agreeing, compared to the national average of 89%.

Both Victoria and Queensland came out on top in their agreement that water restrictions have fundamentally changed the way their households use water, with a result of 85% (4% above the national average). Further, Victorian people believe they are the best water savers with 57% rating themselves as good or excellent, a result 9% above the national average.

When compared to a national average of 45%, Queenslanders fared well with 35% believing that households can make a difference, despite the volume of water consumed by business. When asked the same question, South Australia (57%) are the most likely to agree that business used so much water household use would not make any difference.

Western Australian residents (51%) are the least likely to do more than required in conserving water and also rate themselves the lowest when asked how good they were as saving water. Western Australians were also the least likely to be motivated by water restrictions with 88% compared to an Australian average of 92%.

4: Price

As explained in Section 3, whilst there are many factors that motivate people to save water, the most effective method is an intrinsic sense of responsibility to do the right thing (94%). Government-imposed water restrictions are also more likely to motivate Australians to conserve water (92%) than an increase in price (89%).

However, households on a combined income of less than \$40,000 per annum were more likely to find the extra cost on their water bill as a motivating factor (38%) when compared to those on a combined income of more than \$40,000 per annum (27%).

The survey also found 83% of Australian adults take time to review their water bill, and of those who have noticed a rise, the majority (42%) try to find out the reasons why their consumption may have increased and 33% pay more attention to their water usage in the future.

One in three (34%) believe that they pay for their water and should be given the freedom of usage (cf. 60% disagree, 5% unsure).

5: Water Culture

Water has become part of the Australian culture. 97% of Australians have fond childhood memories involving tap water, such as playing under the sprinkler (78%), playing with water pistols or water bombs (72%) or cooling off under a hose (63%).

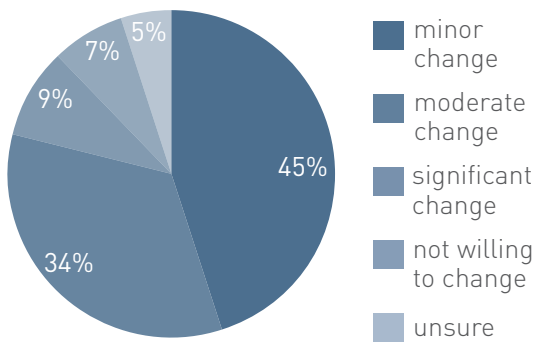
Most (89%) Australians believe it is important the next generation of Australian children are able to create their own memories involving water, with two-thirds (64%) rating this very important or extremely important.

6: Population Growth

The findings show that over 91% of the people surveyed are concerned about Australia’s water security, with figures indicating Australia’s current water supply will not be enough to support the projected population growth in the coming five years.

Australians are starting to reach their water conservation limits. Although most (88%) are willing to reduce their water consumption by 10%, they would need to make sacrifices and changes to their lifestyle in order to achieve this (45% minor; 34% moderate, 9% significant). 7% would not be willing to reduce consumption.

Change to lifestyle required to reduce water use by 10%



Despite the willingness of households to reduce their water consumption, almost half (45%) agree that businesses use so much water that households saving water won’t make much difference.

When asked about the preferred means of ensuring the security of our water supply, the majority of respondents (76%) agreed that further infrastructure in the form of water recycling, dams and desalination plants was needed, instead of further water restrictions.

The strongest support for additional infrastructure came from Baby Boomers with 81% in support as opposed to 75% of Gen X and 67% Gen Y.



MWH Water Gauge 2010

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