

1. Background.

1.1 The Dawson Valley Development Association Incorporated (DVDA) is an independent community development organisation which has over 160 members, including individuals and representatives from community groups, business and the corporate sector, local government and State and Federal government agencies.

The DVDA employs three full time staff: an Administration Manager, Project Officer and a Regional Business Advisor. A Management Committee representing various areas and stakeholder groups in the Dawson Valley is elected at the Annual General meeting. The Association aims to promote coordinated and sustainable development in the Dawson Valley region, sponsor community development and information activities, and serve as a forum and point of contact not only for community members, but for all levels of government and business.

1.2 The Dawson Valley region comprises an area of approximately 50,000 sq kilometres in Central Queensland, from the towns of Wandoan to the south, Injune to the west, and Duaringa to the north. *(A map is enclosed).*

The area is rich in natural resources, most of which are undeveloped. Significant coal deposits are located in the section of the Bowen Basin near Theodore, Baralaba and Moura. The Wandoan and Taroom areas contain one-third of the non-coking coal deposits in the Surat Basin. There are vast reserves of coalbed methane and significant reserves of natural gas in the Injune and Bauhinia areas.

The Dawson river flows through the Valley and joins the Mackenzie to form the Fitzroy river near the town of Duaringa. Weirs along the regulated section of the river store 64,000 megalitres of water, most of which is used for irrigation.

Beef production is the major primary industry. Dryland crops of wheat, sorghum and pulses are grown, and over 7 million bales of cotton are produced annually. *(An information sheet is attached).*

1.3 Potential Development in the Valley is reliant to a great extent on the construction of the proposed Nathan Dam, which would be situated on the Dawson river, 50 kilometres downstream from Taroom. This dam would provide water for agricultural and industrial development. After an Expressions of Interest process, the Queensland government selected SUDAW Developments as the preferred private sector developer for the Nathan Dam, together with rail and port infrastructure which will facilitate the export of Surat Basin coal. SUDAW are currently near the completion of feasibility studies for these projects.

(A list of current and potential projects is attached).

2. Deficiencies In Infrastructure Currently Impeding Development In The Dawson Valley.

2.1 Water Infrastructure: The severe droughts of the early 1990's revealed the fragility of current water infrastructure, with BHP Australia Coal's mine at Moura almost being forced into closure due to water shortages. New industrial development, particularly the proposal to construct a base load power station at Wandoan, has been put on hold because of the lack of water for industrial projects.

Currently water stored in the regulated section of the Dawson river is fully allocated, but studies have shown that there is potential to irrigate a further 50,000 ha of land in the Valley.

Because current storages are often at low levels at the start of the cotton growing season, irrigators may choose not to plant all available land. This causes production losses in dry seasons.

2.2 Rail links: There is no rail link to facilitate the export of Surat Basin coal through the Port of Gladstone. The lack of a line joining Wandoan to Moura (the “Missing Link”) has been one of the major impediments to the development of these extensive coal resources in the Dawson Valley.

This link has not been constructed in the past because of a vicious circle – coal companies will not start up new mines without the provision of a rail link, and the rail link will not be provided unless there are coal mines to provide freight revenue.

Transportation of agricultural produce from the southern end of the Valley to the Port of Gladstone has also been restricted.

2.3 Roads and Bridges: The current wet season has emphasised the need for the upgrading of several bridges and watercourse crossings, in particular the bridges across the Dawson river at Theodore (currently in planning) and Baralaba. Flooding at Theodore can close the Leichhardt Highway and restrict access to schools and shops by the local community. Traffic to the major centres of Brisbane and Rockhampton is also restricted.

The Baralaba bridge is even lower, and is flooded for longer periods. School children have to cross the flooded river by boat, and residents of the Woorabinda aboriginal settlement are isolated. Lack of a suitable river crossing will place severe limitations on agricultural development if more land is opened up for irrigation.

(A separate submission for the replacement of the Baralaba bridge is enclosed).

Roads in several other areas are subject to flash flooding and may close on very short notice. It is not unusual for school students to be sent home early to avoid rising flood waters, and for motorists to be stranded at watercourses. In particular, the Kianga Creek crossing on the Moura-Banana and Gibihi Roads can cause major inconvenience for travellers, the BHP Coal mine and the Queensland Nitrates Ammonium Nitrate plant.

2.4 Telecommunications: The Taroom and Wandoan areas still lack access to any mobile phone networks, and reception is poor and patchy in many other areas of the Valley. This is a serious impediment to business in an era when many people take these facilities for granted.

Access to television channels is limited in some areas and this is a deterrent to families who are making decisions about whether to settle in the area.

2.5 Internet access: The “Networking the Nation” has proved to be a very positive initiative which will assist rural and regional areas to access new communications technology. However, access to Internet and e-mail services will still be slow and expensive in many cases. Lack of access to information contained on the Internet can often put local businesses at a severe disadvantage.

2.6 Public Transport: This is a ‘quality of life’ issue, which may deter people from settling in the region. There are coach services along the Leichhardt Highway, but residents living in other parts of the Valley who do not have access to private transport are severely disadvantaged. Those using public transport to travel to larger centres for medical treatment for example, may be forced to stay overnight because of scheduling. Young people wishing to undertake further education and training are also disadvantaged because of the lack of public transport.

2.7 Emergency Services: Whilst this is not a factor directly affecting development, this is an issue which may influence an individual’s decision about whether to settle in a rural area, and which detracts from the quality of life for those living in rural areas.

There have already been several instances of serious threats to life and property because many essential services now divert rural emergency calls to the nearest major centre. Ambulances have been dispatched to incorrect locations and houses have burnt

down because requests for assistance were taken at distant base rather than at the local centre a few kilometres away.

The same situation occurs with enquiries to banks, Centrelink, Telstra and other agencies. Residents in rural areas feel alienated when they are forced to explain difficulties in great detail to an impersonal voice in a capital city hundreds of kilometres away, when the local bank employee or Telstra service provider could probably solve the difficulty in minutes, with minimum explanation required.

2.8 Education and Training: Currently there is only one State High School in the Valley which caters for students to Year 12 standard. This is located at Moura, in the centre of the Valley. Students from other areas who wish to complete their education must either attend boarding school, obtain lodgings at a larger town, or enroll in correspondence courses. There is no hostel accommodation in Moura which would enable students from outlying areas to attend the school.

Access to training is also limited, with young people being forced to leave the district to undertake TAFE and other courses. Lack of public transport limits access to the nearest TAFE Annex at Biloela.

Federal and State government funding assistance for families disadvantaged by location or financial circumstances is an initiative which has provided significant benefits for rural families.

3. Factors that would Enhance Development in the Dawson Valley.

3.1 The Nathan Dam: The construction of the Nathan Dam on the Dawson river downstream from Taroom would open up a further 25,000 hectares of land for irrigation. This would directly provide up to 1,000 permanent jobs and increased agricultural production to the value of \$120 million, as well as water for further industrial development, including coal mines and a power station. There would be considerable potential for value adding, processing and service industries associated with increased agricultural production.

3.2 The “Missing Link” Rail Line: The construction of the “Missing Link” rail line between Wandoan and Moura would enable Surat Basin coal to be exported through the already established Port of Gladstone. This line would encourage the development of the region’s extensive coal deposits and could also be used for the transportation of agricultural produce.

3.3 An Inland Express Rail Link: An inland rail link as proposed by the Australian Transport and Energy Corridor Ltd would promote further economic activity in the region, in addition to generating more business from southern areas for the Port of Gladstone.

3.4 Improved Road Infrastructure: Specifically

- Upgrading of the Baralaba bridge to promote development on the western side of the Dawson river and to improve access for residents at the Woorabinda aboriginal settlement;
- Improvements to the Kianga Creek crossing on the Moura-Banana road and the Gibihi road to allow year-round access for school students, employees of the BHP Moura Mine and Q’ld Nitrates Ammonium Nitrate plant, as well as private travellers in the region;

- Sealing of the Eidsvold to Cracow and Cracow to Taroom roads to encourage tourism should construction of the Nathan dam proceed.

3.5 Infrastructure Audit: An infrastructure audit which identifies current facilities and conditions, their state of repair and frequency of use would identify any major deficiencies and ensure that communities in the Dawson Valley are ready to accommodate any major development projects which may occur in the future.

3.6 Effective telecommunications: Would be an asset in business and potential developers as well as improving access to resources and quality of life for current residents.

3.7 Internet Access: The Internet is often espoused as the solution to all the problems of regional and rural Australia. Whilst this is certainly not the case, it can improve access to information and services.

3.8 A Trained Local Workforce: There are significant benefits for both employers and the community in having as many local people as possible employed on development projects. However, these people need relevant skills and qualifications if they are to obtain employment.

Currently training providers are based in larger regional centres and only occasionally visit the Dawson Valley. There is a need for more information about the training courses available and the financial assistance which could be provided to enable rural people to access these courses.

A community training and employment organisation which could serve as a point of contact for employers, government, training providers and those seeking employment would ensure a coordinated and proactive approach to training and employment in the Valley.

4 Potential for Development in the Dawson Valley.

4.1 Agricultural development: Potential is significant if more water for irrigation becomes available. It is estimated that up to \$40 million could be generated in increased agricultural production. Whilst cotton would be a significant crop, the climate and soil types make the area suitable for peanuts, citrus and horticultural and aquaculture enterprises.

The cultivation of herbs and spices is already a fledgling industry in the adjacent Callide Valley and could be established in the Dawson Valley with equal success.

Agroforestry plots may play an important role in future farm management systems, particularly when used as buffer zones in irrigation areas.

The Port of Gladstone provides an excellent export outlet for agricultural produce.

4.2 Industrial development: The development of the region's rich coal resources would result in the production of coal for export and for the development of a base load, mine mouth power station at Wandoan.

The vast resources of coalbed methane and natural gas could be used not only to provide gas into the State grid, but also to power smaller industrial projects.

As is the case with agricultural produce, links to the Port of Gladstone would provide export facilities.

4.3 Value Adding and Processing: Increased agricultural and industrial production will open up opportunities for value adding and diversification. These include at least one more cotton gin, a peanut processing plant, sawmills, furniture production and the processing and packaging of herbs and spices and horticultural produce.

4.4 Tourism: Currently tourism is hindered in many parts of the Valley by poor road conditions. There are an abundance of natural attractions in the Dawson Valley, including Robinson Gorge, Isla Gorge and Precipice National Park, where Nathan Gorge is situated. The proposed Nathan Dam would provide excellent opportunities for recreation and tourism, and the present facilities at Glebe Weir on the Dawson river already receives reasonably constant use.

Sites of historical interest include station homesteads at Wandoan, Taroom, Theodore and Baralaba, a convict road and museums in most towns.

Aboriginal artefacts have been found in many areas, and there is great potential for an ecotourism enterprise which could be administered by indigenous people.

4.5 Agroforestry: Agroforestry provides long term economic advantages for landholders and considerable environmental benefits, including reduction in runoff, improvement in soil quality and entrapment of airborne chemicals.

Pilot studies conducted by the Queensland Forestry Department are showing that certain hybrid varieties of native hardwoods perform well in the Theodore and Moura regions, especially where water is available for occasional irrigation of young trees. Plots of these trees would form ideal buffer zones for irrigation farms.

Associated industries would include timber production and processing, furniture making, tree nurseries, tourism and recreation.

4.6 Teleworking: A pilot group is currently established in the Moura district as part of the 'Networking the Nation' project. As communications networks improve in the region, there is real potential for teleworking to become established as a significant industry.

5 Employment Generation.

The Queensland government estimates that up to 1,000 permanent jobs will be created through the Surat Basin project. This number could be doubled with associated industrial development and the establishment of processing and service industries and businesses.

This would improve employment prospects for young people, many of whom currently leave the region for employment or training and never return.

It will be necessary to provide adequate training facilities to ensure that young people in particular have the skills to be able to find employment. In the future there will be a need for an agricultural college to provide training in aspects irrigation farming and agroforestry, horticulture and beef production.

If the Surat/Dawson project does not commence, there will be very limited opportunities for large scale employment generation. Many of the options for diversification in primary industries require a reliable water supply, and there will be limited potential for industrial development without additional water.

6 Role of Government and the Private Sector in Infrastructure Provision.

6.1 National Competition Policy: National Competition Policy and COAG agreements have not assisted regional communities in obtaining infrastructure which will improve living conditions and promote development.

In the case of the proposed Nathan dam, these policies will contribute greatly to a higher than expected price for water. The DVDA acknowledges that there is a need for infrastructure providers to obtain a more realistic return on their investments and that higher prices will improve water use efficiency. However, the predicted price of \$700-\$1,000 per megalitre for water from the Nathan dam will preclude many local people from

purchasing water. There are fears that an influx of larger investors will disadvantage the small landholder, thus changing the social fabric of the region.

6.2 The Private Sector: Many residents in the Dawson Valley believe that it is the role of government to contribute to the provision of infrastructure such as roads, bridges and dams. They pay their taxes in the expectation that government will invest in these areas. The community does not necessarily oppose participation by the private sector, but would expect that this participation would be closely monitored by government.

6.3 Government Initiatives: The Dawson Valley Development Association believes that Federal, State and Local government have an important role to play in stimulating investment and growth in rural and regional Australia through the provision of infrastructure.

The private sector will be willing to provide infrastructure in areas where there will be a return on investments. In some regional and rural areas, the return on investment in infrastructure may not be realised for many years, and this is where government must continue to take the initiative in infrastructure provision.

7 Planning, Coordination and Cooperation in Infrastructure Provision.

Where possible, planning for infrastructure provision should include community consultation at a local level. This would save time and money in the long term, as local residents have accumulated large quantities of historical, geographical, climatic and sociological information which can be invaluable in planning for infrastructure provision in their region. Whilst much of this information may not be formally documented, it can still be useful and valid.

9. Benefits to the National Economy.

Long term community and environmental benefits in infrastructure development must be recognised and accommodated if we are to develop a strategic vision for the development of regional and rural Australia.

Provision of infrastructure should be looked upon by government as a long term project where the rewards will be shared by future generations, not as a short term commercial investment.

10. Conclusion.

Problems becoming apparent in the Dawson Valley are typical of those experienced by many rural and regional areas: decline in population, lack of services, reduction in health and education facilities and lack of opportunities for our young people. However, the Dawson Valley is fortunate in that it has an abundance of natural resources, which, if developed in a coordinated and environmentally responsible manner, will revitalise the region. If these resources are not developed, opportunities will continue to decline.

The provision of infrastructure which will both service existing development and encourage new projects is vital to the Dawson Valley's future, and the future of other regions in Australia.