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Environment and Natural Resources Committee  
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Dear Mr Benjamin

## **SUBMISSION TO MELBOURNE'S FUTURE WATER SUPPLY ENQUIRY**

We wish to make this submission to the Environment and Natural Resources Committee's Enquiry into Melbourne's Future Water Supply.

### **1. TIMING OF ENQUIRY**

We wish to firstly place on record our extreme disappointment at the timing of this enquiry. In particular, we note that while the Legislative Council called for the Committee to undertake this enquiry on 19 September 2007, it took until 28 June 2008 for the enquiry to be advertised and submissions invited. We also note that this was some months after the proposed start date for construction of the north-south pipeline.

Given that water policy is one of the most urgent and important issues facing this State and the entire nation, it is totally unacceptable that a critical nine months has been wasted. Your Committee must be aware of the extensive public debate that has been occurring during that time, much of this centred around the need for an open, accountable, transparent debate and detailed understanding and review of ALL available options.

This should involve detailed discussions and review with a wide range of environmental, scientific and engineering experts and would also require the Committee to be adequately resourced to undertake such a review and analysis. In addition to calling for submissions from the public, we trust that the Committee has taken the very necessary step of seeking independent and expert advice from the wide range of scientific, environmental and water experts in this area.

The short timeframe for submissions and the short time that now remains until the Committee is required to report is hopelessly inadequate and has severely compromised the entire process. We also question the adequacy of allowing only 3 hours on September 8 for Public Hearings.

The timing of this enquiry does little to dispel the view that it is merely a token effort and one that continues the Government's incompetent, arrogant and politically expedient approach to water policy which ignores the latest independent expert scientific, climatic and environmental facts. While the Government continues to make water policy decisions on the information it is provided by companies with vested interests in designing and implementing the "solutions", there is no hope that Melbourne will get the sustainable and cost-effective solutions for its water future.

Given the membership of the Committee, it is hoped that this enquiry will finally be an opportunity to redress these major shortcomings. However, we are extremely concerned about the Committee's ability to do this given the time and scope limitations of the Enquiry.

## **2. LIMITED ENQUIRY TERMS OF REFERENCE**

The credibility, relevance and transparency of this enquiry is further eroded by its very limited terms of reference. It fails in the most fundamental of public policy requirements in that it fails to comprehensively and independently address **ALL** options and provide a detailed business case for each. It is only after such a process that any meaningful and accurate review and selection of options can occur. This is one of the most basic processes conducted in any business, let alone the multi-billion dollar business of the State of Victoria. The taxpayers of Victoria deserve better!

## **3. OUTCOME OF ENQUIRY COMPROMISED BY PRIOR ANNOUNCEMENT OF NORTH-SOUTH PIPELINE AND DESALINATION PLANT**

It is a ludicrous situation where the Government announces that it will proceed with the north-south pipeline and desalination plant, and then shortly after announces that there will be an enquiry into future water options for Melbourne. It is a classic case of putting the "cart before the horse." The outcomes of the enquiry have therefore been severely compromised.

There is also a widely held view that rather than addressing current problems with water use and management, it is likely that these massive infrastructure investments will compound them by compromising other more cost-effective and environmentally sustainable solutions. This view is best explained in the attached letter (Attachment 1) by Mary Crooks (Project Director Watermark Australia Project) to the Premier dated 6 August 2007.

#### 4. THE FAST-ERODING CASE FOR THE NORTH-SOUTH PIPELINE

While it is not the purpose of this submission to provide a detailed account of the most recent facts about the proposed north-south pipeline, it is nonetheless most important for the Committee to realise that the case for the north-south pipeline is fast eroding. On a daily basis, new information in the form of current and detailed climatic, river health, environmental and economic data from a range of independent experts is being uncovered which is building to provide an irrefutable case that the proposed savings for the foodbowl modernisation project on which the pipeline is dependent cannot be achieved. This independent data also confirms the adverse environmental, economic, social and downstream impacts for the entire Murray Darling Basin.

The annual operation of the north-south pipeline will require 18 megawatts of power, which is the equivalent of an extra 140,000 cars on the road. The proposal by Melbourne Water to use renewable energy will be extremely difficult as Australia's renewable energy resources are currently very close to being 100% accounted for.

While any policy decision regarding the north-south pipeline is obviously not part of the Committee's terms of reference, it is most important for the Committee to understand that such are the implications of the proposed north-south pipeline, that it is far from being the "fait accompli" that the Victorian Government has been regarding and promoting it as.

##### **The proposed project has no Federal approval**

It is therefore of great importance that the Committee note that this project has not received Federal approval from the Minister for the Environment, Heritage and the Arts, The Hon Peter Garrett. In fact, the approvals process for the project is currently on hold as the Minister considers new information about the impacts of climate change on the Murray Darling Basin. This may require the Federal and Victorian Government to complete environmental studies of Ramsar listed wetlands which the Minister has a legal obligation to protect.

This review has resulted from critical new information being provided by a number of other environmental groups, Plug the Pipe and a range of independent environmental experts who have evidence confirming that the previous decision to not require a study of the downstream environmental impact of the diversion of a 75 billion litres of water per year from the Murray Darling Basin was a serious error.

At this stage, it is possible that significant additional environmental studies or a full Environmental Effects Statement will be required. This would delay the project for many months, or even years if detailed studies of some of the threatened and endangered species are to be accurately completed.

There are also significant Constitutional issues which are yet to be clarified, including the allegation that the Victorian Government has no Constitutional authority to make decisions which will have an adverse impact on other member states in the Murray Darling Basin. This has resulted from the Goulburn River being excluded from the July 2008 COAG Water Agreement and thus remaining under the Victorian Government's control.

A further Constitutional issue will arise if Minister Garrett gives approval under the EPBC Act as he may be in contravention of Section 99 and Section 100 of the Australian Constitution as it would clearly give preference to Victoria over other States reliant on Murray Darling Basin water.

#### **Implications for this enquiry**

So it is clear that, regardless of any decision requiring a full and proper environmental approvals process, there are significant questions of law to be tested, and possibly further enquiries which may result in lengthy delays for this project or its complete abandonment.

The implications of this for the Committee is that the findings of this enquiry have the potential of being of far greater consequence than the current timing and terms of reference would suggest.

### **5. EXPERT PAPERS ON WATER OPTIONS FOR MELBOURNE**

Included with this submission are a compilation of 6 papers prepared by independent experts which provide detailed and independent information on a range of water options. The authors of these papers have no affiliation with Plug the Pipe. These documents may have already been made available to the Committee as most, if not all of them, have been previously forwarded to various ministers, Members of Parliament and Government Departments by the authors.

They have also been circulating on the internet and among the wide network of environmental groups, scientists water experts and the many others engaged in meaningful debate about sustainable water policy and "real" solutions, a debate which so far appears to have been ignored in the formulation of Government water policy.

**1. Water Supply Options for Melbourne – Jim Viggers – March 2008**

**2. Medusa Bag - W Bruce Nixon, Yarra Glen**

**3. Analysis of Performance of Rainwater Tanks in Australian Capital Cities, Peter J Coombes and George Kuczera, University of Newcastle (November 2003)**

**4. Water Supply-Demand Strategy for Melbourne 2006-2055**

5. **World Water Council-The Right to Water**, March 2006
6. **Master Plan: Water Supply for South-east Australia** – Geoff Croker (B E Civil) and Haset Sali (LLB B Juris) – July 2008.
7. **Harvesting the Skies** – John Forrest, BE (Civil), MScm FIE Aust, MP, Federal Member for Mallee, September 2002 – Report prepared as a result of study tour of the USA to inspect cloud seeding programs in the State of Texas.
8. **Letter from Melbourne resident** to Greg Barber MLC dated 18 September outlining water saving strategies implemented in Northcote household and results of initiatives.
9. **Water Supply Options for Melbourne, An examination of costs and availabilities of new water supply sources for Melbourne and other urban areas in Victoria** – Alan Moran, Director, Deregulation Unit, Institute of Public Affairs, March 2008

## 6. SUMMARY AND RECOMMENDATIONS

### Summary

As evidenced by the various documents provided with this submission, Melbourne is not running out of water. Even the most cursory review of rainfall data in the City during the current drought shows that rainfall patterns have remained largely stable. So what this State did not need **was the Government's panic reaction to "drought-proof Melbourne and poll-proof itself through big ticket engineering solutions timed to come on line just before, and just after, the 2010 election."** (Royce Millar, *The Age Watershed Special Report, Monday August 25, 2008*).

It also does not need more enquiries or studies that are compromised by deliberately restrictive terms of reference, unrealistic timeframes and supporting information provided by companies with vested interests in the outcome. In the case of the north-south pipeline, such a process has been *a decision first and rationalise later approach*, with an environmental review process akin to a VCE student marking their own exam results.

Underpinning the importance of this enquiry is the current situation where 400 billion litres of water is used in Melbourne each year and about the same amount runs off the city into rivers, creeks and into the sea. The work and recommendations of this Committee should therefore be of extreme importance in shaping the future direction of water policy in this State and in recommending cost-effective and sustainable solutions for not only Melbourne, but for all Victorians.

To do this work, it must be adequately resourced both financially and through the provision of expert independent assistance. It must also have a more realistic timeframe in which to complete this work.

This enquiry should provide an important opportunity to redress past and current water policy failings through a detailed, transparent and best practice approach to the **full analysis of each possible option**. This analysis is of such enormous consequence to Melbourne, Victoria and Australia's water future that it must not be allowed to be compromised by political expedience and the influence and self-interest of multi-national companies who stand to benefit from the implementation of particular projects and, in the future, possible privatisation the peoples' water resources.

### **Recommendations**

1. That the Committee seek an urgent extension of its Terms of Reference to include the consideration of a full business case for the north-south pipeline in conjunction with the consideration of ALL other options.
2. That the Committee seek advice from the Victorian Auditor General in regard to his criticisms of the lack of a substantiated business case for the proposed pipeline and the status of his enquiry into such to ensure that all relevant detailed, independent and current information is available to this Water Options Enquiry.
3. That the expenditure of any further public monies on survey, design and documentation works associated with the proposed pipeline cease immediately until such time as it has been fully evaluated by this Committee, approved by the Federal Government and any associated legal matters resolved.
4. That the Committee seek a substantial financial allocation from the Victorian Government to enable it to engage independent expert environmental, water, scientific and engineering advice to assist it in its deliberations.
5. That such monies be re-allocated from the extensive advertising budget currently being used for the public relations campaign to promote the north-south pipeline.
6. That the Committee seek an appropriate extension of time for this enquiry and that such extension be commensurate with the level of detail to be considered and the importance of this issue.

Thank you for considering our submission. We would be very happy to provide you with any further information you may require.

Yours sincerely

**Jo Knorr**  
**On behalf of Plug the Pipe**