

CORRECTED VERSION

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Inquiry into Melbourne's future water supply

Melbourne — 10 November 2008

Members

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Witnesses

Mr S. Cannon,

Mr P. Gaynor,

Mr M. Dalmau, and

Mr A. Vigenser, Victorian Water Forum.

Overheads shown.

The DEPUTY CHAIR — I welcome Mike Dalmau, Paul Gaynor, Anton Vigenser and Stephen Cannon. I remind witnesses that all evidence taken at this hearing is protected by parliamentary privilege, as provided under the Constitution Act 1975 and is further subject to the provisions of the Parliamentary Committees Act 2003. Any comments you make outside the hearing may not be afforded such privilege.

All evidence taken today is being recorded. Witnesses will be provided with proof versions of the transcript in the next couple of weeks. Please make your presentation.

Mr GAYNOR — Thank you very much, and we would like to start by thanking the committee for allowing us to appear at fairly late notice. As you might be aware, the Victorian Water Forum is a fairly recent coming together of these three groups, and it is greatly appreciated that you could squeeze us in. We have got a 10-minute presentation, and I will try to be brief.

I should just highlight from the outset that the data we are using comes from a number of sources that have already come before you and are available data. We will compile a reference paper for the committee after this presentation and get it to you within the next day or so, if that would be okay.

By way of introduction, what we would like to cover today is just who we are, recapping what Neil Rankine mentioned earlier about the water issue in Victoria, the government plan, the faults we believe are inherent in that plan and what our priorities are that we believe should be given to this process.

Firstly, who we are: the VWF is a coming together of three groups, the Clean Ocean Foundation, which as you know has been associated with the Gunnamatta outlet and trying to have the water stopped from going out that outlet, Watershed Victoria, which has been focusing on the desalination plant at Wonthaggi, and Plug the Pipe, which as you know is concerned about the north–south pipeline and the impact on northern Victoria.

Our goal is effectively to achieve a change in government policy on water. We believe the policy needs to be rethought, and we are just delighted this committee is here to actually get some public feedback on the water situation for Victoria. We share previous comments that it is unfortunate it has taken this time for this committee to come together, particularly given that we have got some fairly major commercial decisions being made right now. We think this committee should complete its work before those decisions are entered into, and we will certainly speak to that in a moment.

Firstly, the water issue: as has been mentioned, there are two different scenarios that have been put forward on the challenge ahead for Victoria. One is a 10-year scenario which shows that there will be a shortfall of between 135 and 165 gigalitres, and the other is a three-year scenario, which takes the potential shortfall of up to 215 gigalitres.

In our view, from the outset, the range of the potential problem here has not been deflated by any submissions. It seems to be fairly well accepted, and in our view that in itself warrants a flexible and scalable response to the issue of water in Victoria. As we speak, what we are concerned about is that the decisions being taken now are neither flexible nor scalable — they are a top-end, heavy-handed approach to a situation that needs to be worked through.

I think we all know what the plan is. A desalination plant at Wonthaggi and a north–south pipeline are the two key components of the current plan.

What we are more interested in is highlighting again — and I know these submissions have been put to you — a number of major concerns about these two options. The reality is that they come with a high economic, environmental and social cost, and we have outlined what we understand those costs to be from public documents. In particular, we would like to highlight the fourth criteria that we have looked at, and that is how they stack up in terms of scalability and flexibility. Again we highlight that given the range of potential problem, we cannot really see why you would go to such a high-cost solution rather than a flexible, scalable option. As we show, there are options on the table right now that can be taken to resolve the issue of the water shortfall without those heavy-handed approaches being taken.

These are the issues that we would like the committee to consider. They have been given to you in previous submissions and we have a couple here of our own that we would like to add. We believe that we should be

purifying the water currently going out the Gunnamatta outlet. The eastern treatment plant should be upgraded to purified potable water level. It is time Victoria faced the fact that it cannot have the luxury of bypassing this option. Queensland has recognised that; other parts of the world have; it is time Victoria did as well. It comes at about a 45 per cent reduction on the cost of desal plant without the environmental, social and economic impacts.

You have already heard from the Monash University about the potential of stormwater harvesting, up to 150 gigalitres just through that measure alone. I will come to that in a moment. Water conservation, the Aberfeldy diversion, local recycling and aquifer management are other options, and I will briefly refer to each of those points.

It is our understanding that between 100 and 150 gigalitres would be available through water purification by upgrading the eastern treatment plant at about a 45 per cent less capital cost than the desalination plant. It would remove instead of creating environmental problems. It can be delivered in the same time frame as the desalination plant, and the Clean Ocean Foundation will talk more about that in its submission in a moment.

As Monash University has said, stormwater harvesting would yield up to about 150 gigalitres. The technology is available now. They have indicated strongly the community is prepared to pay for it and it really only now takes the desire to move on it. It is something that can be a short, medium and long-term solution.

As has been previously said, our major concern is that if you solve the water problem through the heavy-handed approach, the focus will be taken off water conservation as part of the basket of measures. It should still be a major goal. We have indicated here what we understand to be the historic situation with conservation, and in regard to targets we believe Victoria has a very loose target compared to some of the other states. This should be a major focus of the committee in setting fairly hairy-chested targets to keep the focus on conservation as well as supply.

The Aberfeldy diversion has been spoken of and the flood mitigation system was always there. It was designed as part of the Thomson Dam but ironically it was not moved ahead because everyone thought we would not need it. We believe it should be put back on the table. Certainly the original estimates of the inflow have reduced but it is still a considerable contributor to the equation, and we believe it is a very economic solution to a problem in the Gippsland area.

I come from the Mornington Peninsula where there is some really great stuff going on with local recycling down there and through the wetlands and other means of using local water, putting it into the local solution. If that was mirrored throughout Victoria, that would be a major contributor to the situation.

I think the previous speaker spoke about aquifer management, and Monash University had some very good slides on it. It is not our intention to repeat that but it is an area at the moment that is being mismanaged throughout Victoria. Last night I was reminded of the Coca-Cola arrangement — \$2.40 per thousand or million litres and they are pumping out about 150 000 litres of water. I have the figures here. Good luck to Coca-Cola, but if that was replicated it would be quite bad for Victoria. We think there needs to be proper management of aquifer supply in this state. Again, on the Mornington Peninsula there is a boom in bores. I think the shire showed us a slide recently on the boom, and I do not mind saying that we have a bore as well. However, there is absolutely no management of this and of how many people can get access to it, so aquifer management we believe is an easy touch and should be focused on.

Finally, our recommendations. The first one is that we believe a hold should be placed on the plans to proceed with the desal plant and the north–south pipeline. We believe they do not meet the test of flexibility and scalability. We believe the other options are there on the table right now for this state to adopt, and we should be focusing on solutions that have low economic, social and environmental impacts rather than high impacts. It is not too late to do it. We just have to have the desire and get real about the alternatives.

Melbourne has to solve its own water problems. It should not be calling on other parts of Victoria. We all know that the food bowl cannot afford it. The inflows are not there, as Plug the Pipe informed you this afternoon. They should be taken off the table and put on hold, at least until this committee finishes its work and enables a broad range of options to be considered.

The focus instead should be on the other options. We have outlined a basket of options. We are not saying they are the ultimate options. We do not have the research agents to do this. Certainly they are available. One of our great concerns is that the focus on the desal plant and north–south pipeline has taken all the funding, all the research, all the focus from these other options. There is just no time for anyone to put to it. When we talk to people about

getting information from within the departments in this government, they are totally focused on two options instead of the whole basket of options that should be on the table. We believe that should be reversed.

We also believe there should be an independent advisory body overseeing the whole water strategy for Victoria through the planning, implementation and review phases. That could be set up immediately. It could be overseeing all the initiatives that have been put on the table for this committee and we would certainly like to be part of it.

I think that has exhausted our 10 minutes. The member organisations will drill in a bit more on the issues that we have just raised with you. Thank you very much for your time.

The CHAIR — Okay, thanks very much for giving us an overview of that common view of the member organisations, and we will move into hearing individually from them. Where are all the names? I have lost them all.

Mr INGRAM — I stole them.

The CHAIR — You stole them. There you go. I know Mike's name. Mike, Paul, Anton and Stephen, thank you very much.

Witnesses withdrew.