



Speech by

Mr DOUG SLACK

MEMBER FOR BURNETT

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WATER SUPPLY, BURNETT ELECTORATE

Mr SLACK (Burnett—NPA) (11 p.m.): Recently, the State Government allowed public access to social and economic impact reports on increased water supply in the Burnett region. It is a catchment area covering 13 shire councils and more than 120,000 inhabitants. The Centre for Agricultural Resource Economics, or CARE, and the State Development Department conducted the analysis and forecasts. I refer to some of their findings tonight.

The irrigated portion of the Burnett covers an area of only 2.7% of all the agricultural land in the catchment, yet it is highly productive. From just 2.7% of the land area comes two-thirds of the value of agricultural production in the region. From just 2.7% of the agricultural land area comes about \$330m per annum in production value and about 20% of the region's economy. This equates to almost 10,000 jobs in the Burnett.

Let there be no mistake that water infrastructure has underpinned growth and development of the Burnett region. However, the people of the Burnett region are not well off when compared to most other regions of Queensland. In a world where the farm gate price represents less than 10% of the price paid by consumers at the supermarket, the Burnett economy has not shared in the growth of the Queensland economy. I will quote from the CARE report, which states—

"The Burnett region is among the weakest in the country according to a number of indicators."

The report estimates the ratio of staff per population in service industries in the Burnett is so far below the State average that it would take an increase of 11,866 jobs to put it on par with the Queensland mean. What an astounding figure. The report goes on to say that the Burnett has a lower than average share of publicly funded education and health services, low wages and it has a heavy dependence on welfare and on industries which are not growing. This is not to say that there is not great innovation, drive and determination within the rural and urban communities of the Burnett. In fact, the Bundaberg region has one of the highest ratios of small to medium sized exporters in the State and there are many inspiring examples of firms that are successfully value adding to their products.

At present, about 60% of the Burnett's produce is exported. However, the region has neither the necessary water reliability or the economies of scale to diversify further into growth industries that add value to its raw products. The Burnett does not only need water to increase production, it needs a reliable supply that will attract capital investment in a range of value-adding industries. Ultimately, that will keep money and jobs in the local economy in the long term.

Additional water supplies are imperative not only to maintain the economic status quo but also to ensure the region faces no further decline. An alliance of agricultural representatives in the Burnett region favours a Burnett WAMP draft scenario that increases the annual yield by 170,000 megalitres per annum. Such an increase would give my region the capacity, finally, to take advantage of existing and future industrial opportunities.

Projects that are already on the drawing board include the B2K project—a billion-dollar sugar and pulp paper milling project—and the industrial food precinct, which will enable farmers to form efficient clusters and to focus their marketing efforts. This project was embarked upon in my term as

Economic Development and Trade Minister, and I am very pleased that the project retains the support of the current Government.

The social and economic information reports released by the State Development Department give us a conservative idea of the potential benefits to the Burnett. Under scenario 9 of this report, an increase in water entitlements by 160,000 megalitres would increase Burnett business turnover by \$158m per annum. It would increase employment in the region by some 1,860 full and part-time jobs, according to the State Development Department's figures. And this does not take into account the major injection of construction and development jobs. It would improve the gross regional product in the Burnett by \$90m per annum. A further calculation by the Burnett Water Development Group indicates that the net benefit to the State would accrue to \$1 billion within a 30-year period.

Presently, urban, commercial and agricultural water users divert about 17% of the mean annual flow from the Burnett catchment. Under the preferred proposal, the proportion would increase to 26.5% of the natural flow. This compares favourably with other rivers in Queensland, such as the 23% diversion rate suggested in the Fitzroy WAMP. Unlike other river systems in Australia, the Burnett is not overcommitted and the environmental impacts can be controlled by management techniques that mimic the natural flow regime of the river itself. The growers of my region have not demanded an unreasonable increase in storage levels and recognise that unsustainable changes to the river system benefit no-one in the long term.

Under the time line developed by the coalition, some crucial water development would already have occurred in the Bundaberg district—specifically, the bag on Walla Weir and the Bucca Weir to relieve the pressures of saltwater intrusion on the underground aquifers.

Under the time frame agreed to by the then Opposition Leader, Mr Beattie, the site of a major water storage should have been identified and a full impact study should be under way. In deliberations over submissions to the draft Burnett WAMP, I urge this Government to consider the very genuine community need and to ensure its hypothetical budget allocation to land acquisition becomes more than just a mirage.
