

When Contacting Council please ask for
Mr C Lawson
Tel: 07 5540 5165
Ref: CHL:jw
01/15/01, 21/03/01
670218

SUBMISSION NO. 18

Beaudesert Shire
A region of many colours



19 August, 2002

The Committee Secretary
House of Representatives
Standing Committee on Agriculture, Fisheries and Forestry
Parliament House
CANBERRA ACT 2600

Secretary:

RECEIVED

26 AUG 2002

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
AGRICULTURE, FISHERIES
AND FORESTRY

Dear Sir,

**Re: Inquiry into Future Water Supplies for Australia's Rural Industries
and Communities**

Thank you for the opportunity to make a submission to the inquiry.

You may be aware that in cooperation with the State Government, the South East Queensland Regional Organisation of Councils (SEQROC) has recently embarked on the preparation of the South East Queensland Regional Water Supply Strategy (RWSS).

The terms of reference for the RWSS recognise the needs of rural as well as urban and industrial users. Once this study is under way, it will be interesting to discover how it might be possible to determine a balance between the needs of irrigators and the needs of urban users.

The National Competition Policy and COAG Water Reforms have certainly driven lower usage in urban areas and Beaudesert Shire is no different from other Councils in that regard. In 2000/01, Council introduced a two-part water tariff for all urban (on demand) water users. In 2002/03 Council has introduced water meters to our rural residential properties who obtain their water via a "trickle feed" or constant flow to their own tanks. A two-part tariff has also been adopted. Council has also recently adopted a new tank system, which enables users to maximise their ability to harvest rainwater while at the same time ensuring security of supply from the reticulated trickle feed system.

These reforms have certainly reduced domestic water use and with that the associated resource management and environmental benefits have been significant. With the principal Council supply sourced from the Logan River/Maroon Dam system, these reductions have potential benefits to irrigators. However, the same reforms that have delivered lower domestic usage through pricing strategy have also delivered full cost recovery "user pays" management by the operator of the Maroon Dam, i.e. Sunwater.

mailto:CHL@beaudesert.qld.gov.au

All Communications to
be addressed to the
Chief Executive Officer

Council Chambers
82 Brisbane Street
BEAUDESERT QLD 4285

PO BOX 25
BEAUDESERT QLD 4285
ABN: 63 929 725 215

Tel 07 5540 5111
Fax 07 5540 5103
Email mail@bsc.qld.gov.au

Irrigators currently pay less for their water than do domestic users but the trade-off is reduced reliability of supply. In many years they operate on reduced allocation so that their effective water price is much higher than the nominal price. In addition, as total domestic demand grows, domestic users will always be in a position to "out-bid" irrigators in the market thus reducing the water available to irrigators, decreasing the viability of farms and therefore decreasing the viability of rural communities which depend on these farms. This ultimately places pressure on the larger urban centres as jobs are lost in the rural communities and residents are forced out.

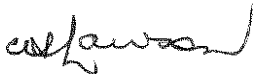
The drive to a market-based water system, particularly for rural areas fringing on expanding urban areas (a Shire like ours and our neighbours, Boonah Shire) will effectively sound the death knell of those communities. Unless action is taken to change that system, their demise would appear inevitable.

It would appear to be smarter economics to ensure that these small rural communities continue to thrive so that rural production close to urban areas continues, so that the huge investment in community infrastructure is not wasted, so that the critical mass for their continuation is not destroyed, and so that the jobs these people currently enjoy do not need to be provided within the urban area. In addition, without these communities, the "growth industry" of rural-based tourism will cease to exist as the very things that make these areas "Australian" or "the bush" just will not be there.

This Council is of the view that, while there have been significant benefits from reform in the water industry, there have been significant disbenefits of the types outlined above for the rural community.

Council urges your enquiry to focus on those disbenefits and to forge a strategy to redress them.

Yours faithfully,



C.H. Lawson
DIRECTOR CIVIL OPERATIONS

cc Ms Kay Elson
Federal Member for Forde

cc Cr J Brent
Mayor
Boonah Shire Council