



EYRE PENINSULA

Local Government Association

Secretary: ... *Of the* ...

RECEIVED

14 AUG 2002

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
AGRICULTURE, FISHERIES
AND FORESTRY

EYRE PENINSULA WATER SUPPLY

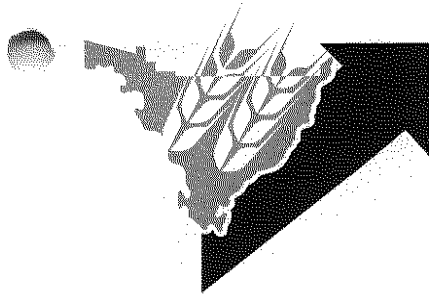
Emailed 9/8/2002

*Submission to Federal Inquiry into Future Water Supplies
for
Australia's Rural Industries and Communities*

from the

Eyre Peninsula Local Government Association

August 2002



EYRE PENINSULA

Local Government Association

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

Dear Ian,

Submission - Federal Inquiry into Future Water Supplies for Australia's Rural Industries & Communities

We are delighted to have the opportunity to make comment on the Federal Inquiry into Water Supplies for Australia's Rural Industries and Communities.

Alarm bells rang at the December 2000 meeting of Eyre Peninsula Local Government Association as the 12 Member Councils placed the future supply of water to Eyre Peninsula at the very top of their regional agenda.

Its members comprise the nine District Councils of Ceduna, Cleve, Elliston, Franklin Harbour, Kimba, Le Hunte, Lower Eyre Peninsula, Streaky Bay, Tumby Bay and the three Cities of Port Augusta, Port Lincoln and Whyalla.

Preliminary data released by the State Government as part of their Eyre Peninsula Water Supply Master Plan, recorded a dramatic reduction in the recommended extraction rates from Eyre Peninsula's underground water basins over the period 1998/99 to 2000/01.

The Robinson Basin (Streaky Bay) recorded falling levels and rising salinity, with restrictions possibly over the coming summer season. Annual extraction rates have been reduced by 33% in recent times (240 megalitres in 1998/99 to 160 megalitres in 2000/01).

Over that same timeframe, recommended extraction rates for the Poldia Basin (Elliston/Lock) witnessed even more dramatic reductions (500 back to 120 megalitres), with many bores close to running dry.

The Southern Basins are also under pressure, with significant reduction in extraction rates for both Uley South (8,500 to 7,200 megalitres) and Uley Wanilla (800 to 250 megalitres). Water restrictions may be introduced for the first time over the coming summer to the residents of Port Lincoln.

Water levels in the Tod Reservoir are currently at a very low ebb, with rising salinity (3,000ppm) in the Tod system further complicating the issue.

SA Water has reduced its draw on four main basins from 10,040 megalitres in 1998/99 to 7,730 megalitres in 2000/01 (30% reduction in extraction rates). Consumption rates for the latter period was 9,552 megalitres – an equation causing considerable concern to the people of Eyre Peninsula.

Historically, Eyre Peninsula has relied on water supplies drawn from its underground basins, supplemented by limited reserves sourced from the Tod River system. There is mounting evidence to suggest that the commercial and domestic pressure on region's reserves of water exceed the system's capacity to recharge itself, with rising salinity levels a major factor. This alarming scenario does not accommodate the possibility of extended drought or greenhouse effects.

PO Box 2010, Port Lincoln, SA 5606
Telephone: (08) 8682 6588 Facsimile: (08) 8682 5081

Our submission will contain relevant background information and data in support of our endeavours to address the single most important issue facing this region this decade, specifically:

- Snapshot on Eyre Peninsula
- Role and responsibility of EPLGA
- Key issues and deliberations of Eyre Peninsula Water Summit
- Comments on SA Water's "Eyre Peninsula Water Supply Masterplan"
- Eyre Peninsula's track record for working regionally and getting the job done
- Future growth predictions for Eyre Peninsula
 - a./ Economic development
 - b./ Population projections
 - c./ Changing dynamics of Eyre Peninsula labour market
- Preferred long term options
- The issue of equity
- Communique ex Eyre Peninsula Water Summit

It is important to recognise that although this submission is lodged by the Eyre Peninsula Local Government Association, consensus on all key issues has been reached with the Eyre Regional Development Board in a collaborative effort between its two principal authors, Vance Thomas and ERDB Executive Officer, Mark Cant.

SNAPSHOT ON EYRE PENINSULA

This vast and unspoilt coastal region occupies most of the southern central land mass of South Australia, situated to the west of Adelaide, the State's capital, covering an area the size of Tasmania.

It is bounded by Whyalla in the east and stretches close to 1,000 kilometres across the Nullarbor to the South Australian-Western Australian border. The timeless Gawler Ranges makes up its northern boundary, with Port Lincoln completing the southern point of this region's triangular land mass some 400 kilometres to the south.

This huge region supports a population of 56,573 people spread over a landmass of approximately the same number of square kilometres.

In economic order, the Peninsula's top four industries are agriculture, fishing, business and tourism.

Key growth sectors are identified as aquaculture, alternative agriculture/horticulture, ecotourism and alternative energies, particularly wind power. Following recent aerial geo-surveys, mining in the Gawler Craton has also been identified as an industry with enormous development potential in the future. Whyalla, South Australia's second largest city, is a major contributor to the regional economy in areas of iron ore production, steel making, heavy and precision engineering and natural gas fractionation.

Port Augusta, crossroads to Australia, is a major northern centre for commerce, industry, retail, tourism and government agencies. Rail and power generation are two of its key industries.

Agriculture is the region's largest economic driver, with 1600 rural holdings and 3000 farmers contributing \$1.75 billion to the State economy in an average year. Annually, the farmers of Eyre Peninsula produce 40-50% of South Australia's wheat, 20-30% of its barley and 15% of the State's sheep run on Eyre Peninsula.

This industry still has considerable potential for expansion, in areas of value adding the raw product, specialised grain for niche markets, improved technologies and more aggressive marketing & promotion.

The region extracts a bountiful but sustainable harvest from both land and sea.

Although comprising only 3.8% of the State's population, in an average year Eyre Peninsula produces 33% of South Australia's grain harvest 65% of the State's catch of seafood, all of its steel and attract more visitors than any other country tourist region in South Australia.

The climate of Eyre Peninsula ranges from mediterranean-style around the coastal regions to semi-arid in the far north and west.

Coastal temperatures range from 25 - 29 degrees C maximum in the summer, and up to 34 degrees C inland. Winter average maximums range from 15 - 18 degrees C.

The soaking rains so vital for the region's grain crop generally fall between June and August. Annual average rainfall ranges from 490 mm at Port Lincoln to 310 mm at Ceduna.

Eyre Peninsula's major road network is excellent, with the scheduled sealing of the Kimba/Cowell and Lock/Elliston roads to complete two of the remaining arterial linkages.

Port Lincoln and Ceduna are serviced by regular commercial air services, with both airports offering excellent facilities for commuter aircraft. Other major country centres are serviced regularly by air charter. Elliston Airstrip was recently upgraded and Port Lincoln Airport recently underwent a major upgrade, including runway extensions.

Eyre Peninsula has a highly effective and efficient internal rail system, used predominantly to shift bulk grain to Ceduna and Port Lincoln, but also a secondary line to transport salt and gypsum to the Port of Thevenard. Port Lincoln has the best deepwater port in SA, with a depth of 14.2 metres and the capacity to service fully laden Panamax class ships.

Above all else, it is the relaxed lifestyle of the region that makes Eyre Peninsula a special place to live, work and play: ... friendly people ... a great place to bring up kids ... mild climate ... beautiful white sandy beaches ... excellent sporting facilities ... unique flora and fauna ... fabulous seafood ... superb fishing ... spectacular coastal scenery ... remarkable rocks and ranges ... unspoilt environment ... and this special way of life is most affordable.

Although Eyre Peninsula comprises less than four percent of South Australia's population, adjusted on a per capita basis this diverse region is an extremely productive one by any economic yardstick.

It is also a dynamic region with a unique range of development opportunities and plenty of scope for investment

AIMS, ACTIVITIES & ASPIRATIONS OF EYRE PENINSULA LGA

The Eyre Peninsula Local Government Association is a regional organisation of councils committed to responsive and innovative local government on behalf of its 12 Constituent Councils. Its members comprise the nine District Councils of Ceduna, Cleve, Elliston, Franklin Harbour, Kimba, Le Hunte, Lower Eyre Peninsula, Streaky Bay, Tumby Bay and the three Cities of Port Augusta, Port Lincoln and Whyalla.

Collectively, these councils have responsibility for close to 30% of the State's incorporated land area yet comprise just 4% of South Australia's population.

All of the Association's twelve Member Councils have direct interest in this Masterplan, with the exception of the Cities of Whyalla and Port Augusta, albeit with strong indirect interest.

The Association is committed to the over-arching principles of local democracy, peace, social, community and economic justice and sustainable economic development at the regional level.

In a practical sense, the policy drivers of this Association include the following:

- A practical and pro-active commitment to good local governance at the regional level
- Community Development
- Social, Community and Cultural Equity
- Economic Development
- Commercial and Community Infrastructure

- Environment and Natural Resource Management
- Regional Marketing and Promotion

Strategically, the Association's role in regional infrastructure is further defined as:

- *Expand, maintain and improve commercial intra/inter-regional infrastructure such as water supply, road, rail, air and sea transportation, electricity, gas and telecommunications.*
- *Enhance community infrastructure, by way of new and improved services/facilities for education and training, hospital/medical services, cultural, civic and recreational activities.*
- *Water supply is identified as by far and away as the region's single most important issue to be addressed.*

KEY ISSUES AND DELIBERATIONS OF EYRE PENINSULA WATER SUMMIT

On Friday 5 April 2002, Eyre Peninsula Local Government Association staged an Eyre Peninsula Water Summit at Wudinna, designed both to inform and gauge regional sentiment on water related issues.

The program was broken down into three key elements, namely:

- a. Definition of the seriousness of the problem or *"Plumbing the Depths of the Well"*
- b. Economic/community impact of the problem or *"Growth for Eyre region – Just add Water"*
- c. Solutions to the problem or *"Building a Watertight Case for Eyre Peninsula"*

Specialist presenters were invited from SA Water, Department of Water Resources, EPA, United Utilities Australia, Fabtech, Eyre Regional Development Board, Eyre Peninsula Natural Resource Management, Eyre Peninsula Catchment Water Management Board and regional operators with a water focus.

Attendance: 152 persons

Key messages: Eyre Peninsula has a serious water problem that needs early intervention - the solution does not lie in further exploitation of our underground basins.

Lack of adequate water is now & will continue to stunt our region's growth – new and expanded business & industry, community development and environmental management.

Large-scale desalination appears to hold the most efficient & cost effective solution.

Urgent need to put a much higher value on our fragile water supplies, including a "re-think" of the financial value we pay for the resource.

Similarly, Eyre Peninsula urgently needs to implement practical water conservation and education programs at both the local and regional level.

Historically, Eyre Peninsula has relied on supplies of water drawn from its underground basins, supplemented by the limited reserves sourced from the Tod River system. Strong evidence is now available to suggest that the commercial & domestic pressure on region's water reserves exceed the system's capacity to recharge itself, with rising salinity levels a major factor.

This scenario does not accommodate the possibility of extended drought or greenhouse effects in the medium to longer term.

Quality is also a concern – salt levels, hardness and turbidity.

Eyre Peninsula is not connected in any way to any South Australian or national water supply – no failsafe mechanism in times of crisis.

The region no longer believes the solution is to be found in further exploitation of the traditional underground water basins at the current rate.

However, without an adequate quantity, quality and affordability of water, future regional growth will be at best, retarded, at worst, wither and die.

Eyre Peninsula is a vast triangle of land surrounded by unlimited water on two sides. It is time for some lateral thinking and innovative solutions to permanently address the region's future supply of water.

The region also needs to adopt best practice in the utilisation of natural rainfall, including water re-use & stormwater capture, run-off entrapment (granite outcrops, silo storage, HDP catchments) and aquifer recharge.

More efficient domestic and industrial collection of rain and waste water will be a key element of the program, as will the need to put a higher community value on the region's precious reserves of water through conservation initiatives and practical educational programs.

EPLGA SUBMISSION ON SA WATER "EYRE PENINSULA WATER SUPPLY MASTERPLAN"

First impressions:

Format, presentation and depth of the Eyre Peninsula Water Supply Master Plan is good. Simple, direct & uncompromising language easily understood by the layperson.

However, EPLGA/ERDB would invite a "second opinion" on three strategically important elements likely to have a fundamental bearing over the final outcomes of the Plan, and ultimately, the future of this region, namely:

- Future predictions for regional economic development
- Forecasting population growth for the region
- The "final solution"

Our philosophy is do it once, do it right and do it in a way that will stand the test of time.

Neither Eyre Peninsula Local Government Association nor the Eyre Regional Development Board has any insurmountable objections to the general directions of the Plan, therefore it is not our intention to dot every "i", cross every "t" or comment on issues of minor significance.

GROSS REGIONAL PRODUCT

Estimate for Eyre Peninsula is quoted at \$795 million – EPLGA/ERDB believes that figure is underestimated.

Our calculations would place the Gross Regional Product for Eyre Peninsula for 2001/1 well in excess of the billion-dollar mark:

SECTOR	GROSS REVENUE	SOURCE
Field Crops	\$358.1	ERDB/Food for the Future
Livestock	\$ 58.3	" "
Dairy	\$ 8.5	" "
Horticulture	\$ 25.9	" "
Other	\$ 18.5	" "
Seafood	\$464.9	" "
Wine	\$ 9.2	" "
Sub-total (Food & Wine)	\$943.2	
Tourism	\$127.0	Hassell Tourism Strategy/BTR
TOTAL	\$1070 million	(3 MAIN INDUSTRY SECTORS ONLY)

- + Mining Sector
- + Retail & Trades Sector
- + Service Sector
- + Hospitality Sector
- + Administrative/Management Sector
- + Clerical Sector
- + Education and Health Sector
- + Transport Sector
- + Sectors not described or stated above

It would appear that for Eyre Peninsula's three main industries alone, there is a variance in excess of 34% to GRP figures quoted.

Both the Association and the Board believe that it is absolutely critical that Eyre Peninsula portrays itself as a vibrant and productive region, notwithstanding the fact that we face some daunting infrastructure challenges and a relatively low population base. Gross Regional Product is one important yardstick by which this judgement will be made at both the agency and political level.

ECONOMIC & COMMUNITY DEVELOPMENT FORECASTING

The Association/ERDB would agree in principle with the seriousness of the regional water supply picture painted in the Master Plan.

We do however have serious concerns that these broad brush strokes reflect a minimalist or "just make do" scenario, rather than a more positive "what if" approach to accommodating economic, community and population development over the next several decades. In the past twenty years alone, Eyre Peninsula has witnessed significant economic growth in areas of aquaculture, tourism, telecommunications, horticulture and viticulture.

That then begs the question – what economic and community growth is Eyre Peninsula likely to witness in the next twenty, fifty or a hundred years?

We agree entirely with the statement - *"This is nearly sufficient to meet the peninsula's existing water demands, but does not allow for any potential growth or economic development that depends on a sustainable and reliable water supply."*

WATER QUALITY

We totally agree that the future of Eyre Peninsula's water resources is not simply a matter of supply and demand.

The issue of water quality is also a critical factor. Irrespective of quantity, increasing levels of salinity, hardness and turbidity could eventually render the resource useless for most domestic and commercial applications.

ADDITIONAL GROUNDWATER SUPPLIES

Eyre Peninsula Local Government Association/ERDB does not believe the final solution to Eyre Peninsula's water shortage lies in the further exploitation of currently untapped groundwater supplies in the longer term.

NEXT STEPS

EPLGA/ERDB would give in principle endorsement to the initiatives outlined as the logical next steps to the implementation of this water supply master plan. It would add two suggestions to the list:

- An aggressive regional campaign designed to capture domestic and industrial of rain and wastewater in a more effective and cost-efficient manner.
- A regional public relations initiative designed to put a higher community value on Eyre Peninsula's precious water reserves through conservation initiatives & awareness campaigns.

POTENTIAL POPULATION GROWTH

Potential Economic Benefits estimates the total number of jobs (FTEs) to be created through new economic activity at 2155

If we add a conservative family factor (Spouses, children, partners etc) of 1.5 for each job created, the number swells to 3233.

This does not take into consideration any traditional economic multiplier that may apply to each industry sector.

However, Eyre Peninsula's projected population for 2001 is 32856 (ABS), so the Potential Economic Benefits alone will increase the region's population by 9.8%.

OPTIONS UNDER INVESTIGATIONS

The preferred options of Eyre Peninsula Local Government Association and Eyre Regional Development Board would be:

1. Desalination of Seawater on Lower Eyre Peninsula
2. Desalination of Brackish Water of Tod Reservoir (Refer qualification)
3. Integration of Morgan/Whyalla pipeline into the Eyre Peninsula water supply network
4. Additional Volume – Minimum of 10 megalitres per day to accommodate foreseeable future economic and community developments

It is understood that the "final solution" will be a compromise between the capacity to deliver a reasonable quantity/quality of water to satisfy the needs of a region, balanced against the capital and production costs to generate that resource.

It is also understood that the unit cost of desalination of brackish water is considerably less than desalinating seawater.

However, like the groundwater basins, EPLGA/ERDB classifies the Tod Reservoir as a finite resource with potential for secondary complications, as distinct from the infinite capacity of the Southern Ocean.

Our preferred option would be a seawater desalination plant located at a place to be determined on Lower Eyre Peninsula, feeding into the existing regional water infrastructure.

If in the final analysis, capital/operational costs determine that we have no option but to adopt the Tod Reservoir model, we would ask that consideration be given to a second stage salt water feeder pipe from Boston Bay to Tod Reservoir be built into the primary planning/design stages to accommodate every eventuality.

POTENTIAL FOR ECONOMIC DEVELOPMENT

Suggest the following emerging, developing or potential industries/activities be added to the list.

Agriculture

- Production of aquaculture feed
- Niche marketing of specialised grain varieties (eg noodle wheat, malting barley)
- Secondary processing of the primary product
- Escalation in market value for wool and meat across all livestock

Fishing/Aquaculture

- Fin fish aquaculture
- Land based abalone aquaculture
- Mussels

Mining

- Black and green jade deposits in Minbrie Ranges near Cowell (world's largest deposit)
- Premium class deposits of granite, marble and porphyry in Central Eyre Peninsula
- Gypsum (75% of Australia's production)
- Gold, uranium, copper, tungsten & other rare minerals in Gawler Craton (other than Yumbarra)

Tourism

- Country conventions
- Development of the seafood/aquaculture experience for the visitor
- Nature based or ecotourism developments
- 4-star multi storey motel development in Port Lincoln
- Ceduna Keys marina development
- Tumby Bay Marina
- Cowell tourism development plan (Jade & Aquaculture Interpretive Centre, boat cruises of Franklin Harbour/Oyster Farms, CDB re-development and Coastal Ketches tourist Drive.
- Backpackers, farmstay and B & B facilities

Alternative Energy

- Windpower – Add Yabmana (near Cowell) and Louth Bay & Uley (Lower Eyre Peninsula), with several other proposals on the drawing board.

Impact on Resident Population (& water consumption) through tourism activity

455,000 visitors x 4.6 nights ÷ 365 equates to 5734 visitors or 17.4% of the total regional population at any one time.

Not only is their water consumption significant, but likely to increase by 5 – 8% per annum.

Economic Impacts of Development Opportunities

The economic forecast for the Eyre Peninsula aquaculture industry is that it is likely to double its capacity by the year 2010.

It is significant to note that in a tripartite research and development initiative between the Tuna Boat Owners Association, Japan's Overseas Fisheries Foundation and the South Australian Government, the first two experimental tuna farms were trialed off Port Lincoln's North Shore. It would be fair to say that these tentative first steps were treated with some degree of scepticism and cynicism by not only the local community, but also the tuna industry itself.

Ten years on, tuna farming is one of the State's economic success stories, generating \$250 million per annum in the regional economy and creating 1000 jobs.

Likewise the regional tourist industry has recorded strong growth since the early eighties, more than doubling its levels of visitation in less than two decades:

1984/5	206,000 visitors
2000/1	455,000 visitors

(Source – Bureau of Tourism Research)

Similar growth in visitation levels is predicted over the next decade, particularly if Port Lincoln and our major centres target the country conventions market as expected. Estimated growth rates for tourism listed on Page 38 is considered to be ultra-conservative.

Although difficult to predict with any certainty, rapid development within the regional mining industry could occur at any time, with the discovery of a significant commercial ore body at Yumberra or elsewhere in the Gawler Craton.

Likewise, if water supply was no longer a constraint, the region would also expect to see a rapid expansion in the field of horticulture, particularly in the sectors of premium wine grapes, olive growing, fruit & vegetables, cut flowers and bush tucker.

Recent growth & demand can be illustrated by the level of investment into New Residential Dwellings and New Commercial Properties across Eyre Peninsula

	<u>Dwellings</u>	<u>Commercial</u>
1998/99	\$21,128,931	\$24,163,180
1999/00	\$26,095,563	\$ 6,537,060
2000/01	\$19,604,833	\$ 9,902,751
YTD	\$27,903,417	\$12,646,300
Total	\$94,732,744	\$53,249,291

There have been a number of additional land divisions planned across Eyre Peninsula, with a strong focus on coastal real estate. Such plans include:

- | | |
|------------------------|------------------------|
| • Ceduna Keys Marina | 500 block sub-division |
| • Smoky Bay | 70 block sub-division |
| • Venus Bay | 200 block sub-division |
| • Elliston | 55 block sub-division |
| • Lincoln Cove Stage 3 | 200 block sub-division |
| • Perlubie Beach | 8 block sub-division |

Speaking of coastal towns with growth potential, we have some real concerns that the unique water supply needs of Coffin Bay and other small coastal communities on that beautiful estuary are not addressed anywhere within Volumes 1 and 2 of the Master Plan. Not unlike Streaky Bay, Coffin Bay is isolated from the main system and its fragile water supply is retarding development.

Power Requirements of Water Desalination

Wind power is seen as a future potential energy source to power desalination plants.

The Eyre Regional Development Board is working closely with the proponents of these wind farm proposals, and we would invite the key stakeholders to liaise closely with the Board for regular status reports on these wind power projects.

Renewable Energy Certificates may provide an added incentive.

Connection between Morgan – Whyalla Pipeline & Eyre Peninsula Water Supply System

Although listed as our third priority, we have some difficulty coming to grips how this option could be politically palatable when we are tapping into a source of supply that is already under serious stress.

Integrity of the Tod Reservoir Dam

Given that the Tod River Desalination model is high on the priority list for further consideration, we read with considerable concern about the integrity of the Tod Reservoir, namely leakage through the dam wall and limitations on storage capacity. More information please?

Surely this must place a serious question mark over the Tod Reservoir option.

Changing Dynamics of Eyre Peninsula's Traditional Labour Market

Over the past several decades, Eyre Peninsula has observed a contraction in the number of people employed in agriculture, as economic necessity has witnessed the trend towards larger and larger farms, combined with significant advances in farming methods and equipment technology.

At the same time the level of productivity in Eyre Peninsula's biggest industry has increased considerably.

Example (A)

50 years ago in the Hundred of Pygery in the District Council of Le Hunte, 39 sections of land were occupied and operated by 39 separate farmers. Today those 39 sections are owned by 14 landowners, of which only 9 reside in the district.

Example (B)

During the tough years of the mid-eighties, of the 28 students of a Year 12 class in Kimba, only three have remained in the district.

Example (C)

A broadacre cereal growing operation in Cummins:-

1960 family farm of 3200 acres

1997 operation consists of 5500 acres

72% increase in size, a doubling of the return per acre but the number of employment weeks remains the same

Casual wages paid for essential work reduced by half

Example (D)

Across Eyre Peninsula, our brightest young people are completing their secondary education, then leaving the region to pursue tertiary studies en route to their chosen career. A large number never return due to lack of appropriate job opportunities at the regional level.

This involuntary export of the cream of this region's youth has significant implications for Eyre Peninsula's future.

However, Eyre Peninsula has been richly blessed inasmuch as that the contraction in rural jobs has been taken up by sustainable growth in other areas, namely aquaculture and tourism.

On a per capita basis, Eyre Peninsula is an extremely productive and high-exporting region, with significant potential for growth in the following areas:

- Cereal and pulse production, with particular emphasis on specialisation (eg noodle wheat/malting barley), value adding and secondary processing opportunities
- Aquaculture – tuna farming, land based abalone, fin fish farming, lobster grow-out, oysters, prawns, mussels, scallops and limited freshwater aquaculture
- Tourism – nature based or ecotourism, country conventions, backpackers, farmstay, marine-based activity, packaged tours and international visitation.
- Horticulture – Canola, premium wine grapes, olives, pulses, floriculture and bush tucker
- Mining – Heavy metals in Gawler Craton, stone processing of marble, granite and porphyry, iron ore at top of the Gulf, jade, gypsum and graphite
- Steelmaking and manufacturing/industrial capacity of the cities of Whyalla and Port Augusta

However, that growth will be severely stunted without an adequate and affordable supply of water.

The Issue of Equity

Eyre Peninsula is huge in size, remote in location, diverse in activity, and sparse in population.

Eyre Peninsula is in many ways enigmatic. It is rich in opportunity for economic development, but in many areas, poor in the fundamental infrastructure needed to support that development.

On a per capita basis, Eyre Peninsula is a most productive region, generating in an average year:

- A third of South Australia's grain harvest
- Two thirds of the State's catch of seafood
- Most visited country tourist region in South Australia
- One in every six of the State's sheep run on Eyre Peninsula
- On a per capita basis, it is one of Australia's most aggressive and successful exporters

Eyre Peninsula has never asked for special treatment but it does ask for a bit of equity.

- Region covers a patch the size of Tasmania, populated by 56,500 resourceful/resilient souls.
- Local road network of 12,700 km., of which 95% is unsealed. *or put another way - 17.4% of State's local roads with only 3.8% of the population.* That equates to the road distance one would travel around Australia on Highway 1.
- Median size of one of our councils is 4000 sq. km., or double the State average
- Median council population of 5143, or roughly one quarter of the State average
- Median EP council revenue is under \$4 million, less than one-third of the State average
- Constraints imposed by the vast size and remoteness of Eyre Peninsula are considerable. Distance from Pt. Lincoln to Border Village equates to Melbourne to Sydney via the Hume Highway.

Some vital statistics:

Council	Population	Area	Roads	Sealed	Income	Expense	Staff
DC of Ceduna	3,556	5,445	1,671	50	\$3.60	\$3.56	26
DC of Cleve	1,910	4,493	1,476	56	\$1.86	\$2.07	22
DC of Elliston	1,241	6,693	1,148	30	\$2.12	\$1.97	23
DC of Franklin Harbour	1,227	3,283	940	29	\$1.13	\$1.11	13
DC of Kimba	1,238	3,974	1,697	28	\$1.61	\$1.58	12
DC of Le Hunte	1,552	5,381	1,805	76	\$2.02	\$2.35	16
DC of Lower Eyre	4,692	4,763	1,335	65	\$3.44	\$3.55	28
DC of Streaky Bay	1,958	6,251	1,725	38	\$2.65	\$2.38	19
DC of Tumbly Bay	2,725	2,674	1,088	37	\$2.24	\$2.40	16
<i>Sub-Total</i>	<i>20,099</i>	<i>42,957</i>	<i>12,885</i>	<i>409</i>	<i>\$20.67</i>	<i>\$20.97</i>	<i>175</i>
<i>Average Rural EP</i>	<i>2,233</i>	<i>4,773</i>	<i>1,432</i>	<i>45</i>	<i>\$2.30</i>	<i>\$2.33</i>	<i>19.44</i>
City of Port Lincoln	13,102	32	154	139	\$7.00	\$7.18	56
Whyalla City Council	23,650	1,033	272	206	\$12.60	\$12.19	144
City of Port Augusta	13,853	1,193	413	165	\$14.43	\$13.89	135
TOTAL EPLGA	70,704	45,215	13,724	919	\$54.70	\$54.23	510
<i>Average</i>	<i>5,892</i>	<i>3,768</i>	<i>1,144</i>	<i>77</i>	<i>\$4.56</i>	<i>\$4.52</i>	<i>42.5</i>

SUMMARY

Both the Eyre Peninsula Local Government Association and the Eyre Regional Development Board have the future supply of water to this region at the very top of their agendas.

The timing of Eyre Peninsula Water Supply Master Plan is ideal. In addition to all the obvious reasons, it coincides with the community consultation element of the Eyre Peninsula Catchment Water Management Plan and the implementation of the Eyre Peninsula Natural Resource Management Strategic Plan.

As a closing comment, the final Communique issued at the closure of the Eyre Peninsula Water Summit in Wudinna on Friday 5 April states Eyre Peninsula's position on water clearly and simply:

"By the end of the decade, the people of Eyre Peninsula set themselves the challenge of being totally self-sustaining in areas of economic activity, environmental management and community growth, by way of a combination of desalination and conservation to deliver adequate supplies of potable water to all of its communities.

This goal to be achieved in a spirit of cooperation, coordination and commitment between the people of Eyre Peninsula and its key regional organisations, with support from relevant agencies in both the state and federal arenas."

This mission to be conveyed by this meeting to relevant water authorities, government agencies and appropriate portfolio ministers/members of parliament.

It would be accurate to say that this region is not looking for a couple of bandaids to staunch the bleeding for the rest of the decade.

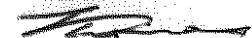
We are looking for long term solutions to enable this vast Peninsula region to grow and prosper for the next fifty to a hundred years.

It goes without saying that we believe those solutions need to be put in place sooner rather than later.

The above Communique records an ambitious commitment of a resourceful and resilient community to deliver an adequate and affordable supply of water to the region by the end of the decade.

The possibility of failure does not bear thinking about! Needless to say, the people of Eyre Peninsula would appreciate any assistance on offer along the way.

Yours sincerely



VANCE THOMAS
Executive Officer
Eyre Peninsula Local Government Association

12 August 2002