



Speech by

**Hon. T. M. MACKENROTH**

**MEMBER FOR CHATSWORTH**

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Hansard 8 June 1999

**MINISTERIAL STATEMENT**

**Y2K Compliance**

**Hon. T. M. MACKENROTH** (Chatsworth—ALP) (Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities) (9.45 a.m.), by leave: In April I released the first report from Cabinet which detailed where State Government departments were at in rectifying the Y2K problem as at the end of February. I said then that the Government was committed to reporting its progress and today I am happy to release latest reports which show the Government's progress as at the end of April.

I am pleased to report that the Government has made significant progress and is on track to have its critical systems Y2K compliant. Critical systems are those which could have a key impact on life and safety or business operations. Further to this the report indicates where the Government is at in regard to the contingency planning phase. This phase covers risk analysis and management, contingency planning and implementation and, pleasingly, all critical systems are on track for completion by July.

While the Government is working to ensure our own systems are Y2K compliant, it is essential to make contingency plans because of the inter-reliance between various computers and systems which are out of our control. Whilst we would hope not to use these contingency plans, the Government is taking every precaution to ensure we are prepared for any scenario.

In December 1998 the Government instigated an independent review of the preparedness of the Queensland electricity supply industry and in March this year we undertook a review of water and sewerage infrastructure. Cabinet yesterday received its first reports on both of these reviews. Regarding the review of water and sewerage, I wrote to all the major providers of water and sewerage infrastructure, including State water projects, all urban water boards, some rural water supply boards and all local governments, asking them to provide me with details of their Y2K readiness.

I will table a list of responses which shows that most service providers who responded have more than half finished their Y2K rectification programs. From the responses what is most pleasing is that even the largest service providers report they are finding relatively few Y2K problems in water and sewerage infrastructure and the problems being found would primarily cause inconvenience if not corrected. Service providers are also reporting that most facilities can be operated manually even if systems and equipment were to fail. Some more good news is that the two largest local governments—the Brisbane City Council and Gold Coast City Council—have reported that they are well progressed with Y2K rectification, with the Brisbane City Council 88% complete overall.

The Government still has some concerns that many local governments and some water boards still have substantial work ahead of them in order to prevent disruption to water and sewerage on 1 January 1999. In order to address this, Cabinet yesterday agreed to undertake a Stage 2 stocktake of the readiness of all major service providers. The stocktake, commencing in June and concluding in July, will be a two-way exchange of information in order to provide assessments of Y2K readiness and risk while also providing practical advice and assistance to service providers in relation to some specific, critical activities. The stocktake will be coordinated by my department and will focus on contingency planning for supply chain and other potential failure through site visits to each major service provider

and/or major subcontractors. Importantly, the State Government is not seeking to assume responsibility for the actual services but rather is taking reasonable steps to minimise the risk.

In regard to the Queensland electricity supply industry, the review considered the quality, present status and future strategies of the Queensland electricity supply industry operators' Y2K compliance programs and investigated and critically analysed each operator's risk management plans from December 1998 to March 1999. It covered all Government owned corporations, including generators, transmissions, distributors and retailers of electricity and privately owned peak load power stations. The findings of the review indicate that the base load generators and the transmission entity have made significant progress towards achieving Y2K readiness.

Queensland's three base load electricity generators, CS Energy Ltd, Tarong Energy Corporation Ltd and Stanwell Corporation Ltd, which are responsible for generating the majority of electricity in Queensland, have well developed Y2K programs in place and have undertaken extensive unit and station testing. The review suggests that all three are well placed to achieve Y2K readiness prior to 31 December 1999, as is the Brisbane based distribution board Energex.

There is still some hard work to be done over the next few months regarding Y2K, and the Queensland Government makes no apologies that each Queensland electricity supply industry operator will be subject to a rigorous monthly monitoring process over the next six months. To this end we will undertake a Stage 2 review, which will involve further on-site visits, monitoring of contingency planning, operator certification that testing and remedial work has been completed and ongoing monitoring of operator progress towards achieving Y2K preparedness. Let me say that, while I am satisfied with these results, the Government will not rest on its laurels and will continue to work tirelessly to prepare for 1 January 2000. I table the report.

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