Questions on Notice Senate Rural and Regional Affairs and Transport Committee Additional Water Supplies for South-East Queensland

Queensland Government and Queensland Water Infrastructure

Question 1 - Senator Macdonald – Hansard page 92

Information requested by Professor Stuart White/Noosa Council.

Mr Bradley—...In terms of the request for information from Noosa Council, we will take that on notice and look at that response.

Senator IAN MACDONALD—He has used publicly available information, but what he wanted was the specific information you have so that he can do a more intelligent assessment, and he has not been able to get that from you. He is not the only witness who said that. Several witnesses wanted the detailed technical material, which you have refused to give them. In a public, open and transparent process there should be no reason why you would not make that available.

Mr Bradley—I am not aware of that response not being provided to Noosa Council, so we will look at that.

Response

The Department of Natural Resources and Water (NRW) received a letter from Noosa Shire Council dated 20 November 2006 seeking an opportunity to discuss possible access for Institute for Sustainable Futures (ISF) and Cardno Ltd to relevant documents and reports for a study they were conducting. The letter referred to a preliminary list of documents but proposed a discussion of possible access to these documents.

Several of the documents referred to were already available to the public either in libraries or on the web eg. DPI (1994) Study; the Kinhill (1999) Report; the SEQWater (2005) Technical Report and the Stewart, Turner, Gardner, McMaster (2005) Draft Study.

Cardno Ltd staff attended the Indooroopilly Office of NRW to obtain hydrologic information which was freely provided.

In mid December 2006, Prof. Stuart White contacted QWC to introduce himself and provided information on the scope of the project he had been engaged for.

Based on his travel schedule, Prof. White provided a number of dates from 18th to 25th January 2007 in which the meeting could be held and the meeting was arranged for the earliest mutually convenient date. On 22 January 2007, QWC staff met with Prof. White where discussions were held and information shared on the project. These discussions were considered by the Commission staff to represent those further discussions proposed in the letter of 20 November 2006.

During this meeting, QWC staff were given an overview on the status of the project, including analysis based on substantial hydrological information and publicly available materials. It was not apparent during these discussions that ISF required additional information or resources in order to complete its assignment on behalf of

the Mary River Council of Mayors. Prof. White sought feedback from the Commission staff and a lengthy discussion followed in which Commission staff indicated potential areas of weakness in the assumptions which had been adopted by ISF.

Question 2 - Senator Heffernan – Hansard pages 99- 100

How long ago did the Queensland Government acquire 98% of the land in the Glendower catchment and why was the proposal dumped?

CHAIR—Just so that we classroom welders can get our heads around this, how long ago did they acquire 98 per cent of the land in the Glendower catchment?

......Mr Spencer—Yes, the land was acquired some time ago—

Senator IAN MACDONALD—How many years is a good 'some time ago'?

Mr Spencer—I cannot recall.

Mr Smith—Could we take that on notice and write to you, so we can give you the exact—

CHAIR—Because it just stood out, as they say, like the proverbial.

Mr Smith—Clearly it dates back 10 years or more.

Senator TROOD—Perhaps you would also tell us why it was dumped at the time that it was. Could you do that?

Mr Smith—We will take that on notice and write to the chair.

RESPONSE

Following from the decision not to proceed with the Wolffdene Dam a study was commissioned by the then Water Resources Commission in 1991, which recommended a development program over 70 years. One of the recommendations included a dam at Glendower. In August 1991, the Queensland Government approved a strategy to proceed with this recommendation as well as a site on Teviot Brook now known as Wyaralong.

Following this decision, the SEQ Water Board commenced the acquisition of land at Glendower. Between 1991 and 2000 the Board acquired over 2,500 hectares at a cost of \$22.6M. Since then three more parcels have been purchased by NRW covering 2,634 hectares with a cost to date of \$23.33M.

The Glendower site was re-examined as part of the SEQRWSS. Hydrological studies indicated a significant reduction in yield from the original study. The GHD desktop review of Identified Dam and Weir Sites found Glendower relatively costly per ML compared to the options adopted. Additionally, significant foundation challenges were identified at the site. Wyaralong is considered to have less environmental impact than Glendower. At a level of 77 metres, the Glendower dam would impact on land or fixtures belonging to Nindooinbah House, a historical homestead listed on the Register of the National Estate.

Question 3 - Senator Siewert – Hansard page 103

Request to provide documents and information detailed in two separate lists. (see attachment A – compiled into one list)

Senator SIEWERT—I would like to go back to these lists of documents. I have two lists of documents that have not been provided to the community—or they say they have not been provided. There is a set of documents from the Save the Mary River group, of which I have 15, and there is a set of documents from the mayors, for which I have a list of 12. Rather than just asking for a response about where those documents are, I would actually officially like to request that they be provided to the committee.

....

Senator SIEWERT—Yes. We would certainly like them before the next hearing. We would like them well before that so that we can read them and we are in a situation where we can ask questions about them. Our next hearing is on 11 May.

RESPONSE

The relevance of any of the documents requested is being considered and the Inquiry will be informed of the outcome of the Queensland Government's deliberations on this issue in due course.

<u>Question 4 - Senator Siewert – Hansard page 105</u>

Update the axis of graph from 1976 to include up to 2006. This graph is titled comparison of Cumulative inflows between Schemes – Both schemes with 150,000 ML/a total demand published on page 6 of Evaluation of ISF/Cardno Report: 'Review of Water Supply-Demand Options for SEQ Queensland Water'.

Senator SIEWERT—Could you provide the committee with the figures so that the graph continues up to 2006?

Mr Dennien—Sure.

RESPONSE

This information is provided as Attachment 1 to this document.

<u>Question 5 - Senator Heffernan – Hansard page 106</u>

Information on licences issued on the Mary River.

CHAIR—Can you give us the sums on the licences that are issued on the Mary River and break them up into dozers, sleepers and mature licence users, into high and low security and—for the dozers and sleepers—whether people have paid for them, implemented them or are just sitting on them and whether they retrievable? You can take all that on notice, if you like.

Mr Spencer—As you would know, I would have to take that on notice.

RESPONSE

Some clarification is required on what is meant by "agricultural areas in the Mary Valley". This is a large area of which the proposed Traveston Crossing Dam affects 1.7 percent.

Data is available on supplemented and unsupplemented licences, which are all medium priority. Estimates are provided as Attachment 2 on the level of sleeper/dozer licences but more detailed information development would normally be undertaken as part of the Resources Operation Plan (ROP) process (currently in progress for Priority 1 areas). Water Resource Plans are developed on the basis of full use of existing entitlements. Sleepers and dozers are taken into account as part of the process in the ROP for developing water sharing rules.

Question 6 - Senator Heffernan – Hansard page 107

Information on dozer and sleeper licences issued on the Mary River.

CHAIR—Are there dozers and sleepers that are issued but not used?

Mr Spencer—Potentially. I do not know the actual answer—I would have to get that for you—but potentially yes.

CHAIR—Did they pay for them?

Mr Spencer—Did they purchase them, do you mean?

CHAIR—Yes.

Mr Spencer—No. The licences through that process have been granted over the years.

CHAIR—My question yesterday was: if you retrieved all the dozers and sleepers, would that balance the amount of water you are going to slip out to the Gold Coast—out of the catchment? You do not have to give me the answer now.

Mr Spencer—I will get the exact question from the secretary.

RESPONSE

This issue has been responded to in the response to the previous question (Question 5).

Question 7 - Senator Heffernan – Hansard pages 107 - 108

Request for report surrounding the issue of dead cattle.

Mr Newton—For the benefit of the other senators, the location of the pit is approximately 500 metres downstream of the proposed wall alignment, so it is not in an area where there will be any impoundment now or in the future. In relation to the cattle deaths—

CHAIR—There is a report. We want the report.

Mr Newton—That is fine.

. . . .

CHAIR—There is a report which says what minerals are there. Is that report available? It might be gold; we might want to get into the gold.

Mr Newton—It can be made available. There is no problem with that.

RESPONSE

Detailed report provided as Attachment 3.

<u>Question 8 - Senator Macdonald – Hansard page 116</u>

Request for original GHD figures.

Senator IAN MACDONALD—It has been suggested to me, and I believe there is documentary evidence of this, that the GHD report, on which you have done your costings, has a dam that is considerably bigger in size than the dam you are actually going to build.

. . .

Senator IAN MACDONALD—Give us the figures on the original GHD. That is how you selected it: on the original GHD.

RESPONSE

The Committee has been provided with a copy of the GH&D report as part of the Queensland Government submission. The GH&D report nominated a range of Full Supply Levels (FSL) in section 3.14.3, including the 79.5m FSL announced by the Queensland Government on 27 April 2006.

While the 'Bulk Water Supply Options Ranked by Potential Yield' (Table 4.2) drew on the comparison of a FSL of 85m and Potential Yield of 215,340 ML/a, the 79.5m FSL option was still clearly the number one site in terms of potential yield at 161,000 ML/a. The next highest yielding option presented in Table 4.2 provided a potential yield of 78,346 ML/a.

Subsequently, more detailed survey information has indicated that the maximum capacity at the dam site is 570,000 ML. The costings for the proposed Traveston Crossing Dam provided in the "Water for South East Queensland: A long term solution" are based on a 660,000 ML dam.

Question 9 - Senator Macdonald – Hansard page 117

Request for a copy of a confidentiality agreement.

Senator IAN MACDONALD—...Can I have a copy of the confidentiality agreement that you sign with landowners, so we can see whether it is only confidentiality imposed on you or whether it is on the landowner as well?

RESPONSE

At the hearing on 18 April 2007, the Committee requested Queensland Water Infrastructure (QWI) to clarify the purpose of a confidentiality clause in contracts of sale that it had negotiated with affected landowners. In particular, the Committee requested clarification concerning whether the insertion of the clause is intended to benefit the landowner with whom the contract of sale has been negotiated, or whether the clause is inserted for the benefit of QWI.

While the confidentiality obligations between the parties to the contracts of sale are reciprocal, the clause was prepared and incorporated into the contracts in order to protect each landowner's right to privacy in respect of their personal financial affairs. In particular, although the market value of each property will be recorded on the transfer and will be publicly available from the Land Titles Office, QWI also has the obligation, under the contracts of sale, to pay compensation amounts additional to the market value of the property. These compensation amounts are unique to the private circumstances of each landowner, are assessed on a case-by-case basis, and are not required by law to be disclosed.

Every property has been purchased voluntarily by QWI to date. Throughout the course of the purchasing process, landowners, on professional advice from solicitors and independent valuers, have an opportunity to negotiate the modification or deletion of certain of the special conditions, if required. QWI reimburses the reasonable costs incurred by landowners who engage a solicitor and/or valuer.

In his evidence before the Committee hearing of 17 April 2007, Mr Kenneth Campbell, Coordinating Counsellor for Lifeline, Sunshine Coast, stated that the obligation of confidentiality meant that the landowner "could not discuss {the sale} with anyone" and "meant that if any of the neighbours came up to her and said, 'Are you looking at selling?' she who have to say, 'No, I'm not doing that."

These assertions are factually incorrect. As noted above, the market value of the property is recorded on the transfer and is publicly available from the Land Titles Office. Disclosure of the consideration paid for the purchase of each property constitutes a disclosure required by law and therefore falls under the first exception, exception 3.2(a) in the confidentiality clause. Obligations of confidentiality therefore would not apply to information concerning the market value of the property. The contract does not have the effect that the sale cannot be discussed with others, or that a landowner would have to deny that they are considering selling their property. Landowners are at liberty to discuss the fact that they have sold their property, and the market value price they negotiated with QWI. However, the confidentiality obligations would apply to the compensation amount paid to landowners for

disturbance items, which is a payment made in respect of the private circumstances of each landowner.

The confidentiality clause is a special condition added to contracts, as below:

CONFIDENTIALITY CLAUSE

3. Confidentiality

3.1 Keep Confidential

Subject to the following subclause, each party shall keep the contents of this Contract confidential, and shall not disclose the same to any other person without the written consent of the other party.

3.2 Exceptions to confidentiality

The preceding subclause shall not apply in the following circumstances:

- (a) any disclosure required by law, including any disclosure for the purposes of preparing any statutory report;
- (b) disclosure to solicitors, barristers, valuers, auditors or other professional advisers under a duty of confidentiality;
- (c) disclosure to a banker, trustee, fund manager or other financial institution relevant to a party, to the extent required for the purpose of raising funds or maintaining compliance with credit arrangements;
- (d) disclosure made by the Purchaser in the course of making any applications relating to the Water Infrastructure;
- (e) disclosure made in the course of carrying out normal searches and enquiries concerning the Property;
- (f) disclosure made in the course of anything which the Purchaser may do or apply to do under the State Development and Public Works Organisation Act 1971 (Old):
- (g) disclosure to any proposed nominee of the Purchaser provided such nominee agrees to keep the contents of this Contract confidential; or
- (h) disclosure by the Purchaser:
 - (i) to any member of the Queensland Parliament;
 - (ii) to any government department or agency; or
 - (iii) where reasonably necessary or desirable to comply with any arrangement with the Queensland Government in relation to the Purchaser's affairs; or
 - (iv) if required by Queensland Government policy.

Question 10 - Senator Macdonald – Hansard page 117

Request for a response to evidence provided by Mr David Gibson at Gympie on Tuesday 17 April 2007.

Senator IAN MACDONALD—...Had you heard from Mr David Gibson, who gave evidence yesterday—very emotionally, I have to say—where he was actually in tears from what this woman had told him about the way your negotiators treated her? Has that complaint ever been made to you? Mr Newton—I have briefed Mr Gibson on three occasions about the land-purchasing approach. Senator IAN MACDONALD—But I am referring to this particular incident that he gave evidence on. If you have not heard it before, we will give you the *Hansard* transcript. He mentions a lady who was in tears—and he was in tears relating it. And you say your people have been absolutely professional. Mr Newton—What I am saying is that I have briefed Mr Gibson on three occasions about the land-purchasing process. The only formal referral that he has put to me was addressed on Friday last week. Senator IAN MACDONALD—That is contrary to the evidence that he gave yesterday. Can you read his evidence and write to us and point out where he is wrong?

Hansard reference: Mr David Gibson gave evidence in Gympie concerning a resident's account of an evaluation visit by officers from QWI – see Hansard 17 April 2007 pg 31.

RESPONSE

Mr Gibson raised general matters in relation to the purchasing process and some issues that had been raised with him by some of his constituents. These issues were not supported by any names of individuals and were not overly specific about circumstances, timings or properties associated with specific incidents.

Question 11 - Senator Macdonald - Hansard page 117 - 118

Request for copies of seepage studies undertaken.

Senator IAN MACDONALD—Thank you for that. I have to move on very quickly. Have you done studies on loss through seepage on this proposal—yes or no?

Mr Newton—Yes.

Senator IAN MACDONALD—Is that available for everyone to have a look at?

Mr Newton—It will be available as part of the EIS.

Senator IAN MACDONALD—This is an open, transparent profess. Why can't we get it now?

Mr Newton—It is an iterative process and the design evolves as part of it.

Senator IAN MACDONALD—Other engineers want to have a look at this to check you. If it is open and transparent, you will not mind that, so why not make that available now?

Mr Stewart—We will take that on notice.

RESPONSE

See Attachment 4 for detailed advice on this issue.

Question 12 - Senator Macdonald - Hansard page 119 (This question asks for documents which are contained in the two lists tabled by Senator Siewert.)

Request for copies of terms of reference for GHD report, document indicating breakdown of \$1.7b, the 2003 WRP technical report on modelling and the consultation report.

Senator IAN MACDONALD—Very quickly—and I have another five minutes because you took up about 10 of mine calling to order—I do not expect answers to these now, but I want to know whether you can make available a copy of the terms of reference for the GHD report and whether the document will give a breakdown of the costings for the \$1.7 billion. Are they available and can they be made available? Also, can we get a look at the WRP technical report on modelling to better understand assumptions and the Mary Basin hydrological model of June 2003?

Mr Smith—Yes.

Senator IAN MACDONALD—Good. Is the consultation report that summarises the submission issues for the draft terms of reference available?

Mr Stewart—Is that in the list you previously provided?

Senator IAN MACDONALD—I am not sure. I have not seen—

Mr Smith—If we can get that list from you together with that old list, we can take it forward.

RESPONSE

The relevance of any of the documents requested is being considered and the Inquiry will be informed of the outcome of the Queensland Government's deliberations on this issue in due course.

Question 13 - Senator Joyce – Hansard page 122

Request for confirmation of a meeting with Mr David Gibson on 9 March 2007.

Senator JOYCE—Was that meeting in regard to the information that has been brought up previously by David Gibson in regard to the attitude of people in the purchase of property?

Mr Newton—When was that?

Senator JOYCE—It was on 9 March 2007 at 9 am.

Mr Newton—I do not have the details on me to verify those particular times and dates. I can take that on notice

RESPONSE

At a meeting held at 9.00am on 9 March 2007, attended by Messrs Graeme Newton, David Gibson MP and Don Wilson, Mr Gibson asked questions relating to the land purchasing process. Mr Newton provided a detailed briefing, supported by the relevant fact sheets and land purchasing policy documentation.

Mr Gibson raised general matters in relation to the purchasing process and some issues that had been raised with him by some of his constituents. These issues were not supported by any names of individuals and were not overly specific about circumstances, timings or properties associated with specific incidents.

Mr Wilson and Mr Newton requested that if any specific issues are raised with Mr Gibson, that he contact either of them to facilitate a positive resolution. Mr Gibson requested that Mr Newton bring the matters he raised to the attention of the Queensland Water Infrastructure land purchasing team, which Mr Newton did that afternoon.

Question 14- Senator Joyce – Hansard page 122 - 123

Request for confirmation of the number of people who were at the announcement of the Traveston Dam.

Senator JOYCE—On the record, is it right that 10 people turned up to the announcement of Traveston dam on 27 April 2006?

Mr Newton—This was the original announcement when the Premier went up. We sought information. We asked a range of people for input on this. We were given estimate figures of people who attended particular meetings. Unless there was an accurate record of it we sought an estimate of those figures, and that was provided to us.

. . .

CHAIR—Order! So, if none of the witnesses were there it is difficult to answer you question, but you should put it on notice.

Senator JOYCE—I think it is a good question but I will go through some of the other things.

CHAIR—Will you put it on notice?

Senator JOYCE—I will put it on notice as well.

RESPONSE

There were approximately 10 people present at the announcement on 27 April 2006, including media representatives and the local Mayor.

Question 15 Senator Joyce – Hansard page 125

Request for cost of moving approximately 11kms of the Bruce Highway.

Senator JOYCE—How many kilometres of it?

Mr Newton—About 11 kilometres.

Senator JOYCE—How much is it going to cost to move that 11 kilometres of road?

Mr Smith—We should take that on notice. We do not have anyone from Main Roads here. We can get an estimate for you.

RESPONSE

The section of the Bruce Highway that will be adjacent to the Traveston Crossing Dam is within a much larger section of the Bruce Highway which is being upgraded to provide a bypass around Gympie. The overall Gympie Bypass (known as the Cooroy to Curra section) is approximately 65 km in length, while the section adjacent to the Traveston Crossing Dam is approximately 11km in length.

Planning for the Gympie Bypass has been in place prior to mid-2004, with a range of options under consideration. These options included the section adjacent to the Traveston Crossing Dam.

The total cost of the overall Gympie Bypass is currently under investigation and will be subject to planning and final design discussions between the Queensland Department of Main Roads and the Commonwealth Department of Transport.

Further information about the overall Gympie Bypass, which includes reference to the section adjacent to the Traveston Crossing Dam can be obtained from:

 $\underline{http://www.mainroads.qld.gov.au/MRWEB/Prod/Content.nsf/DOCINDEX/Bruce+Highway+(Cooroy+to+Curra)+Strategic+Planning+Study?OpenDocument}$

Question 16 Senator Bartlett – Hansard page 130 - 131

Request for information to support the Deputy Premier's statement that if the dam had been built two or three years ago, it would now be full.

Senator BARTLETT—One of the challenges that has come up has been a lot of different people doing assessments, based on such information as is available, that dispute the yield, whether it is Traveston or other proposals. By way of example of that, I understand and seem to recall hearing that the Deputy Premier said not very long ago that if the Traveston dam had been built two or three years ago, it would be close to full. Is that recollection correct? Do you know if that statement was made?

Mr Smith—We would need to look at the Deputy Premier's statement.

Senator BARTLETT—That is fine. I am not trying to have a 'gotcha!' moment. The reason I ask is to find out if you are able to provide us with water flow data that can demonstrate that the dam would be full now if it had been built two or three years ago. We have evidence saying that not only would it not be full—

Mr Smith—We could obviously do that work for you and provide it to you on notice.

RESPONSE

Preliminary advice to the Deputy Premier was based on limited information available at the Gympie public forum. More recent detailed analysis is now available. Detailed hydrologic analysis since the Gympie meeting using the currently proposed dam storage data indicates that:

- If Traveston Crossing Dam had been built prior to 2003, it would have filled on two occasions and reached 87% of capacity in April 2006.
- Traveston Crossing dam would have been 52% of capacity in October 2006 and approximately 16% early in April based on a continuous extraction rate of 70,000 ML/a.
- If the dam were in place prior to the commencement of the current drought (2000), it would have delivered 70,000 ML/annum to SEQ water supply and the Wivenhoe/Somerset/North Pine Dam system would currently be above 35%.

(SEQ did not enter Level 2 restrictions until dam levels reached 35%).

Attachments 5, 6 and 7 contain the latest analysis.

Question 17 Senator Bartlett – Hansard page 134

Request for information on obligatory demand management strategies.

Senator BARTLETT—What does demand management measure? It seems to be one of the points of dispute you have had with the report done by UTS. You briefly mentioned in your core submission that you have some demand management measures in new homes: showerheads, toilets and water tanks. Are there any other obligatory demand management measures in new developments and subdivisions? **Mr Spencer**—Yes, there will be requirements in new developments under our planning legislation, and that is from earlier this year.

Senator BARTLETT—Is that in one of your voluminous documents?

Mr Spencer—We will provide you with the actual details of that, if that is okay.

RESPONSE

The Queensland Government has introduced a number of measures that will ensure that new houses use water efficiently. Before the drought, the average house in SEQ used 295 litres per person per day. With the new measures, the average new house will use about 180 litres per person per day.

The Sustainable Housing Code that came into effect on 1 March 2006 requires all new houses to include:

- AAA rated shower roses
- dual flush toilets
- water pressure limiting devices.

In addition, from 1 January 2007 all building applications lodged for the construction of new homes in SEQ must meet new mandatory water efficiency targets. Detached houses must aim to achieve savings of 70,000 litres per year, while terrace houses and townhouses must aim to achieve savings of 42,000 litres per year. Through these savings, most new homes will now use rainwater to supply toilet cisterns and washing machines, taking pressure off the SEQ Water Grid.

Options to achieve the target include provision of rainwater tanks, dual reticulation recycled water systems, communal rainwater tanks or stormwater reuse. Councils may set higher water saving targets or may mandate additional water saving measures.

Question 18 Senator Bartlett – Hansard page 135

What is the rationale for putting it into an emergency regulation, given that it is a longer term measure?

Senator BARTLETT—One of the reasons I am asking it again is that it did not progress much beyond that when it came up before. What is the rationale for putting it into an emergency regulation, given that it is a longer term measure?

Mr Smith—I think we can factually say it is in the regulation. As I mentioned to Senator Macdonald, the rationale about it being in the regulation—

CHAIR—It could well be a political decision.

Mr Smith—Well, I would need to go and check that rationale.

Senator BARTLETT—I would appreciate it if you could give us a fuller response to that. Obviously you cannot comment on political motivations but perhaps there are substantive policy reasons.

RESPONSE

The Regulation provides Queensland Water Infrastructure Pty Ltd (QWIPL) will "Take all necessary steps to prepare for, and construct, Traveston Crossing Dam Stage 1".

The Regulation does not confer any special powers on QWIPL in undertaking this task. It must comply with all statutory requirements for progressing such a project.

The reason for including Traveston Crossing Dam and other projects such as Wyaralong Dam and Hinze Dam Stage 3 in the Regulation was to include a comprehensive enunciation of the short and medium term priorities of the Queensland Government in achieving water security in SEQ and to indicate the responsibilities of all water service providers and the State.

The preamble to the Regulation states that its purpose is "To ensure that South East Queensland has a robust long term plan to provide secure and reliable water to its citizens..." this regulation also outlines other major infrastructure developments to be undertaken, some of which will be undertaken by local governments with State funding contributions as equity (such as the desalination plant at the Gold Coast), and others that will be undertaken wholly by the State either directly or through State owned or controlled entities (such as the dams at Traveston Crossing and Wyaralong)."