



Speech by

**Hon. R. WELFORD**

**MEMBER FOR EVERTON**

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Hansard 9 December 1999

### **WATER RESOURCES AMENDMENT BILL**

**Hon. R. J. WELFORD** (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (3.59 p.m.), in reply: I thank all members for their participation in what was one of the most scintillating debates I have had the pleasure of experiencing for a long, long time. It was an outstanding performance by all the Opposition speakers especially, starting with that delightful dance through the issues of water resources led by the able Opposition spokesperson, followed with consummate skill and enthusiasm by at least one dozen other Opposition members who were equally willing to join the fray and mislead us with the same levels of energy. An enormous number of issues were raised.

As honourable members are well aware, the whole issue of management of our water resources is replete with challenges. The variety of issues that members raised indicates the diversity of those challenges. They raised everything from the initiatives raised by the Water Infrastructure Task Force to water on the Atherton Tableland, water on the Darling Downs, waste water reuse on the downs and in Hervey Bay, the potential for impact on the Great Artesian Basin in the west to water on Fraser Island in the east and the pending possibility of conflict—indeed wars—over water. That was raised by a couple of members, because of the reality that the development of our State has now matured to the point where, in many catchments, we are running up against the limits of our natural resources—water being a key and critical component of them.

For the benefit of the House, I will take the opportunity to clarify a number of points in relation to some of the issues raised. The first point to place on the record is a more accurate representation of what the recommendations of the Water Infrastructure Task Force, which was established by and reported in the term of the previous Government, really meant. It is often used as a clarion call for new water infrastructure that a particular item of infrastructure was contemplated in the report of the Water Infrastructure Task Force.

The mere fact that the task force considered a proposal—one of hundreds that were put before it—does not mean that the proposal should, could or is able to go ahead. There is no doubt that, from the comfort of Opposition, members will always grasp at the fact that the task force mentioned, or indeed perhaps even gave a recommendation, in relation to a particular infrastructure proposal, and that somehow that ought to guarantee that the proposal is a *fait accompli* and that whoever is in Government at the time ought to be allocating money towards it. Honourable members who have ever cared to read the task force report will know that the simple reality is that the task force simply identified in order of priority—out of the many proposals put before it—those that deserved further investigation. That was as far as the task force report went. It identified what it believed to be the proposals based on the submissions put by the many interested local organisations and local governments. Based on the advice then available at the then available level of information that Government possessed, it made a best guess of the priority and order of potential for further infrastructure proposals to be explored.

However, the task force report itself made it very clear that each and every one of those proposals would require varying degrees of further analysis. Indeed, in many of the catchments, it specifically contemplated that a much more thorough assessment of the resource available would be needed in order for any further consideration of those infrastructure proposals to be undertaken—not to mention the need for proper and comprehensive impact assessments to be undertaken in respect of

any particular proposals once the catchment resources were better defined. It is important for that to be put on the record so that no-one can continue to mislead either the community or this House about the true import of the Water Infrastructure Task Force report.

In relation to the misinformation peddled repeatedly by members of the Opposition in a coordinated media campaign to the effect that the water infrastructure initiatives of this Government have been stalled or frozen, I point out that this Government is accelerating the assessment of proposals in the Water Infrastructure Task Force report at a rate faster than the previous Government ever did. The previous Government undertook the task force report. There is no doubt about that. I acknowledge the report having been prepared in the course of its term of office, but the fact of the matter is that very little resource assessment had been commenced when the previous Government was in office. Almost no assessment was made, apart from the Comet dam. A very, very rubbery agreement in relation to the SUDAW project had been entered into by the previous Government. As a result, the Comet dam was dispensed with by Minister Springborg—and properly so—because the resource simply did not exist. To lump in alongside the Comet dam projects such as the Finch Hatton Gorge proposal simply is to play political mischief, because the advice I have is that that proposal was equally unsustainable in both economic and environmental terms. That is the clear advice of local officers of the Department of Natural Resources working in that arena.

The fact that a number of the proposals among the wish list of proposals that were raised in the infrastructure task force report have been able to be assessed and discounted at an early stage should not be regarded as an indication that this or the previous Government—given that it dispensed with the Comet dam—was inherently opposed to infrastructure development. It ought to be recognised that all parties when in Government want to encourage development that generates jobs and builds long-term economic security for rural regions. There is no doubt that water is a valuable and critical element in generating economic wealth in rural and regional areas of Queensland. This Government—no less than any other—is anxious to ensure that future proposals for infrastructure are properly planned so that they can be sustained in both economic and environmental terms.

Throughout the State we already have a number of items of infrastructure that were developed either on a whim or a pork-barrel. The Fred Haigh Dam in Bundaberg is a classic example. In terms of a water resource, it has proved ultimately to be next to useless. In terms of a financial investment, it has proved to be a disgraceful squandering of public funds. Our Government is not going to be goaded into haphazard development of infrastructure without the proper preliminary assessment of resources and economics and impose upon Queensland taxpayers in these times of enormous demand on the public revenue and resources of the State. We will not be stampeded into pork-barrelling National Party electorates at the whim of National Party members, such as the member for Callide. They are always happy for a Government to throw public money at their electorate in the hope that they can claim some credit for it.

We are going to do the job properly. We have water allocation management planning occurring in a comprehensive way involving the community in great detail in consultation with all of the major catchments of the State. Those WAMP assessment processes will be streamlined to both improve the technical assessment of water resources as well as the way in which we engage the community in reaching open and accountable decisions about the potential for new water resources in those catchments.

There is a very real risk, as some speakers indicated, that we are already at the limits of the resource in a number of catchments. I think anyone who is honest would recognise that in some catchments the resource has already been over-allocated. That is a cause of conflict. In the St George area at present we have a legacy of mistakes and a legacy of pork-barrelling in the allocation of water resources, and this has resulted in a conflict which no Government has had an easy time in resolving.

We are currently faced with a situation in St George in which the channel irrigators are legitimately concerned at the diminution of the resource that they believed was rightfully theirs when the irrigation scheme was established—through a mistaken assessment, perhaps, of the capacity of the Beardmore Dam, but largely driven by a continuing misallocation of water resources to other users in the catchment at a time when the resource simply could not be regarded as sustainable in the long term.

That is why we need to adopt a responsible and thorough approach to this matter. To give credit where credit is due, the WAMP process in its broad context was carried on by the previous Government after the seeds of it were formulated in the latter part of the Goss Government years. We have learned from the work that has been done up until now in the Fitzroy and the Condamine and emerging WAMP's in other catchments. We need to improve on that process even further and refine the way in which we engage scientific experts and seek and obtain their advice on the technical advisory panels. I am currently directing a review of the way in which we engage the community in the community consultation process through what are known as the community reference panels.

Above all else, the most important element of this process is to ensure that the information we gather is open to the community and that the decision-making bases upon which future assessments of infrastructure potential are made are accountable. I am doing everything in my power to ensure that information is made available to every sector, that all the cards are laid on the table and that there is absolutely no secret about the best scientific advice that is available. In this way the communities themselves can see what the answers are when questions are raised about the potential for future water resources.

I have a number of concerns about the way in which even today—notwithstanding that I have tried to drive more discipline into the process in the past 18 months—we are allocating water resources across the State. I still hold some concerns for the way in which the allocation of licences in the Great Artesian Basin is being undertaken. I am concerned that we are spending Commonwealth and State Government funds on bore-capping and piping which is yielding substantial water efficiencies and reduced water use in the west, whilst at the same time it appears that we may be continuing to allocate new bore licences in the basin for volumes of water that exceed the amount of water we are saving through the capping and piping system.

That is a recent discovery I have made from reading the reports I sought from the Department of Natural Resources. It is a matter of continuing concern to me that, in a number of catchments and in a number of groundwater areas, we appear to be continuing to allocate resources in a way that results in a net deficiency in the renewable supply of that resource. It is something that we obviously cannot continue to do. It is something that is not sustainable. Sooner or later, unless a Government has the courage to bite the bullet and address the issue of sustainability in an up front, open way with the community, the community will continue to have—justifiably—unrealistic expectations about the capacity of Governments to continue to allocate resources where, in fact, in the long term they do not exist. The long-term consequence of over-allocating resources in an unsustainable way is that we generate economic investment and economic activity in reliance upon a level of resource use which will ultimately collapse. An enormous waste of community collective economic investment and resources will result in those circumstances.

In relation to the water re-use proposal for the Lockyer area and the Darling Downs—this is indeed a visionary opportunity. It is an opportunity that I think any Government worth its salt would seek to harness and make the best efforts to achieve. However, it needs to be recognised that a project of that scale requires a number of fundamental issues to be addressed.

One of those issues is the water quality that is necessary, or acceptable, for use at the tail end of the pipeline. It may or may not be a simple matter of piping the current quality of waste water up to the Lockyer Valley, or anywhere else, and pouring it on to the fields of crops. It is a matter of doing the homework properly instead of jumping in and speaking rhetorically about another Snowy Mountains Scheme in the belief that these things can be done without proper homework.

The other factor that will be fundamental to this is to make a proper assessment of the long-term—that is, the life cycle—costs of the exercise. The Commonwealth, through its current water reform process, requires the States to address all water use issues from the perspective of what is, in effect, full cost recovery. That is certainly the case in respect of surface water. It may well be that the environmental benefits of recycling waste water for use on farm irrigation has a long-term net economic benefit. That homework has to be done because there is no doubt that the proposal in regard to the Lockyer Valley has potential. If the resource that is drawn upon is from waste water sources closer to where the use is to be made of them, taking the water to the downs is more of a challenge in cost terms. That homework also needs to be undertaken.

Nevertheless, our Government has already signalled its very clear commitment to fully exploring the potential for these projects. We think that, if they can be achieved, they will be an outstanding contributor to economic wealth generation in both the Lockyer Valley and the Darling Downs. The economic and environmental factors need to be fully and responsibly addressed. We will be doing that not just behind the closed doors of the bureaucracy, but in the open light of community consultation with local government and community rural industry interests in the Lockyer Valley and on the Darling Downs.

It is very important that those who have done so much work, in a preparatory sense, with the studies and assessments that have been done to date on the technical potential for these projects, are kept engaged on the process and are made aware of the issues that need to be addressed and the criteria for addressing them. In that way, when any future Government is in a position to make a decision to go ahead with it, we know we have the financial resources to do it, we know that the long-term costs of doing it can be met, in a net benefit sense, and we know that the environmental implications—and dare I say the health implications—are properly covered.

There is no particular reason why, in a technical sense, those issues cannot be addressed, but doing the homework to make sure that the project is sustainable will ensure that the long-term benefits

of such a project are enduring for the beneficiaries, who will want the water to be a secure source of supply in the decades ahead.

The member for Keppel and other members raised a couple of issues to which I am happy to respond. The member for Keppel referred to a note by the Scrutiny of Legislation Committee in relation to an error in the Explanatory Notes. The reason for that is that the introduction of this Bill was delayed for some time. In the intervening period, the instruments due to expire on 1 July this year had to be extended and were extended to 30 June next year by a regulation under the Statutory Instruments Act introduced into the House some months ago by the Leader of the House. Of course, that was needed to avoid retrospective legislation, which would have been necessary if the instruments had expired before this Bill could be enacted. The Explanatory Notes were not amended to reflect the fact that that Statutory Instruments Bill was brought into the House and, as I understand it, subsequently passed.

Both the member for Western Downs and the member for Warrego referred to a technical amendment about water areas as identified in the proposed amendments. The amendment is minor and is entirely technical in nature. The reason for it is that, when the legislation was first enacted, the transitional provisions referred to irrigation and drainage areas and clarified that they were to be treated as irrigation and drainage areas under the new Act, that is, when this current Water Resources Act was first introduced. The transitional provisions did not deal with the other areas and clarify how they should be regarded, that is, existing declared areas, when this new Act came into force. So the transitional provisions did not include an amendment, which this legislation now does, to put beyond doubt that, under the new legislation, areas that are not irrigation and drainage areas are to be treated as water supply areas. It is a simple, technical amendment to fill a gap that was not addressed when the Water Resources Act was first enacted.

The other issues raised by members were extremely varied and often not related to the legislation before the House. I thank the members of the Opposition for indicating their support for these amendments, most of which are technical. Before completing what I have to say, I will mention briefly that I will move a couple of amendments in the Committee stage. Again, these amendments are purely technical, except for two, to which I will make particular reference. Those two amendments relate to the powers of the chief executive when a water management plan is being put in place. Section 25H of the Act provides that a draft water management plan, which is proposed to be made, does not need to be advertised if the difference between the draft and the advertised draft merely corrects a minor error, is not a change of substance or is merely a change of expression. At present, the Act provides that whenever there is any change to a water management plan after the draft has been out for public consultation, any change at all requires that it go out for public consultation again. If there is any change arising out of that further public consultation, then it will have to go out for public consultation again. So we could have this never-ending requirement of public consultation with every adjustment to a water management plan, no matter how minor. Clearly, that means that there would be unnecessary delays in finalising plans, particularly in the context that, under the Act, there are limitations on dealing with water licences in the course of the preparation of a water management plan. So the amendment states that, providing there is no substantial change to a draft plan that is put out for public consultation, then it can be finalised without a further round of public consultation.

The second component of the amendments that I will move shortly is in relation to the power of the chief executive under section 44(2) to amend, modify, vary or revoke a term to which a licence is subject, or add a further term to a licence. The chief executive can do this either on the chief executive's own motion or on the basis of an application. The current section 25N prohibits a number of activities relating to a water management plan area from being affected once a public notice is given by the Minister that a water management plan is proposed to be prepared.

In other words, when the Minister gives a public notice that a water management plan is to be prepared for an area, then section 25N prohibits a number of activities, namely, the amendment of a licence under section 45 or other dealings with licences. However, an anomaly that occurred was that amendments under section 44(2) were not caught by that requirement that such amendments not be affected while a water management plan is being put in place. In other words, the kinds of dealings under section 45, section 43 and elsewhere that were prevented from occurring while a water management plan was being prepared overlooked also requiring that an amendment modification or variance under section 44 should also be precluded while the water management plan is being put in place. My proposed amendment will ensure that there is a consistent application of that principle across all amendments, variations or transfers such as while the water management plan is being prepared licences should not be dealt with in a way that could prejudice the intent of the plan once it is produced after public consultation.

Subject to that, I understand that the Opposition is supportive of the Bill and amendments. I thank them for their support. I thank all honourable members for their contributions to this debate.