

QUESTION ON NOTICE

No. 1037

asked on Thursday, 16 June 2011

MR MALONE ASKED THE MINISTER FOR ENVIRONMENT AND RESOURCE MANAGEMENT (MS JONES)—

QUESTION:

With reference to the cost of a new sewerage plant for the Sarina Shire which prior to local government amalgamations was \$8m with a State Government subsidy of 45 per cent and as the amalgamated Mackay Regional Council is now faced with a cost of almost \$50m with no subsidy, for the same sewerage plant due to the excessive and unrealistic demands of DEEDI to produce Class A water—

What support will the State Government give to the Mackay Regional Council to provide this infrastructure project which is beyond the resources of council to fund?

ANSWER:

It is up to individual councils to work out the best way to progress their infrastructure projects. It is therefore up to the Mackay Regional Council (the council) to reassess its priorities and funding sources to complete priority projects.

Queensland local governments have a number of options for financing capital works programs, which can be found on the Queensland Treasury Corporation's website. For example, funding may be available through the Local Government Grants and Subsidies Program. The Queensland Government, through the Department of Local Government and Planning, has committed \$45 million per year under this Program to keep delivering infrastructure for a sustainable Queensland. The program will provide a subsidy of 40 per cent of the eligible project costs. Funding will be prioritised to projects that align with the Queensland Government's Towards Q2 – Tomorrow's Queensland ambitions.

The quality of the water a sewage plant is required to produce is dependent on the proposed subsequent uses of the water. The Department of Environment and Resource Management (DERM) has been advised that an application has been submitted by Mackay Water to the council, as the assessment manager under the *Sustainable Planning Act 2009*, for a new sewage treatment plant for Sarina.

It is expected that the application will be referred to DERM in the near future for assessment. DERM will assess the application and, if appropriate, provide conditions to regulate the environmental impacts of the sewage treatment plant and the release of waste water.

Based on pre-lodgement advice received by DERM it is understood that the Sarina plant is proposed to produce water for discharge into Plane Creek rather than for recycling. The discharge into Plane Creek requires a certain standard of treatment to ensure the values of the receiving environment are maintained in accordance with ANZECC and NHMRC water quality guidelines. In these circumstances, Mackay Water would not be required to treat the discharged water to the higher Class A standard.

DERM will continue to work with Mackay Water and the council during the assessment of the application to ensure positive outcomes for the council, the community and the environment.