

**WATER EFFICIENCY LABELLING AND STANDARDS  
INTERGOVERNMENTAL AGREEMENT**

**VARIATION 2025**

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**AGREEMENT in relation to Water Efficiency Labelling and  
Standards between**

**The COMMONWEALTH OF AUSTRALIA  
(‘the Commonwealth’) and**

**The STATE OF NEW SOUTH WALES;**

**The STATE OF VICTORIA;**

**The STATE OF WESTERN AUSTRALIA;**

**The STATE OF QUEENSLAND;**

**The STATE OF SOUTH AUSTRALIA;**

**The STATE OF TASMANIA;**

**The NORTHERN TERRITORY OF AUSTRALIA;**

**The AUSTRALIAN CAPITAL TERRITORY**

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## DATE

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This Variation to the AGREEMENT is dated 26 August 2025.

## PARTIES

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This AGREEMENT is made between the following parties:

1. **The COMMONWEALTH OF AUSTRALIA ('the Commonwealth') and**
  2. **The STATE OF NEW SOUTH WALES;**
  3. **The STATE OF VICTORIA;**
  4. **The STATE OF WESTERN AUSTRALIA;**
  5. **The STATE OF QUEENSLAND;**
  6. **The STATE OF SOUTH AUSTRALIA;**
  7. **The STATE OF TASMANIA;**
  8. **The NORTHERN TERRITORY OF AUSTRALIA; and**
  9. **The AUSTRALIAN CAPITAL TERRITORY**
- (collectively called 'the States and Territories').**

## CONTEXT

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This Variation to the Agreement is made in the following context:

- A In recognising the significant contribution that the WELS scheme has made over 20 years towards conserving water, the Parties have agreed that legislation should be maintained for water efficiency labelling and standards, including minimum standards.
- B The Commonwealth and the States and Territories agree that the legislative scheme should be nationally consistent, drawing on legislative power conferred by the Commonwealth, State and Territory Parliaments.
- C In the interests of maintaining an efficient and effective regulatory system for mandatory water efficiency labelling and standards, including minimum standards, the Commonwealth and the States and Territories have agreed that the national legislative scheme should be administered on a cooperative basis.

# 1 INTERPRETATION

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## 1.1 Defined terms

1.1.1. In this Agreement, unless the contrary intention appears:

<b>Agreement</b>	means this document and includes any schedules and annexures;
<b>Commonwealth Act</b>	means the <i>Water Efficiency Labelling and Standards Act 2005</i> of the Commonwealth;
<b>Legislation</b>	Primary legislation, i.e. Acts
<b>Legislative instruments</b>	includes regulations and other subordinate instruments;
<b>Minister</b>	means the Australian Government Minister for -Water;
<b>Party</b>	means a party to this Agreement;
<b>Regulator</b>	means the Secretary of the Department of State of the Commonwealth that deals with the matters to which the Commonwealth Act relates;  <i>[Note - as defined in Section 21 of the Commonwealth Act (by reference to Section 7).]</i>
<b>Scheme</b>	means the totality of the legislation and legislative instruments enacted by the Parties in relation to mandatory water efficiency labelling and standards, including minimum standards, in accordance with this Agreement;
<b>State</b>	does not include the Australian Capital Territory or the Northern Territory of Australia;
<b>Territory</b>	refers to the Australian Capital Territory and the Northern Territory of Australia but does not include external Territories.

## 1.2 Interpretation

1.2.1 Expressions used in this Agreement have the same meaning as in the Commonwealth Act.

## **2 TERM OF AGREEMENT**

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### **2.1 Commencement date**

2.1.1 The Agreement commenced upon execution by each of the Parties, including at least one State, and continues until it is terminated in accordance with clause 10.2.

## **3 LEGAL EFFECT OF AGREEMENT**

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### **3.1 Agreement not legally binding**

3.1.1 This Agreement is not intended to be, and is not, a legally binding or enforceable document.

3.1.2 Notwithstanding clause 3.1.1, the Parties will act and cooperate in good faith in accordance with the terms of this Agreement.

## **4 MAINTENANCE OF CONSISTENT SCHEME**

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### **4.1 Legislation to be nationally consistent**

4.1.1 The Commonwealth and the States and Territories will use their best endeavours to ensure that all legislation and legislative instruments forming part of the Scheme will remain nationally consistent. This is to:

- make registration as easy as possible for businesses; the affected industry operates in national and global markets, and it will be simpler for international businesses and Australian businesses operating in more than one State or Territory to have a single registration point for their products.
- minimise compliance costs for industry and thereby encourage compliance with the scheme; and
- comply with mutual recognition principles as adopted in the *Mutual Recognition Act 1992* and the *Trans-Tasman Mutual Recognition Arrangement*.

4.1.2 The Commonwealth will inform the other Parties of changes to the monetary value of Penalty Units as soon as practicable, and the other Parties will use their best endeavours to maintain parity with the value of these Penalty Units in their own penalty regimes for the Scheme.

### **4.2 Amending and new legislation and legislative instruments**

4.2.1 If a Party proposes to amend legislation forming part of the Scheme, that Party will submit the proposed amendments to the other Parties for consideration at least 4 months

prior to introducing the amendments, or within a reasonable time where it is necessary to act more quickly.

4.2.2 If a Party proposes to introduce or amend legislative instruments forming part of the Scheme, that Party will submit the proposed amendments to the other Parties for consideration at least 4 months prior to introducing the amendments, or within a reasonable time where it is necessary to act more quickly.

4.2.3 If a Party proposes to introduce legislation or amend existing legislation that may affect the Scheme, that Party will give written notice to the other Parties of the effect of the legislative proposals on the Scheme at least 4 months prior to introducing or amending the legislation, or within a reasonable time where it is necessary to act more quickly.

## **5 WATER EFFICIENCY LABELLING AND STANDARDS OFFICIALS GROUP**

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### **5.1 Establishment of the Officials Group**

5.1.1 For the purposes of the Scheme, there will be an advisory Committee known as the Water Efficiency Labelling and Standards Officials Group (the WELSOG).

5.1.2 The WELSOG will consist of one representative of each Party and be chaired by the Commonwealth representative.

5.1.3 The WELSOG may resolve to invite others, such as representatives from industry, consumer and environmental groups, to attend and participate in a meeting of the Committee as observers.

### **5.2 Functions of the WELSOG**

5.2.1 The functions of the WELSOG are to:

- oversee the implementation of the Scheme;
- provide a forum for consultation between the Parties;
- provide advice to the Regulator or the Minister or any relevant ministerial council on:
  - i. products to be prescribed for the purposes of the Scheme;
  - ii. the WELS standards to be prescribed for the purposes of the Scheme, including any labelling, minimum water efficiency and general performance requirements;
  - iii. national strategies for effective compliance and enforcement;
  - iv. the co-ordination of State, Territory and Commonwealth resources in relation to the administration and enforcement of the Scheme;
  - v. the administration of the Scheme generally;
  - vi. related water policy and other relevant matters; and

- vii. perform any other function conferred on the WELSOG by this Agreement.

### **5.3 Proceedings of the WELSOG**

- 5.3.1 The WELSOG will meet approximately every 12 months or at such times as it sees fit and will, subject to this Agreement, determine its own procedure.

## **6 FUNDING ARRANGEMENTS**

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### **6.1 Apportionment of funding between the Parties**

6.1.1 The Commonwealth will maintain legislation and the legislative instrument to enable cost-recovery through the charging for application fees, to the extent consistent with Commonwealth policy on cost recovery.

6.1.2 The Parties will provide any other funds that the WELSOG decides are required for the ongoing operation of the regulatory system under the Scheme from 1 July 2005, in accordance with the formula of 50% Commonwealth funds and 50% from the States and Territories on a *pro rata* population basis.

### **6.2 Special Account**

6.2.1 For the purposes of the Scheme, the Funds will be quarantined in a Special Account (the WELS Account, established by subsection 64(1) of the Commonwealth Act). The special account is in accordance with the purposes of the *Public Governance, Performance and Accountability Act 2013*, established by subsection 64(2) of the Commonwealth Act.

6.2.2 An amount corresponding to all funds contributed by the States and Territories and appropriated by the Commonwealth will be credited to the WELS Account.

6.2.3 Any funds not spent in a given financial year will be rolled over into the following financial year.

6.2.4 The WELS Account and the purpose of the WELS Account are established by sections 65 and 66 of the Commonwealth Act. That is, the Funds may be used to:

- further the objects of the Commonwealth Act; and
- otherwise in connection with the performance of the Regulator's functions under the Commonwealth Act or a corresponding State-Territory Act.

## **7 INFORMATION**

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### **7.1 Exchange of information between the Parties**

7.1.1 The Commonwealth will provide the other Parties with access to both publicly available and, where permitted by law, confidential information held by the Regulator in connection with the administration and enforcement of the Scheme.

7.1.2. Each Party will exchange with the other Parties such information in relation to the administration of the Scheme as is necessary to facilitate:

- the effective and efficient operation of the scheme;
- monitoring the success of the scheme; and
- the functions of the WELSOG.

7.1.3 The Commonwealth will provide each State and Territory member of the WELSOG with a copy of the annual report to be prepared by the Regulator under Section 75 of the Commonwealth Act, within 3 working days after having the report tabled in both Houses of Parliament.

## **8 REVIEW**

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### **8.1 Review of implementation and effectiveness**

8.1.1 The Parties will review this Agreement and the Scheme concurrently, with the review of the Scheme to be conducted by the Commonwealth Minister under section 76 of the Commonwealth Act, in consultation with the Parties.

8.1.2 The setting of terms of reference for the review will be undertaken in consultation with the Parties.

8.1.3 Each review of the Scheme will invite public submissions and be conducted in consultation with:

- the Regulator;
- the WELSOG;
- such others, including consumer, environmental and industry groups, as the Parties considers appropriate.

8.1.4 If, after a review, the Parties agree that legislative amendment should be undertaken, the Parties will endeavour to implement any agreed amendments as soon as practicable, recognising the obligation under clause 4.1.1 to maintain national consistency with the Scheme.

## **9 VARIATION**

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### **9.1 Variation by agreement**

9.1.1 This Agreement may be varied if each of the Parties agrees to the proposed variation in writing.

## **10 WITHDRAWAL AND TERMINATION**

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### **10.1 Withdrawal**

10.1.1 A Party may withdraw from this Agreement by giving the other Parties at least 6 months' notice, in writing, of its intention to withdraw from the Agreement.

### **10.2 Termination**

10.2.1 This Agreement may be terminated if each of the Parties agrees to the termination in writing.

## **11 DISPUTE RESOLUTION**

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### **11.1 Informal resolution**

11.1.1 The members of the WELSOG will negotiate to resolve a dispute that arises under this Agreement.

### **11.2 Referral to Senior Officials Group**

11.2.1 Where the WELSOG is unable to resolve the dispute in accordance with clause 11.1.1, the dispute will be referred to a Senior Officials Group agreed by the WELSOG and representing all Parties for resolution.