SELECT COMMITTEE INTO WESTERN AUSTRALIA'S WATER RESOURCES

Motion

Resumed from 12 October 2005 on the following motion moved by Mr P.D. Omodei (Leader of the Opposition) -

(1) That a select committee of the Legislative Assembly be appointed to inquire into and report on -

(a) the extent of surface and ground water available for consumption and use in Western Australia;
(b) the government’s role in planning for the future given climate change predictions;
(c) the government’s role in planning for increased water demand;
(d) the failure of the government to implement alternative water recycling and re-use programs;
(e) the failure of the government to provide appropriate water supplies in high rainfall areas of Western Australia, such as Manjimup, Bridgetown and Boyup Brook;
(f) the ability to source additional water from Wellington Dam, particularly 45 gigalitres of saline water purged from the dam;
(g) the success of the farm water grants scheme and potential to expand the scheme further;
(h) catchment thinning as an option to increase stream flow into water reservoirs;
(i) research into innovative water conservation measures;
(j) the social, economic and environmental impacts on the south west as a result of using the southern Yarragadee aquifer;
(k) the level of research undertaken in regard to the future regional water requirements of the south west, as it applies to the southern Yarragadee; and
(l) any other matter which will provide appropriate water supplies for the state of Western Australia.

(2) That the committee report to the Legislative Assembly by 30 June 2006.

MR C.J. BARNETT (Cottesloe) [6.01 pm]: I support this motion. I promise that before this parliamentary year is out I will make a speech about a canal, but I am not going to do that today.

Mr J.C. Kobelke: You disappoint us.

Mr C.J. BARNETT: Just be patient, minister. I will make a speech about a canal. Much has been said about water resources over the past two or three years in Australia. I am sure some members will have watched the ABC television series Two Men in a Tinnie. I saw part of that on Tuesday evening at eight o’clock. It shows two characters going down the Murray Darling system in an aluminium dinghy. Anyone who has watched that program will realise that it looks almost as though that river will never flow again. There have been several years of drought and a protracted period of heavy extraction of water for irrigation, and as the two men in the program go past various old towns, sidings and inland ports, one can see that the level of water has not approached its historical levels for decades. I know that recently the Murray River did flow out to sea, but it was the first time it had done that for several years. Australia’s greatest river system, the Murray Darling, which is important not only in itself but also environmentally and which supports the great majority of Australia’s irrigation farming, is a fairly muddy drain. I have to say that despite all the committee meetings and the introduction of, effectively, a water resources portfolio at a federal level, I am not optimistic about the future of the Murray Darling in an environment of reduced rainfall, a growing population and increased squabbling between states, irrigators and town water supplies. The problem we have always had in Western Australia is becoming common throughout Australia.

We are not alone. The saying that whisky is for drinking and water is for fighting is attributed to the American author Mark Twain. I am not aware that there has ever been a war over water, but it is interesting that bodies such as the World Bank and others have suggested that probably the major source of tension internationally during the course of this century will be disputes over access to fresh potable water. That is an interesting observation. Signs of that are emerging. We are all aware of the debate about global warming and climate change, and of the statistical series, such as it is, that shows that the rainfall in the southern part of Western...
Australia has probably dropped by the order of 20 per cent since the mid-1970s. That is very significant. We are also aware of the forecasts by the Commonwealth Scientific and Industrial Research Organisation that indicate we might see another 20 per cent drop in the rainfall over the next 20 to 30 years. That is pretty profound. There are similar forecasts for substantially drier conditions in south-eastern Australia.

We are by nature an optimistic population, but people assume that Western Australia will continue as it is. We have to look at the harsh reality. If we experience another 20 to 30 per cent drop in rainfall, much of the agricultural hinterland will become non-productive. We may well see the loss of much of the forest areas of the south west. It happens. History is littered with examples of catastrophe or climatic or environmental change, as a result of which civilisations have diminished. We cannot necessarily assume that therefore Western Australia in 50 years will be like it is today. It could be fundamentally different. The point is that we do not know.

The federal government has weighed into the water debate. That could be useful, but I warn members not to be too enthusiastic about believing that abstract economic theories about water trading and the like are a panacea. Water trading, better demand management and recycling and conservation can all play a role, as can imposing higher prices for water and ensuring that what water we have is allocated to higher value use and that we do not waste water. We should do all those things. We should recycle, conserve, install rainwater tanks, if that is what people want to do, and so on. We should also have water management, and we have to look at prices. However, if we have a scenario of continually declining rainfall, those measures will get us only so far. All those water conservation and recycling measures will be subject to diminishing returns. There may be some easy things we can do up front. For example, the Harvey Water plan is a fairly obvious investment that would provide a quick return. If we can improve the water quality of the Wellington Dam, which may take five or 10 years, the return will be quite obvious. After that, as we look around, there will be diminishing opportunities. They will be increasingly expensive and will produce smaller amounts of water.

The current debate is about the Yarragadee aquifer. The Leader of the Opposition knows far more than I about the Yarragadee and its implications, as indeed do you, Mr Acting Speaker (Dr S.C. Thomas). The Yarragadee, a vast water resource, is already being exploited, and if 45 gigalitres is taken for Perth, as seems inevitable, there will be very little left. Also, we will not be sure about the effect that will have on the Yarragadee. Although people are focused on declining rainfalls, river flows and catchment levels, we are not alone in experiencing that. It is a trend around the world. It is very common. Many of the world’s great hydroelectric power schemes are operating at less than their design capacity for the simple reason that they do not have the water in the dams. To a large extent the world has met its water needs by making increasing use of below-ground sources of water, particularly during the period since the Second World War. I can remember my mother, in the 1950s, being absolutely horrified that bore water was being put in our water supply. She was aghast. It was a big controversy in Perth. Today about 60 per cent of our water supplies come from ground water resources. The same sort of trend has happened in the United States and many developing nations. In places such as China, where water was extracted in large amounts from below-ground sources, they have to go down hundreds of feet further to find water today. The ground water reserves that have sustained the world since the Second World War have been heavily depleted. We have the Yarragadee aquifer and there are ground water resources to the north of Perth that we can use, but I suspect that we will find that we will not be able to use them to the extent that we thought we could. The state is facing some big decisions. I know that people will laugh at the concept of the canal, and I can cop all that, and I will make a speech about the canal at some stage, but the state will have to make some huge decisions on a scale that we have never contemplated before.

Mr J.J.M. Bowler: Another two desalinators?

Mr C.J. Barnett: Desalination plants can be built and they may work. Desalination works in the Middle East. Hong Kong had an experience of desalination, but I understand it abandoned the plant because of the cost of operating and reliability factors. In theory, desalination is a known technology and it will work. What will we do as a state? Will we have one, two, three or four desalination plants? We will not run out of water. The former Premier talked about a water crisis, which I disputed. Western Australia does not have a water crisis; we can manage our water resource. We will not run out of drinking water; we will have water coming out of the taps. However, will we do it in a way that will simply replicate desalination plants? That will do nothing for the economic development of Western Australia.

The one thing that this state has going for it that the other states do not have, maybe with the exception of Queensland, is a vast water resource in the Kimberley. It is a huge distance away and there are arguments concerning whether we should use it and bring it south. We have, at least, an option. There are virtually no jurisdictions in the world that have an option. To contemplate accessing the Kimberley water resource for Western Australia and Australia generally probably would be the most significant project since the Snowy Mountains scheme. Western Australia is the one state that has the capacity or ability to do it.
I will cop the criticism about the canal, but it is interesting that there are countries around the world now, during the 1990s and during the first decade of this century that have done and are doing great engineering water supply projects. I refer to Bolivia, Egypt, Iraq, China, India and the southern states of Africa. They are undertaking massive projects of various sorts - some are canals and some are pipelines and they involve different technologies. These are massive projects to build water transport systems to feed themselves, which is the case in Egypt. It is essentially creating a second Nile Valley to feed its population of about 70 million. China is looking at moving huge volumes of water from the relatively wet southern parts of China to the dry northern parts of China. India is looking at similar projects. I will not go on about the canal, because other members want to speak.

I would like members in this Parliament to start to think. We can argue about trivia, but if the pessimists - the gloomy forecasters - are right about global warming, and they may be, we face an issue in this state that will be beyond comprehension. The only silver lining to that cloud is that because of the sheer size of Western Australia and the different climatic zones it covers, we have an opportunity to do something about it. Peter Beattie is talking about piping water 1,000 kilometres in Queensland. It is not the same distance as in WA, but it will be a lot more difficult. There are a few things such as mountain ranges in between. We do not have mountain ranges; we have a flat coastal environment the length of the state. Western Australia has opportunities to do it.

The federal government has bought into the debate. Malcolm Turnbull is a parliamentary secretary and a terrific, nice and pleasant guy who is very bright. I have confidence that he could make a good contribution to this debate. So far he is talking about water recycling. We will not run out of drinking water; we can recycle water. However, that is not the big step for Australia. We live in the driest state in the driest inhabited continent on the globe, and the one thing that has held back the development of this state and nation has been the availability of water for all its potential uses. It has been the one constant that has limited the growth of Australia, particularly Western Australia. We are the one state that has the ability to solve the problem, albeit a terribly complicated and expensive problem. I recognise that. It is expensive rather than complicated. There is no particular technical issue with transporting water; it is not difficult. It will not spook any engineering firm to design and construct a water transport system. It has been done all over the world for hundreds of years and, in some places, for thousands of years. Previous generations have undertaken bold projects. We need to think about it.

From time to time this Parliament need not put politics aside - that will never happen - but focus on some of the big issues that affect the future of this state. Water recycling may mean that Melbourne and Sydney maintain a nice and pleasant future, but we face an issue in this state that will be beyond comprehension. Other than that, it is exactly the same.

The most obvious and controversial is the desalination plant. I had to drag the Water Corporation, kicking and screaming, to the concept of a desalination plant. It did not want anything to do with it. My theory on desalination plants was that water was indestructible. Water cannot be used and then it is gone. It is endlessly recyclable. There is no process in our use of water that destroys the molecule of that water - it just goes round and round.

Mr J.J.M. Bowler: Do you know that there is now less water in the world now than there was previously - just a few droplets of water on the space crafts that have left the atmosphere? Other than that, it is exactly the same.

Dr K.D. HAMES: That is a good point, and it is my point. There are probably some processes that break down the water molecule and converts it into hydrogen and oxygen. Apart from that, the amount of water is the same. All we have to do at the end of the day is to make sure it is clean.
I came in as a new minister responsible for water when the pipeline was proposed and Ernie Bridge was continuing to champion that cause. As a new minister, I thought it was a great idea and I wanted to be the person to do that. However, I went through the costing with the Water Corporation and the cost to bring water from the Kimberley was nearly $4 a kilolitre. At the time we were getting water for 40c a kilolitre from dams and 50c a kilolitre from underground water supplies. The most expensive option available, apart from the Kimberley option, was $2 or $3. An iceberg could be towed at a cost less than that to provide water. Those were the costings given to me by the Water Corporation. I had a view - why should we bring that water from the Kimberley when every river in every country in the world flows to the ocean and brings beautiful, healthy and clean water to the doorstep and all that needs to be done is to take the salt out of it?

I travelled with officers from the Water Corporation to Israel. We visited Eilat to inspect the desalination plant that takes water from the Red Sea. Israel does not pipe its hypersaline water back into the ocean. It has a salt production plant and the hypersaline water obviously provides less water that will evaporate. Therefore, it produces salt, and the process is very sensible. We visited San Diego and inspected a desalination unit that had been constructed because the water supply had dried up. San Diego stopped using the unit because it rained, the drought ended, and they got sufficient water. The plant was put into mothballs. At that time a new desalination plant was about to be built on the east coast of the United States.

At that time, the cost in Western Australia of providing desalinated water, including the cost of power, which is one of the key components of the cost, calculated out at about $1.10 a kilolitre, which is very competitive. I said to the Water Corporation that it needed to employ someone to carry out a feasibility study and prepare a proposal for me to take to cabinet for a desalination unit in Western Australia. I wanted the Water Corporation to employ an external contractor. It employed an international expert and he was given the job of doing that. He prepared the plan for the desalination unit for Kwinana that I planned to take to cabinet after the election if I was still the minister. History will show that we lost the election and those opposite were put in charge of the proposal that the Water Corporation prepared. One of the government’s ministers took it to cabinet and got approval. I know that there has been opposition to that desalination plant from our side. The week before the government announced its support for the desalination plant, I was at a local Rotary meeting. I was asked to talk on any topic I liked. I talked about water and said that the government should build a desalination plant. One week later, it was approved. I know it is not politically correct for me to say that because I know some people still oppose it. I am still very worried about the discharge of the desalinated waste water into Cockburn Sound and the hypersaline effects it may have. I would like the government to do a lot more work on that problem to try to address potential issues.

I was recently with a crayfisherman from Geraldton. He told me that the trick they use whenever they want to get an octopus from under a rock is to sprinkle table salt over the rock in the water. The extra salt in the water forces the octopus straight out and they grab it. The crayfisherman said his father taught him that when he was a kid and that technique is still used. I am trying to tee up one of the television channels to film an octopus coming out from under a rock so we can demonstrate what might happen in Cockburn Sound.

Mr P.D. Omodei: Is that because it’s non-iodised?

Dr K.D. HAMES: I do not know that it matters. The crayfishermen throw a handful of sea salt over the rock and out comes the octopus.

I am a bit worried about the discharge from the desalination plant. I support the desalination plant. I support the potential of a collection of them. Our proposal in our early discussions was to have a second plant, not down in Kwinana but up north, somewhere along the coast where it would be relatively easy to link in to the major pipelines where bore water is taken out. The effect on local residents will always be a sensitive and difficult issue. That is one water project that the government has set up that we started.

When we were in San Diego we found that underground water was being pumped out excessively. Land was subsiding as a result of too much water extraction and buildings were collapsing. The authorities were piping good quality water from the hinterland and from the mountains and pumping it underground to replenish the waste water. In particular, there were examples everywhere of waste water, household water, being pumped back into aquifers. The environment would clean that water so that it could be reused through the normal bore water extraction process. At the time we investigated that process as a potential option for reusing water.

The next proposal relates to the government’s access to water used for irrigation in the south west. When we expanded the size of the Harvey Dam, instead of taking the water from Harvey Dam that was used for drinking water, we put a huge length of pipeline down, gaining better access to the Stirling Dam, which has high quality water, and all the water from the Harvey Dam was made available for irrigation. Through the Waters and Rivers Commission, we brought in the Rights in Water and Irrigation Amendment Bill 1999. A specific component of that legislation allowed for trading in water. When developing that bill we discussed the process of making sure that the South West Irrigation Cooperative, which controlled the water coming out of that dam, would be given
the opportunity to sell that water back to the government to improve the water supply and become more efficient. The best way to do that was to pipe it.

Mr P.D. Omodei: Is that Wellington Dam?

Dr K.D. HAMES: No, this is Harvey Dam. The best way for that irrigated water to be conserved was for the water to be piped so significantly less water was wasted through evaporation. The south west irrigators would then sell that water back to the government. That is what the government announced six months ago. That was the next thing that it did. What has the government done that is new? It has done a couple of new things since we were in government. I am pretty sure that we initiated the subsidy that goes to families to reduce their personal consumption of water but I am not positive.

Mr P.D. Omodei: We did it in Kalgoorlie.

Dr K.D. HAMES: I think we did something on water-efficient showerheads.

Mr P.D. Omodei: Dual-flush toilets.

Dr K.D. HAMES: Yes, we ran a special program in Kalgoorlie. The government significantly expanded that, and good on it for doing so. I do not know how much water it saves altogether, but it is a good project.

Mr J.J.M. Bowler: I think there was a good educational process as part of it as well.

Dr K.D. HAMES: Yes, it taught people not to waste water. That was one thing the government did. The new project is the access to water from the south west Yarragadee. That proposal was put forward by the Water Corporation when I was a minister, hence my comment about whose idea it was; I bet it was the Water Corporation’s idea, not the government’s idea. That is how things work. I will not talk about that project now because we will have more to say on that between now and the next election. That is something that the government started.

I was very unhappy to hear about something that the government stopped when it came to power. It was one of the last things we did as part of the farm water irrigation plan. We had farm water grants. We took lots of water to the farmers. There was a problem with rising water tables in Merredin. We initiated a trial to pump out the water from under Merredin and set up a desalination plant. The fresh water would go back into the system a lot cheaper than the water that was being provided through the Mundaring pipeline. When all the costs are taken out, I think the cost of water from the Mundaring pipeline works out at about $4 a kilolitre. The cost of the water going back in would be $2.20 to $2.80 a kilolitre. We were working in with agriculture so that the waste hypersaline water would go into dams and be used for aquaculture. There was a big potential for the aquaculture industry. A whole series of other farming towns were involved besides Merredin. There was a minimum of seven towns involved but the same problems were occurring and the same potential existed in many more towns. It was planned that the Water Corporation would pay to put in those systems. It was a little reluctant to do that. It was difficult to get across the line. I suspect that as soon as we were out of government, it shut up and said nothing to the new government about that.

Mr J.C. Kobelke: I inquired into it and I was told that it simply didn’t stack up economically.

Dr K.D. HAMES: I presume the minister was told by the Water Corporation. The Water Corporation did not want it. It was being done in conjunction with the Department of Agriculture and Food. I opened the plant in Merredin. The people in the field were very keen on it. If the government has been told it is not working, it should look again at the real costs of the water from the Mundaring pipeline. When looking at the pipeline to Kalgoorlie, it costs about $4.60 or $4.80. The water provided is cheaper than that. It is not a big quantity but it addresses the issue of the rising water table. The salt water rising under Merredin was causing severe damage to the infrastructure in Merredin, to the bricks and so on. Merredin was the worst affected, which is why we started there. There were other towns affected as well.

The other issue that was under discussion, and is still under discussion, is the pipeline to Kalgoorlie. United Utilities lobbied me to death trying to get a desalination unit in Esperance and the pipeline to Kalgoorlie. In theory, it was a great idea. The guy who runs that company was a strong Liberal supporter. He probably is not now because I did not agree to it. He was very unhappy with me. We had a study done of it. Again, I had to rely on the Water Corporation. He said I should not trust the Water Corporation because it would not give us the right advice as it had an alternative concept. Nevertheless, he wanted it to commit to a certain amount of water per year and he would supply it at a steady rate. Therefore, all the issues of storage of water would then have been the responsibility of the Water Corporation, even in winter when it did not need the water. The Water Corporation wanted flexibility on when it would take the water and how much it would take. That did not suit the company because it did not provide it with the certainty it needed. We said that to back up that claim the company should get commitments for water from industry and the mining companies. This issue was ongoing for the four years I was a minister, and nothing eventuated. I suspect the fact that this government has been in
power for six years and the matter has not reached the end stage but is still being discussed indicates that there
are still issues.

Mr J.C. Kobelke: There has been an Economic Regulation Authority report on it.

Dr K.D. HAMES: Yes. The concept of getting water there is a good idea. The Water Corporation put forward
an alternative proposal, which was to take sea water from Esperance and provide it to the mining companies in
Kalgoorlie that needed water. Bear in mind that the mining companies were bringing hypersaline water, which
is seven or eight times saltier than sea water, from underground up to the surface. Everyone worries about
salinity and bringing salt inland, but the total volume of salt that the Water Corporation would bring in is far less
than the mining companies are pumping out of the ground now.

Part of the Water Corporation proposal was for a desalination plant in Kalgoorlie to provide for the local water
needs. The Water Corporation promoted that idea, which I thought was a quite reasonable one, but I could not
get it through cabinet. Hendy Cowan said that I would bring salt inland in Western Australia over his dead
body! Of course, he was the Deputy Premier and, as a junior minister, I had no chance with that proposal.
However, I actually think it was a good idea. I foresaw and discussed with the member for Kalgoorlie at the
time the proposal for a large inland recreational saltwater storage area where we could put -

Mr M. McGowan: A beach!

Dr K.D. HAMES: Yes, beaches, sailing, whatever. We could have used the old KMCC pit; that was big
enough. We could have stored all the water in there and created a social and tourism mecca and then desalinated
that water and provided it to the local community. I thought that was a great idea.

[Member’s time extended.]

Mr M. McGowan: I want to know what else happened in cabinet.

Dr K.D. HAMES: All those things are past now, so they do not matter. However, all those issues about water
were discussed. Everyone why we do not use run-off water or household waste water. The reality, as I said
before, is that all water is recyclable. The rainwater that runs off and pours out through the Bayswater Main
Drain into the river helps flush the river. It goes out to the ocean and the ocean cleans it. We could bring it back
in, desalinate it and use it. Alternatively, it evaporates and comes down in rainfall, so we have it again.

The proposal by the government to clear the dams was a good one. I also wanted to do that but was told that I
would have enormous problems with the greenies if I chopped down trees in the catchment areas. However, I
think the government should do more of that. I think we should consider using the sprays that are used on gravel
roads in those catchment areas. They seal the gravel together but no damage is caused by run-off. It could be
used in areas, particularly where the water flows, to improve the flow of water into the dams. The Water
Corporation said that it could not be done, that it would not make a difference because of the hydrogeology and
that most of the water that goes into the dams actually goes under the gravel, not over the surface. However, the
government cleared some land, which I did not do and which I regret, and got better run-off and better flow.

Mr J.C. Kobelke: That experiment is still under way. All of these ideas are good. I am not saying that
anything we are doing hasn’t been thought of before, but implementing them is the big problem. Just briefly, in
1905 the area around Mundaring Weir was cleared to improve the run-off. It was a total disaster. So it’s a
matter of making sure you do it in an effective way that is sustainable.

Dr K.D. HAMES: Yes, and we must look at why it was a disaster.

Mr J.C. Kobelke: It was because of clear-felling instead of thinning.

Mr M. McGowan: And there was erosion.

Mr J.C. Kobelke: Salinity went up immediately and there was huge erosion.

Dr K.D. HAMES: I was going to ask Professor Jorg Imberger - it is good to get him to do some things - to
investigate doing experiments on that to indicate that although there was some underground run-off, there was
obviously also some surface run-off.

Mr J.C. Kobelke: The figures I am given is that the run-off into the dams is only five to 10 per cent across the
surface, so that 90 per cent or more is underground.

Dr K.D. HAMES: I wonder if the government could have improved that by, in effect, sealing those areas.

Mr J.C. Kobelke: But then you would kill all the plants.

Dr K.D. HAMES: I do not mean sealing in that sense. I mean sealing just in the areas where the major run-off
occurs as the creeks run down into those little tributaries. The spray that is used to seal them is like a plastic
surface, except it is not plastic. It is used on gravel roads in the Northern Territory to stop roads washing away too fast. I think it is worth considering in the future. However, that is only a minor aspect and I do not want to say too much about that. The point I make is that there are lots of options, lots of projects that could be considered and lots of opportunities to find water. There are ideas from a variety of sources throughout Parliament, not just on the government side, and those sources should be considered. Points were made in the newspaper recently by Sir Charles Court, who said that in new land developments, when people build their homes they should include a rainwater tank to allow for water reuse, or even build a large tank under their driveway so that they will have an underground storage area for rainwater that they could use for their garden, toilet and whatever. The reality is that most water consumed in the Perth metropolitan area is not used for drinking water; it is used for showers, gardens and whatever. Only a small portion of high-quality drinking water is actually used for drinking; most is used for many other purposes. There is therefore an exploration of Sir Charles Court’s concept of alternative systems. When we first developed Ellenbrook we put in a twin system; one for drinking water and the other, recycled bore water, for gardens and toilets. That concept in new developments is worth looking at in the future.

Mrs J. Hughes: Did you know that there is great opposition in the housing industry to embracing those types of environmental concepts?

Dr K.D. HAMES: Yes, I know that. Ultimately it is the consumer who must pay for those things. However, we should consider what developers are doing now. In the past they were not responsible for all the roads, underground power, this and that for which they are responsible now.

Mr J.C. Kobelke: But aren’t developers now doing it because there is a public interest in it? Both in Butler and Ellenbrook new projects have just started.

Dr K.D. HAMES: Exactly, and I think Satterley Property Group is one of the prime movers with those new systems and in bringing innovative models to development. I think those things will happen with a bit of encouragement from government to get them going. Everyone said that people should put in a rainwater tank. I have had a fair bit to do with farms and I can say that there are problems with rats that get into rainwater tanks; it means that the water in them is not anywhere near as clean as the water that comes out of a house tap. That does not mean we cannot use that rainwater for all sorts of other purposes around the home.

Mr J.C. Kobelke: The rebate we give is only to people who pump water from that tank into a toilet or laundry. It is not for drinking water.

Dr K.D. HAMES: No, exactly, and that is a good thing. Initiatives like that work well. However, there is a whole range of things - I am sorry to use the minister’s terminology. I know that “whole range” are his two favourite words!

Mr J.C. Kobelke: A raft!

Dr K.D. HAMES: I could not count the number of times I have heard the minister say “a whole range of things are being done to fix that”! Nevertheless, there is a large number.

Mr J.C. Kobelke: Nevertheless, it is true!

Dr K.D. HAMES: Government members are not in favour of select committees; they believe that the committee system is fine. However, it is not fine for issues such as water, nor is it fine for the issue of Aboriginal heritage that I have raised with the government before. We just cannot get a select committee for that up and running. The committee system does not lend itself to a specific, detailed investigation of an issue in which members from a whole range of areas of this house of Parliament have an interest and expertise that they are able to bring along, as they may be on some other committee. I believe I have a reasonable amount of knowledge, but I would not be able to do it because I am not on such a committee. I could be seconded to that committee, but the committee of which I am a member is doing work on other issues that we believe are important. This method is the best way to make progress and bring ideas together, with people working together. Someone once made the point to me that we should not restrict how much water people use; in their houses, we should let people use whatever amount of water they want to use, as long as they pay for the real cost of that water. The ocean has an unending supply of water, and it costs the government $1.10 a kilolitre for desalinated water. I forget what people are paying now; I think the figure is 60 or 70c for the first -

Mr J.C. Kobelke: It starts at 42c, I think.

Dr K.D. HAMES: Up to how many kilolitres is that? Is it 150 or something like that? Then the price escalates. The previous government kept escalating the price for the higher levels of water use, and I think this government has done the same. Therefore, if the government makes sure that people who use lots of water pay the real cost of getting that water, let them use it. It would be a different situation if we were running out of water. The amount of $1.10 a kilolitre for desalinated water takes in the cost of the plant, the equipment, the management,
the operation and the replacement value. All those items are costed into that $1.10. Therefore, if someone wants to use the water, make them pay $1.50 or $2 when they reach that higher level of water consumption; that is, the level that is above what everyone would regard as reasonable. I do not think that concept would receive too much favour in today’s market, bearing in mind the effects of climate change. However, it is a concept that would be worth considering somewhere down the track.

Mr J.C. Kobelke: It is not just the philosophy; there are also some difficulties in making that work as simply as the member is saying.

Dr K.D. HAMES: Yes. There is the philosophy too. In a country with a dry climate, it does not send a good message if people are told they can use whatever they like. Nevertheless, the reality is that people should pay for whatever they use.

I support this motion. However, I must move an amendment. I need to sign it, do I not?

The ACTING SPEAKER (Dr S.C. Thomas): Yes, that would help.

Amendment to Motion

Dr K.D. HAMES: I move -

To delete the words “30 June 2006” and substitute -

30 April 2007

MR T.R. SPRIGG (Murdoch) [6.42 pm]: Will the Acting Speaker provide me with some guidance, please? Are we dealing with the amendment now?

The ACTING SPEAKER: The amendment is to delete “30 June 2006” in paragraph (2) of the motion. Therefore, if the amendment were passed, the paragraph would read -

That the committee report to the Legislative Assembly by 30 April 2007.

Mr T.R. SPRIGG: I support the amendment, obviously, in view of the fact that 30 June 2006 has already passed. I also support the formation of this select committee, noting that it was first debated on 21 September 2005, about a year ago.

The ACTING SPEAKER: Has the member for Murdoch spoken to the substantive motion yet?

Mr T.R. SPRIGG: No.

The ACTING SPEAKER: If the member sits and I put the amendment, I can allow him to debate the substantive motion, without having to pull him up all the time to tell him to refer to only the amendment.

Amendment put and passed.

Motion, as Amended

MR T.R. SPRIGG (Murdoch) [6.43 pm]: I draw the government’s attention to subparagraph (d) of the motion, which reads -

the failure of the government to implement alternative water recycling and re-use programs;

Some six months ago I was approached by a constituent who owns a company called Just Valves, which markets a grey water re-use system. He came to me because he had experienced some frustration in trying to deal with the government. For those who are unaware, a grey water re-use system involves the reuse of the water that the member for Dawesville talked about - that is, the laundry water, the bathroom water and so on - on gardens. It is not potable water. It is not brought back into the house for people to drink or anything like that; it is used on gardens. By the way, the cost of the Just Valves system is approximately $2 000 when a new house is being built. I believe that there is a government subsidy of $500 for these systems, so the net cost is $1 500.

The reason that the people from Just Valves came to see me was that they were experiencing some frustration in trying to deal with the government and in getting the government to understand that it was important for these sorts of systems to be installed in the various government housing projects that were under way. They have already installed the system in a retirement complex in Wanneroo, and they have now installed it in a retirement complex in Mandurah. It is working absolutely beautifully and is saving a substantial amount of water at those retirement villages. It fits very well with the building sustainability index system that the Minister for Planning and Infrastructure is trying to introduce, under which new housing developments will be required to save 20 per cent of water, 20 per cent of energy and so on.

However, Just Valves has experienced a good deal of frustration, because it cannot get to first base. The people from Just Valves were told that there was no mechanism for them to tender for the government housing projects
that they were looking at. They went to the Department of Housing and Works and the Department for Planning and Infrastructure. The debate, or the non-debate really, has gone on for a long time. I can tell the Minister for Water Resources that they are talking to Hon Paul Llewellyn in the upper house right now. The government’s sometime allies, the Greens, will come knocking on the minister’s door soon, asking why the minister is not doing something about that grey water re-use system, which is completely accredited by all the authorities, including the Water Corporation, and by local government. It is a workable and terrific system for saving water.

Mr J.C. Kobelke: What more are you suggesting should be done?

Mr T.R. SPRIGG: I am suggesting that there is a problem with the minister’s Water Corporation or with the minister’s government, because there seems to be a very protectionist situation. It is similar to the situation that arose when the Minister for Racing and Gaming was dealing with the racing legislation. The minister did not even bother to talk to the Betfair people, when their proposal could have grown the market and brought in more money to the racing industry and to the community. He did not even bother to talk to them. The same thing applies to the Water Corporation. Is it protecting its monopoly, or is the government protecting a monopoly situation in which it can sell all the water, and it will not bring in the money if it cannot sell the water if it is saved by a grey water re-use system?

Mr J.C. Kobelke: I do not know the facts of the case, but you just said that the Water Corporation had approved it. Therefore, I cannot see how it is standing in the way if it has approved it.

Mr T.R. SPRIGG: Someone is standing in the way. I challenge the minister to get these grey water re-use systems - I do not care whether it is the Just Valves system or not - operating in every single government housing development that is under way now. It links in perfectly with BASIX, which the Minister for Planning and Infrastructure is trying to introduce, and it will save plenty of water.

Another thing that I will mention is that about 18 months ago some of my constituents in Rossmoyne were written to about a system to reduce water pressure. We all know that the ageing infrastructure has a problem with leakage and so on. A couple of suburbs were to be used as test cases in which the water pressure would be reduced to see what would happen with the leakage of the ageing infrastructure. None of my constituents heard any more. The then Premier, who had something to do with water at that stage, wrote to the people and suggested that this would happen. I do not know where it went from there, but certainly, if there must be a reduction of pressure to help us save some of that vital commodity of water, that must be looked at.

Mr J.C. Kobelke: The Water Corporation has a record that is well above the average in terms of reducing very low leakage. This was an experiment to see whether it could work and produce results. I have not seen the report, so I do not know whether it has been judged to be a success or not.

Mr T.R. SPRIGG: Nor have I, minister, and we would like to see it.

Mr J.C. Kobelke: It must be run for a certain time before we can make a judgment.

Mr T.R. SPRIGG: In about last April, it was to be a six-month program. Therefore, the Water Corporation has had a bit of time to do it and evaluate it, surely. Not only Rossmoyne but also other suburbs in the metropolitan area were involved. We all know that the water infrastructure is ageing. I strongly support the appointment of a select committee of the Legislative Assembly to inquire into and report on the water resources and the water situation in Western Australia.

MR P.D. OMODEI (Warren-Blackwood - Leader of the Opposition) [6.50 pm]: The reason I want to bring this matter to a head is that it has been more than a year since the establishment of this select committee was proposed. It was proposed for good reasons and the reasons for proposing the establishment of the select committee then are still relevant today. That is particularly the case given that the state government’s own “State Water Strategy Irrigation Review Final Report” and response has been completed to a great extent. The motion to propose the establishment of a select committee states -

1. That a select committee of the Legislative Assembly be appointed to inquire into and report on -
   a. the extent of surface and groundwater available for consumption and use in Western Australia;
   b. the government’s role in planning for the future given climate change predictions;
2. All members know that that is a major issue -
   c. the government’s role in planning for increased water demand;
(d) the failure of the government to implement alternative water recycling and re-use programs;
(e) the failure of the government to provide appropriate water supplies in high rainfall areas of Western Australia, such as Manjimup, Bridgetown and Boyup Brook;
(f) the ability to source additional water from Wellington Dam, particularly 45 gigalitres of saline water purged from the dam;
(g) the success of the farm water grants scheme and potential to expand the scheme further;
(h) catchment thinning as an option to increase stream flow into water reservoirs;
(i) research into innovative water conservation measures;
(j) the social, economic and environmental impacts on the south west as a result of using the southern Yarragadee aquifer;
(k) the level of research undertaken in regard to the future regional water requirements of the south west, as it applies to the southern Yarragadee; and
(l) any other matter which will provide appropriate water supplies for the state of Western Australia.

(2) That the committee report to the Legislative Assembly by 30 June 2006.

Many of those matters have been touched on by former speakers. It is very important that the establishment of this committee be agreed to. A parliamentary inquiry of the Legislative Council was partly completed just prior to the 2005 election. When Parliament was prorogued, that matter was left in abeyance. This select committee could take up where that committee left off, particularly with regard to paragraph (l), which states -

any other matter which will provide appropriate water supplies for the state of Western Australia.

That provision leaves the parliamentary committee open to discuss any matter that would improve or identify water supplies in Western Australia for domestic and alternative uses. The issues raised in the motion include the farm water grants scheme, which was updated by the former coalition government. The Minister for Water Resources only recently said he would increase that scheme. The issue of purging hypersaline water or the saline slug at the bottom of the Wellington Dam has been proposed for some time by Peter Coyne of Agritech. There is speculation about what is the exact amount of water that could be extracted. The Water Corporation says it is 18 gigalitres, and Mr Coyne says it is in excess of 40 gigalitres. We could get to the bottom of that issue. We could use the head of the dam to assist in the desalination or reverse osmosis of that water and hook it into the package. Currently, the minister would be aware of the proposal to dam the Brunswick River. There is a possibility that 60 gigalitres could be taken from that river. That matter should be closely examined given the impact it would have on the various estuaries that are associated with the Brunswick River and its tributaries. The Water Corporation has a range of proposals, including not ruling out taking water from the Kimberley. They are listed in the Water Corporation’s proposals for the long-term future of the state.

Ministers of various political persuasions have played a part in water development. Obviously during the time of the previous government, that development included proposals regarding changing water in the south west from channel water into pipe water, which is now being further developed by Harvey Water; this could potentially deliver 17 gigalitres into the current system.

The member for Murdoch mentioned the issue of low water pressure. It is estimated that currently 16 gigalitres of water a year is lost in leakage. Many people do not know that a gigalitre is a million cubic metres of water. Invariably, a range of options will be discussed, including the use of grey water. I agree with the member for Murdoch’s assertion that the Water Corporation steps on the hose - pardon the pun - when it comes to new grey-water technology and package plants that could be used in the suburbs. Other points worth considering are the dual pipe system, low-water pressures, low-volume shower heads and dual flush toilets. All these elements make up the whole spectrum.

Other matters I would like to be discussed include the response to the State Water Strategy, which was brought down in August 2005. A recommendation of the water strategy was the establishment of a ministerial structure. The Minister for Water Resources would be aware of that because when the former Premier was the Minister for Water Resources, the current Minister for Water Resources was the Minister Assisting the Minister for Water Resources. A recommendation in that regard was made in the report, but the situation has changed. Other recommendations include that the Premier continue to chair the water resources cabinet subcommittee, the
creation of the Office of Water Strategy within the policy division of the Department of the Premier and Cabinet, and that a review of the institutional arrangements within the water industry be conducted. Those proposals have slipped since just year or so ago.

There was a proposal for a state water plan. In response to the irrigation review report, the key directions are recommended by the steering committee; that is, the state water strategy irrigation review. The government provided a response to that review that referred to water entitlements, identifying and protecting horticultural land, and water management charges. The minister responded to that matter only last week. A discussion is occurring in the south west about charges for water management. The community wants to know how those water charges will be levied, if they are to be levied. Will there be a licence fee? Will the water charge be levied on the basis of the area of water or on the volume of the water? The report refers also to metering and volumetric charge, which is a major issue in the south west community and in the horticultural and dairy industries in particular. People want to know whether the government intends to charge for water on a volumetric basis. Last week in response to a question about whether the government intended to charge farmers for water stored in their own dams, the Minister for Water Resources said that the clear answer is there is no intention to charge people for the water they hold in ordinary farm dams. The minister referred also to the water initiative. He said that there is no suggestion and no thought about charging farmers in the dry land areas for the water contained in their dams. That raises the spectre of the government proceeding with the volumetric charge. I would like the minister to refer to that.

I refer the minister to the response to the irrigation review. An options paper discussing resource management and volumetric use charges submitted to the water resources cabinet subcommittee was supposed to be released by April 2006. I do not know whether that has happened. It would ring alarm bells throughout the communities in the south west if the government intended to charge them on a volumetric basis for water they have accumulated by their own investment in farm dams. Many people have invested in excess of hundreds of thousands of dollars to construct a dam and on irrigation infrastructure.

This is a very important motion. It has been said before that the current standing committee system does not allow for this type of parliamentary select committee to be discussed in that forum. We should draw on the best expertise in the Parliament to debate these issues. I commend the motion to the house.

Question put and a division taken with the following result -

Ayes (16)

Mr C.J. Barnett  Mr J.H.D. Day  Mr R.F. Johnson  Mr A.J. Simpson
Mr D.F. Barron-Sullivan  Dr K.D. Hames  Mr J.E. McGrath  Mr T.K. Waldron
Mr M.J. Birney  Ms K. Hodson-Thomas  Mr P.D. Omodei  Ms S.E. Walker
Mr T.R. Buswell  Dr G.G. Jacobs  Mr D.T. Redman  Mr T.R. Sprigg (Teller)

Noes (24)

Mr P.W. Andrews  Mr J.C. Kobelke  Mr A.D. McRae  Mr T.G. Stephens
Mr J.J.M. Bowler  Mr R.C. Kucera  Mrs C.A. Martin  Mr D.A. Templeman
Dr J.M. Edwards  Mr F.M. Logan  Mr M.P. Murray  Mr P.B. Watson
Mrs D.J. Guise  Ms A.J.G. MacTiernan  Mr J.R. Quigley  Mr M.P. Whitley
Mrs J. Hughes  Mr M. McGowan  Ms J.A. Radisch  Mr B.S. Wyatt
Mr J.N. Hyde  Ms S.M. McHale  Mr E.S. Ripper  Mr S.R. Hill (Teller)

Pairs

Mr G.M. Castrilli  Ms M.M. Quirk
Mr M.W. Tremorden  Mr A.P. O’Gorman
Mr G. Snook  Mr A.J. Carpenter
Mr M.J. Cowper  Mr N.R. Marlborough

Independent Pair
Dr J.M. Woollard

Question (motion, as amended) thus negatived.

House adjourned at 7.01 pm