MR P.D. OMODEI (Warren-Blackwood - Deputy Leader of the Opposition) [4.13 pm]: I seek leave to move the motion standing in my name in an amended form - that is, to change the date in the last line of the motion from 30 August 2005 to 30 June 2006.

Motion, by leave, amended.

Mr P.D. OMODEI: I thank the Leader of the House for that leave. I move -

(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.

I gave notice of this motion in March this year because, prior to the last election, the Legislative Council had embarked on a parliamentary inquiry into the future of the state’s water needs. The Standing Committee on Public Administration and Finance inquiry was terminated as a result of prorogation of Parliament and the state election. I was waiting before moving my motion for some developments that were supposed to occur in water research in Western Australia between March and the current date. I hoped that things would be acted upon in a more speedy fashion to identify the issues involved. Some work is left undone that a parliamentary committee can undertake in seeking the views of interested parties on a range of matters to benefit the state of Western Australia.

It is timely that I move this motion today for another reason: this morning in a Legislative Assembly committee room, a round table was convened by the Parliamentary Secretary to the Prime Minister, Hon Gary Nairn, who is in Western Australia to speak to the Western Australian government and other interested parties about the implementation of the National Water Initiative and a range of research issues relating to Western Australia’s future water needs. The meeting was designed to ensure people were well informed about progress being made in Western Australia. The meeting was attended by a range of people. I refer to the parliamentary secretary himself, the member for Eden-Monaro; Jos Mensink, the Director of Water Policy, Department of the Premier and Cabinet; Ken Matthews, from the National Water Commission; and Dr Wally Cox, who is well known to members as a former Chairman of the Environmental Protection Authority and chief executive officer of a number of organisations, including the Western Australian Water Authority when I was the responsible minister.

Other people who attended were Graham Hughes from the Water Corporation; Dale Park from the Western Australian Farmers Federation; David Wren from the Pastoralists and Graziers Association; David Parker from
the Chamber of Minerals and Energy; John Langoulant from the Chamber of Commerce and Industry; Bill Mitchell, President of the Western Australian Local Government Association; Ross Young from the Water Services Association of Australia; Don McFarlane from the Commonwealth Scientific and Industrial Research Organisation; and officers from the Prime Minister’s department. It was a very productive forum, which made it clear to the commonwealth that we did not want any further bureaucracy in Western Australia and that we welcomed the Council of Australian Governments’ National Water Initiative with funding of $200 billion. According to the rule of thumb, Western Australia will access probably about $200 million of those funds.

Mr J.C. Kobelke: You know that’s not true. That might be our fair expectation but we don’t usually get percentages like that.

Mr P.D. OMODEI: I said rule of thumb. Sometimes it is more and sometimes it is less.

Mr J.C. Kobelke: It is generally a lot less.

Mr P.D. OMODEI: That is not so. Under local government road grants the state receives 15 per cent of the national allocation. However, we do not get as much funding for national roads, and there are a number of reasons for that. This motion is about water.

The National Water Initiative is about transparency in water consumption, water trading, charges for water use and those kinds of things. Given the steering committee report on irrigation in Western Australia and the government’s response, it was made very clear that, over the next couple of years, the government intends to initiate a series of studies on charges for the administration of water usage. It will also ask the Water Corporation to provide papers on volumetric charges. It is well known that the government intends to charge an administration fee for ground water bores that are used for agriculture, particularly in the northern suburbs. We have heard some adverse reaction to that proposal. Another group of ground water users comprises the 150 000 householders who use backyard bores. It has been argued for many years that private domestic bores make good use of ground water because they keep the watertable down. Perth is built on a series of wetlands, and land clearing has the potential to cause the watertable to rise, consequently running the risk of desalination. Therefore, private bores have a positive benefit for the environment. My question to the Premier today was whether the government would charge backyard water users an administration fee, bearing in mind the fee was to cover the work done by the various government departments in monitoring and assessing the various impacts of the abstraction of water. I know why the Premier answered the way he did. If the coalition were in office today, I believe the Premier would not have answered the way he did. Given how the government has responded, it is clear to the commonwealth that we did not want any further bureaucracy in Western Australia and that we welcomed the Council of Australian Governments’ National Water Initiative with funding of $200 billion.

A range of matters are in the National Water Initiative. Interestingly, the Premier maintains that he is not very keen on signing the National Water Initiative in light of all the initiatives being undertaken in Western Australia, and he does not want to be dictated to by the commonwealth. It is a trend of this government to blame the commonwealth for almost everything. However, it is interesting that almost every other government in Australia, including the Tasmanian government, has signed the National Water Initiative. They are reaping the benefits to the tune of hundreds of millions of dollars from the National Water Initiative allocation of $200 billion. If the Premier does not sign the National Water Initiative, it will be open for individuals and organisations to apply for the funds. It is up to the Premier to decide whether to sign the initiative. I am sure it would be more appropriate for the state government to have control over the funds. From what I have heard from government departments and the people from the Water Corporation and the Department of the Premier and Cabinet who attended the briefing today, Western Australia is virtually fulfilling all the requirements of the National Water Initiative. Clause 33 of the initiative acknowledges that the situation in Western Australia is different from that in other states. That indicates flexibility within the initiative for parties to negotiate some of the issues. That is an important acknowledgment. It is good that the commonwealth has realised that water is becoming an important issue not only throughout Australia but also in every other nation. I support signing the National Water Initiative.

As a water user, I believe concessions should be provided to landholders who build their own dam to create a natural water catchment. They should not have to pay even a management fee, especially given that over the past 40 or 50 years a licensing arrangement has operated in some of the proclaimed catchments and that has been well managed and has worked very well. I am not aware of much resistance to an administration charge as long as it is modest. However, the situation will change if a volumetric charge is imposed even though landholders have provided the infrastructure to capture rainwater, have been mindful of the environment and have kept their catchments healthy. Those proclaimed areas have been managed by local groups and chaired by the Water Corporation, and they are expanding. The Minister for the Environment knows well what I am talking about. It is a good local management system within which users work with the government to ensure that the state’s
resource is managed properly. The charges that would apply to users of water taken from a river or a bore field should not apply to them. In those cases, transferable water entitlements and water trading opportunities are important. They differ depending on where users live and operate in this large state. Flexibility is important. The Parliamentary Secretary to the Prime Minister has acknowledged that in a number of meetings I have had with him and his officers. I do not think there are many impediments to the government’s signing the National Water Initiative. The Premier should swallow his pride and sign the initiative to provide some structure for the distribution of the funds. I have heard that it could cost the state more than $100 million to adhere to the National Water Initiative. The requirements of the initiative are already in train in Western Australia. If we are already meeting those requirements, why not get the commonwealth to pay for them? It is as simple as that. A small tranche of national action plan for salinity and water quality funding - $15 million each from the commonwealth and the state government - has been allocated to the Collie-Wellington project. That is an example of the programs through which commonwealth money can be provided to the state to clean up our water supply. The Wellington Dam contains 100 gigalitres of water and the government is spending hundreds of millions of dollars on a desalination plant. We spend in excess of $12 million researching the southern Yarragadee even though a great deal of surface water already exists in Western Australia. Apart from the water we consume, as I mentioned 101 gigalitres of ground water is used by market gardeners and 112 gigalitres is used by the 150 000 backyard bore owners. For the benefit of members who do not know, a gigalitre is one million kilolitres, or a million tonnes, of water. When I refer to 42 gigalitres, I refer to 42 million tonnes of water. Local government uses 42 gigalitres of ground water; industry uses 42 gigalitres; treated waste water provides 100 gigalitres; and stormwater provides 66 gigalitres. Most of those volumes can, in some way, be converted to domestic use. It may well be that a rebate or incentive for the backyard bore owners will encourage them to filter some of that 112 gigalitres for their own use.

When we consider salination and projects such as the south west Yarragadee, which has yet to go through a stringent environmental test, we should compare the costs of those projects with rebates and water reuse, rather than charging down the track of abstracting valuable future water for the state’s food production; or desalination, which has significant environmental impacts through hypersaline water, in the case of the current project, into Cockburn Sound; or the carbon emissions created from the fuel or gas used in that process. A lot more can be done. Many people and companies have approached me - both in my capacity as the minister with responsibility and as shadow minister - with new technology, particularly for waste water reuse. At least half a dozen people have approached me and outlined proven technology which is being used elsewhere, but for which they cannot get a licence from the Water Corporation or for which there are other impediments to its being used. Another issue is reverse osmosis and the use of solar power in reverse osmosis in small plants. The member for Merredin referred to a reverse osmosis plant to help remediate the rising watertable in the wheatbelt. A range of things can be done, many of which are currently in process. However, many people have a lot more to offer.

A method of reinjecting grey water into the soil, depending on the type of soil - whether it be Bassendean or yellow sand - and stripping the nutrients as a result of reinjecting that water back into the ground and then using it again either for irrigation or industry has great potential. There are nasties like Naegleria fowleri, Coxsackie virus, NS2, salmonella and E. coli. The last two I know reasonably well, but the others sound interesting. I understand that with the reinjection of water into the soil profile, those nasties can be removed and the water can be reused. When I talk about volumes of water involved in backyard bores and local government use, I am talking about water that could be used for domestic and industrial consumption. We have made a start in this area; however, not enough has been done. A project in Kwinana involves the reuse of six gigalitres of industrial grey water. Six gigalitres does not sound like very much; however, we must project that six million tonnes across all the other things that can be done.

There is a range of other water supplies in the south west. I will go through some of the ones that are being considered. In 2006-07, the Samson pipehead dam will begin. A range of creeks run a banker in winter between the end of June and the end August during which time we can take water. They go as far down as Donnybrook. There are something like 22 suppliers of water, including dams on the Carey Brook, Deep River and so on. Of course, they would require pipelines. We could take the heavy winter flow from those streams with very little environmental impact - if any - rather than taking water from distant sources or tugging it down from the Kimberley in plastic bags. There is also the Harris project, the Mirrabooka bore field upgrade, the Welsley Creek pump back and Eglington, which is north of Perth, which should be up around 2010-11. They are not very big projects. In 2012-13, the Pinjar conventional or Yarragadee will be up and running. In 2016-17, we are looking at having the Wellington and Logue Brook dam. Indeed, a range of ground water projects will extend into 2013.

I have been to a number of briefings conducted by the Water Corporation. I am concerned when I consider its projections, which always factor in the 45 gigalitres of water in the southern Yarragadee. I invite members to look at the corporation’s graphs, which are probably on its web site. By 2017 - given that we are going to build a
desalination plant and that the proposal is to tap into the southern Yarragadee - we will need either significant movement in the use of grey water and the volumes of water I have just outlined or further desalination plants. If the southern Yarragadee does not come on board, we will need a second desalination plant fairly quickly. Of course, although it is proven, desalination should be a last resort when surface, grey and storm water can be used.

I refer briefly to the southern Yarragadee. My motion lists a range of things that could be done by a parliamentary committee. My home town of Manjimup is on water restrictions. The average annual rainfall is 1 000 millimetres, or 40 inches.

Ms S.E. Walker: How many ministers are there for water?

Mr P.D. OMODEI: There are two. The Premier is the Minister for Water Resources. He is responsible for water strategy, but he does not have any legislative responsibility. The member for Nollamara is the Minister Assisting the Minister for Water Resources.

Manjimup, Bridgetown and places like that have an abundance of surface water and rainfall but a lack of storage facilities. The dams in Manjimup and Pemberton have been overflowing for the past three months. The only four dams in the district that are not full are the Water Corporation’s dams. It has a plan for 2009-10 -

Mr J.J.M. Bowler: Why don’t its dams fill up? Are the catchments not properly designed?

Mr P.D. OMODEI: In a nutshell, there is not enough yield in the catchment and not enough storage capacity. The proposal in the future if Yarragadee goes ahead is to hook up towns such as Bridgetown, Boyup Brook and Balingup to a pipeline at a cost of about $70 million. The Combined Shires Yarragadee Committee comprises the 12 local governments in the south west that are not too keen about taking water from the southern Yarragadee unless it can be proven that regional water use will be covered. Obviously there is a large aquifer in that area. Three years ago the static volume of the southern Yarragadee was supposed to be 400 000 gigalitres. It then went to 800 000 gigalitres, and as of this week it is 1.2 billion gigalitres, and the recharge is supposed to be more than 400 000 gigalitres. It would seem a no-brainer that water could be taken from the southern Yarragadee. However, the truth of a matter is that quite a lot of water is already being taken from the southern Yarragadee for the Busselton Water Board, which is privately run, and for the Bunbury Water Board. It is also used for agriculture and is predicted to be used more in the future.

The other issue of concern is that not enough notice has been taken of this committee. The members have expressed concern to me that $6 million has been spent so far and it is planned to spend another $12 million in the coming months. Of greatest concern is that no government agency has devoted any effort or funding to assessing the actual regional water needs of the south west, or areas in reasonable proximity to the Yarragadee formation. All the shires are of one voice - they are concerned about the future of the water in the south west. It could be said that the water belongs to the state, and that is the case. Most of Western Australia’s water comes from dams in the south west anyway. Nobody is denying that people in the metropolitan area are entitled to enough drinking water. They already consume a large amount of drinking water in the form of fruit and vegetables that are produced in regional areas. That is a given.

This group has been seeking funding for an independent hydrologist for quite some time. The independent hydrologist’s report it has received so far raises a number of concerns. There is a risk of reliance on modelling from only one bore to assess the impacts of abstraction. This is a huge area in the Leeuwin-Naturaliste area, stretching from Nannup to Margaret River and from Geographe Bay to Flinders Bay. Another concern was the short assessment period and the reliance on assessment of recharge during times of diminishing rainfall. That is the most important issue. The south west has experienced a 25 per cent decrease in rainfall. There is also a concern that limited testing has occurred, given that these geological formations occur in varying ways. There are about four different aquifers in that area. The Yarragadee is of varying depth and quality. There has been a failure to convince the peer review panel about the accuracy of the data, and of the lessons learnt from the Perth area, where similar strategies were employed and where serious water problems now exist in the aquifers. There is a fear that the same problems that occurred in the metropolitan area - lowering of watertables, wetland evaporation and so on - will occur in the south west.

I mentioned how the aquifer had grown over the past three years, and there is also the issue of the replenishing of the Blackwood River at a place called St Patricks Elbow, about 20 kilometres west of Nannup. Three years ago it was calculated that that the recharge was eight to 10 gigalitres. It was not certain whether that came from the Yarragadee or the Leederville aquifers. The amount went to 12 gigalitres, then to 20, and it is now 24. There is a place on the Blackwood River where 24 million tonnes of water is coming out of the ground and into the river. Obviously, that would have some ecological impact on that river. Even though the proposed bore field is quite some distance away from the Blackwood River, a potential drop in the watertable would have serious environmental ramifications.
Dr K.D. Hames: In case I do not get a chance to say anything later, in San Diego, where water is drawn from the aquifer, there have been huge areas of collapses and land subsidence, and they now have to pump water back into the aquifer.

Mr P.D. OMODEI: I thank the member for Mandurah-Dawesville for that comment.

Mr D.A. Templeman: Mandurah-Dawesville?

Mr P.D. OMODEI: The member for Dawesville, former Minister for Water Resources, and a very good one too.

The committee is also saying that, realistically, a proper investigation providing sufficient data is two to three years away. Procedures have not been established to calibrate bores, which is an integral part of a scientific approach to assessment. Multiple models for assessment have been developed, and current literature indicates failed assessment models in the first instance. These recommendations and concerns come from a recognised independent hydrologist.

I know and respect all the people in the Water Corporation. Most of them come from the old Water Authority, of which I was in charge when I was the minister. However, it is almost a Caesar rendering unto Caesar situation, in which consultants who are ex-employees of the Water Corporation are providing the information. A conspiracy theorist would say that they are giving the Water Corporation the information it wants to know. I am concerned that when the issue is referred to the Environmental Protection Authority, the independent information should be there right alongside. There needs to be a peer group that studies and forms a critique of what is happening in the Water Corporation. The Water Corporation in Western Australia wants this water. I know that the people of Western Australia need it, but the Water Corporation is in the business of selling water, and right now it wants this water from the south west Yarragadee because, at 80c to 90c, it considers the price reasonable.

I also have correspondence from a credible geologist who says that for some 40 years there has been extensive detailed modelling accompanying the withdrawal of ground water, particularly in the metropolitan area. It is estimated that up to 25 per cent of the Water Corporation’s own supply bores are not being used because of undesirable impact on vegetation or near-surface water levels. That is happening in the Mirrabooka area in the northern suburbs - probably in the electorate of the member for Balcatta - where I think 40 bores were closed down last year because of lowering of the watertable. That can be the result of a number of things: reduced rainfall, extraction by the Water Corporation or use of water by farmers. Farmers in Carabooda supply $100 million worth of vegetables to the metropolitan area each year. Those farmers do not use any more water than we do. However, the products they produce are consumed by people in metropolitan Perth, who are the real consumers of the water that goes into those products. This correspondence states that authorities still cannot quantify the volume of water that can be sustainably extracted from the aquifer systems. This is the view of a credible geologist. He states that without undertaking appropriate and exhaustive studies, extraction would appear to be reckless and would have potential to do real harm to the environment of the south west. Members would know that I am no rabid greenie, but I am concerned about the potential -

Mr J.C. Kobelke: You really are; you just don’t want to let it show.

Mr P.D. OMODEI: My secret is out! They now all know that I am a rabid greenie! The committee is concerned that a number of internal reports prepared by government agencies that indicate concerns about the proposal have not been placed in the public arena because of the potential negative impact upon the Water Corporation’s objectives. The precautionary principle is that when there are threats of irreversible damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation. The minutes of the sub-committee state -

In the application of the precautionary principle, decisions should be guided by -

(a) careful evaluation to avoid, where practicable, serious or irreversible damage to the environment; and

(b) an assessment of the risk-weighted consequences of various options.

When the Department of Environment receives an application from a farmer, producer or whoever in the Scott River area to sink a bore into the southern Yarragadee aquifer, it is expected to apply the precautionary principle. In most cases those applications take in excess of 12 months to process, and it is now taking more than two years for approval to be given for a one or two gigalitre draw-down on the southern Yarragadee aquifer, which we are told has a huge volume. I know that it is almost a foregone conclusion that the Water Corporation and the government intend to take water from the southern Yarragadee aquifer. It has been factored into all future predictions and all the things that the state government intends to do.
The graphs, which we have all seen, show that in the past eight years rainfall in Western Australia has dropped significantly. The Water Corporation, the Department of Environment and a whole range of bodies have had to change and reassess their modus operandi as a result of their predictions for water use and consumption in Western Australia. They are obviously concerned about climate change. Farmers, businessmen and a whole range of people are changing their practices in line with the predictions of lower rainfall, yet the Water Corporation is approaching this matter with information gathered over only a short period. How do we know what impact the extraction of that water will have on the southern Yarragadee aquifer? I am with those 12 local governments and all those people in the south west, including all the green groups, who are concerned that not enough work has been done and not enough independent information has been provided on taking water from the southern Yarragadee aquifer. My good friend Jörg Imberger rang Liam Bartlett from China or Korea. Jörg is well known in Western Australia. He has been running the Centre for Water Research at the University of Western Australia. He is very keen on taking water from the southern Yarragadee aquifer. He also believes that we should close down all the farms in the south west corner of the state, plant them all with trees and survive on ecotourism. I have great respect for the guy and he is a very good friend, but I am afraid we must disagree on that matter. On the other hand, if we wanted more run-off, we could cut down a few more trees.

That brings me to the next issue, which is catchment thinning. We know a trial program is in operation at the Wungong catchment, where it is estimated that catchment thinning and mosaic burning will provide a six-gigalitre or six-million-tonne yield with very little environmental impact. There would be some scrub bashing and tree removal, but certainly no clear-felling or anything like that. That scientific trial, which is being conducted by the state government, is over-cautious because it will run over a 12-year period. The area will have to be scrub bashed twice in that period. The potential yield from catchment thinning is something like 40 gigalitres over the catchments of the dams in the south west. I have told the story in this place that when I was Minister for Water Resources the local Manjimup dam at Scabby Gully - a great name for a water supply - was leaking like a sieve. The then Water Authority decided that it would fix it. I was very keen on the authority building a dam at a place called Record Brook and leaving the old dam as it was. All the farmers came to see me. They said that I was their local member and I should know that the dam would never fill up. I called in all the engineers from the Water Authority and told them that I was not only the minister, but also the local member, and that if the dam did not fill up in a reasonable time, I would look pretty silly. They guaranteed that if it did not fill up in the first year, it would fill up in the second year. Guess what they did? They thinned the catchment. The dam went from empty to full in the first year.

There is no doubt that catchment thinning will have a significant impact on our water supplies. We need to be aware of that, and that is particularly the case for people in the metropolitan area with their attitude to wetlands. Many wetlands are disappearing under residential development. Migratory birds are moving to other wetlands and destroying them with their faeces, overpopulation and so forth. We need only look at Lake Joondalup and other lakes in the metropolitan area for evidence that the ground water table is dropping. If that is happening in the metropolitan area, it could potentially happen in the south west. Why would we want to repeat the mistakes that have occurred here? On the other hand, if those studies are carried out exhaustively, with an independent hydrological assessment - if necessary we could get hydrology companies from other states or wherever - and if it is proved that water can safely be taken from the southern Yarragadee aquifer, I am sure that those shires would have no great objection.

It would be very easy for me to say anything and let the government have its way, but I do not think I would be honestly representing my people if I did so, bearing in mind that 12 local governments are very concerned about this matter. We have only to consider what is happening in horticultural areas. Horticulturists originally moved from Spearwood to Wanneroo. They are now moving from Wanneroo to Lancelin and Gingin. In those areas of the south west where there are surface water dams, such as my area of Manjimup down to Denmark and certainly on the Scott plain, the potential for food production is great. If we want to be a good Parliament, we must look to the long-term future of this state with regard to food production, unless of course we want our food to be imported from China. If that is to be the case, we might as well plant the whole area with trees. I do not think that our forefathers would have taken too kindly to trees being planted on the land that they cleared during their lifetimes, breaking their backs and bodies. The Shire of Manjimup is an area of 7 000 square kilometres, 10 per cent of which is cleared, 14 per cent of which is alienated and four per cent of which is still bush on private property. It is not as though the place has been raped and pillaged; there is still a lot of forest there.

I mentioned the issue of aquifer storage and recovery. We should examine that area because something like 98 gigalitres of waste water goes out through Woodman Point and various sewerage outlets. Such water in other countries of the world is being used over and over again. There is no reason that such water cannot be recycled in Western Australia. There is something like 1 950 gigalitres of water in the Gnangara mound, of which we use a significant amount. There are plans afoot in the long term to use the Gnangara mound for recycling, but I am very concerned at the moment that we are not leaving our options open and pursuing other issues. Another issue
of course is water banking, and using South Dandalup Dam as a water bank. As of yesterday our dams are 37 per cent full, I think, which is better than they have been for a while. That has come about because of water restrictions. The water restrictions that were put in place in 1978, I think under a Liberal-Country Party government at the time, have reduced water consumption considerably. The graph shows that the same sort of trend is happening now. The trouble is that now our demand has increased at such a great rate, because of population growth, new suburbs and whatever, that we are fast reaching a situation in which we need to take serious action.

The Water Corporation is doing a lot of work but, if I may talk to the motion, I want a parliamentary select committee to be established. It would be a great opportunity for people to give evidence without fear or favour. If they want to give evidence in camera, they can do so and protect their intellectual property. It is a good way to go. The current situation begs the question: will a fair go be given to people who are in the business of cleaning up grey water at the moment who want a licence and are competing with the Water Corporation? A lot of work can also be done with solar water supply. I remember when Hon Nick Griffiths was minister. A fellow had some very exciting new solar lens reverse osmosis technology. He asked me to deliver it in person to the minister because it was so confidential. I handed it to him and the response from the Water Corporation was that it needed to establish a $1 million pilot plant before the government would even look at it. I do not know why the government did not take it on. Although the government could have pursued it, those in opposition do not have the ability to follow these ideas through.

The issue of water supplies and water consumption in Western Australia is probably one of the most important issues facing this government. The Premier has some very good people in his water strategy group and the Water Corporation. A good example of what they are doing is the Esperance desalination plant. I know that a market is required for that water; the government must be able to sell it. It will process 10 gigalitres of water; that is, 10 million tonnes of water that would not have to be taken from the Mundaring Dam for use in Kalgoorlie. In addition, Griffin Coal has a proposal for a 10 gigalitre desalination plant in Collie. I am sure the member for Collie is aware of that. The company is proposing, at some time down the track, to build another coal-fired power station, if the government lets it, and a pulp mill as part of the Blue Water project. They are exciting projects for the people of south west. It is good for decentralisation. We should be encouraging people to move out of the metropolitan area. On my travels to Perth, I cannot believe the hundreds of hectares of bushland that has been knocked down in the last few years. It was certainly central to the debate on the old-growth forest. The people involved in that debate would be squirming on their travels to Perth when they see the wetlands being filled in and hills being knocked over - all in the name of progress - for residential development. Let us repopulate regional Western Australia.

I will go through my motion. The first item is to consider the extent of surface and ground water. Another issue is what should happen with Kimberley water. I am sure every member of Parliament received the glossy pamphlet that refers to towing water via a canal that follows the coast or an internal pipeline from Newman to Wiluna, Leonora to Kalgoorlie and back to Perth, or the alternative route from Fitzroy, connecting to the Officer Basin, then to the pipeline to Kalgoorlie and down to Perth. It will be interesting to see the outcome of that proposal. Reference is made in the glossy pamphlet to huge bags that are used for carting water in other countries. The article refers to the dimensions of a bag containing 0.5 gigalitres being 465 metres long and 110 metres wide. A bag carrying 1.5 gigalitres is 670 metres long and 160 metres wide. If this method were used in Western Australia, the bag would be towed from Fitzroy to Perth. This method is used in Turkey and Greece. The glossy pamphlet that I am holding up refers to the all-American canal that has been in existence for over 100 years. The canal cannot be dismissed as an alternative method of carrying water. I look forward to the outcome of that study, which would certainly fix our problems in very quick time.

A surplus of water in Perth would allow the wetlands and aquifers to recover and would be a great thing; it would certainly be a challenge. Water supply is so important that it should be a bipartisan issue, which is the case with the emergency services legislation. That legislation is being considered by a parliamentary committee, chaired by the member for Joondalup. These issues are fundamentally important to the safety and wellbeing of Western Australians. It would be good to have an all-party committee, which was the case in the Legislative Council. A lot of the information is already available. We could call on it and expand it and provide a good report so that the public of Western Australia would know what is what, rather than finding snippets of information from the Water Corporation, the Water and Rivers Commission or the National Water Initiative.

We should be planning for future water supplies, given climate change predictions. The issue of climate change cannot be understated. It is vitally important. If we model the future use of surface or ground water on the predictions for rainfall over the past 20 years, we will be wrong. We do not know what the average is for the past eight years. Will it go down further or will it stay the same? Obviously, the full impact of eight years of reduced rainfall on the water supplies in the south west and the entire state is not yet known. We should not be
In the end, water falls from the sky. The member for Dawesville would be well aware of the 1914 act, because to the government, given secure title to water and could trade that water, the private sector would develop major resources at no cost available to him to enable a return on his capital investment. If we had a flexible situation in which farmers were project, which is only a small amount when compared with what is spent on some of the larger projects in the past government proposed 50-year rolling pastoral leases. Perhaps water tenure should be provided on the same basis. The government's response to the irrigation task force has been to provide secure, 25-year rolling tenure for water entitlements. I think 25 years is too short. If someone is to spend $2 million or $3 million on a major tree, which is only a small amount when compared with what is spent on some of the larger projects in the past government proposed 50-year rolling pastoral leases. Perhaps water tenure should be provided on the same basis. The government’s response to the irrigation task force has been to provide secure, 25-year rolling tenure for water entitlements. I think 25 years is too short. If someone is to spend $2 million or $3 million on a major project, which is only a small amount when compared with what is spent on some of the larger projects in Kununurra, Dandaragan and down south, he needs to know that, after 25 years, the resource will still be available to him to enable a return on his capital investment. If we had a flexible situation in which farmers were given secure title to water and could trade that water, the private sector would develop major resources at no cost to the government.

In the end, water falls from the sky. The member for Dawesville would be well aware of the 1914 act, because he was the last person to change it. Under that legislation, all water is deemed to belong to the state. If the government assessed water entitlements for consumers based on the area of land they own and then allowed for a percentage of that water to not be consumed to protect the environment, the system would manage itself and would not need bureaucrats to check water usage. A person could be given a water entitlement and would know that 38 per cent of the water that fell on the catchment would be available for the environment. In that way, the system would manage itself. There is a lot of work to be done.
I was prepared, in a bipartisan way, to be a member of the standing committee that dealt with emergency services, because I wanted bipartisanship to be shown in the development of that legislation. I worked cooperatively with the minister. I am not the shadow Minister for Emergency Services, but I have an abiding interest in that area. In this case, I have an affinity with the water sector. Not only was I the responsible minister, but also I spent 12 years as a member of a committee that advised various Ministers for Water Resources. I was part of the farm water grants scheme, which has been a great success. I have not shouted all those things from the rooftops, but I have a strong reason to be part of an inquiry into the water industry. Water is consumed on my property. I have been to Kununurra and Carnarvon and was responsible for putting in bores in Carnarvon. The Harvey Water project was established when I was minister. I have a real interest in this issue. I ask the government to agree to the establishment of a select committee. If that cannot be done in the near future, this issue could be spun out. This is a good opportunity for the Parliament to work in a bipartisan way to resolve some really important issues.

MR J.C. KOBELKE (Balcatta - Minister Assisting the Minister for Water Resources) [5.14 pm]: The government appreciates the opportunity to talk about these important water matters and thanks the opposition for bringing forward this motion to provide that opportunity. The Gallop government has given a real priority to water. That can be seen through its achievements during its first term in office. Now, in our second term, the Premier has taken on responsibility for water resources and I am the Minister Assisting the Minister for Water Resources. The government has a huge agenda to ensure that the maximum level of security is provided to the supply of water in Perth and across the whole of Western Australia.

Notice of this motion to establish a select committee was given back in March this year, so the matter has not been raised as an urgent matter. The member for Warren-Blackwood indicated that he had today met with a representative of the Prime Minister, and perhaps that led him to believe that it was time to bring forward this motion for debate.

Mr P.D. Omodei: The work that was done by the upper house select committee had not been finished.

Mr J.C. KOBELKE: I know and accept that. The government will not support the establishment of a select committee. That is not because there is not an appropriate role for a committee and public consultation, but because the terms of reference contained within the motion are very pervasive and go across a lot of things that the government already has well in train.

Mr P.D. Omodei: Well, amend it.

Mr J.C. KOBELKE: We should not do that on the run. I do not believe that this form of select committee would serve a useful purpose at this time. As members have seen with the irrigation review, the government is taking a clear direction on these issues. Members will hear about further decisions in the future.

Mr P.D. Omodei: Did you see what this bloke had to say about it?

Mr J.C. KOBELKE: We should deal with one thing at a time. I am talking about the overall view of the government. We can then come to particular issues.

The government is driving the whole agenda with a lot of energy, a clear purpose and the establishment of a whole-of-government approach. It may be appropriate for further work to be done when the government’s agenda is rolled out, because the answer to these problems will not be provided in one statement or in one year. It is a massive undertaking. There will be areas in which further research, investigation and consultation will be needed. The government will instigate that in many areas. However, it may be appropriate to refer some matters to a parliamentary committee. At this stage, when the government is taking up most of the things that are mentioned in the motion and is yet to really lay out some of the things that it has worked on for the past six months or so, a select committee would not be the best vehicle to deal with these matters.

The member clearly indicated that he has some experience, expertise and a real interest in water. I accept that. However, the member must acknowledge that although his own party did some great things in government with water, it was really playing catch-up and did not really get there. All the talk about waterproofing the state proved to be illusory. The first signs of climate change occurred during the term of the last Liberal government. Indeed, it started the work on climate change. However, political acknowledgment of the far-reaching consequences of climate change was not shown by that government.

The Gallop government conducted Western Australia’s Water Symposium in 2001–02. We said that we needed to treat this matter seriously. However, senior members of the Liberal Party said that there was no problem with water and that the government was beating up the issue. Those were the accusations made against the Gallop government for saying that it would take this issue seriously and that the population needed to be involved. We sought to get the opposition to work with the government to address this fundamental issue that is crucial to the
quality of life of Western Australians and our economic future. We must make sure that the essential resource of water is managed in the best possible way to provide for its security. Members opposite said a number of times that we were beating up the issue and that it was not a major issue. I am glad that the opposition is now on side and has recognised that it is a major issue.

Mr P.D. Omodei: It was only when your party came to government that it became a crisis.

Mr J.C. Kobelke: That is what I mean by not dealing with the truth. We cannot deal with such a fundamentally important and complex issue if the opposition simply does not want to deal with the facts. In December 2000, when the then Minister for the Environment in the Liberal government, Hon Cheryl Edwardes, was talking about the Neerabup and Lexia ground water treatment plants, she said “the program will end in 2002” with Perth “returned to a level of security it has not enjoyed for about 25 years”. The Gallop government has recognised the fundamental problems with the security of water due to the effect of climate change. To respond to the interjections from the member for Warren-Blackwood, I will give some figures to support the fact that we are facing this particular problem. Rainfall in the Perth catchment since 1997 has been 21 per cent lower than for the period 1911 to 1974; that is, the rainfall has gone down by about one-fifth. However, because of the nature of the environment in our dam catchments, the effect on stream run-off has been far greater than that. The run-off into Perth dams since 1997 is actually 64 per cent lower than it was in the period 1911 to 1974. Therefore, although we have taken the figures from that period as the average and have them as the benchmark, the actual run-off into our hills dams is now not much more than one-third of that benchmark. That must be measured against the fact that we live in a growing state in which the demand for water is anticipated to about double every 15 years. That indicates clearly that we need to reassess how we deal with water and how we can provide greater security of water supply. The provision of greater security of water supply is clearly what the Gallop government has done and is continuing to pursue. We have done a range of things. We have opened up new ground water sources; we have brought in water trading; we have brought in recycling to ensure that a bigger percentage of our waste water is recycled; we are increasing run-off into our dams; we are building a desalination plant to provide a weather-independent source of water; we have initiated a range of programs to produce greater efficiencies in the use of water, such as the rebate scheme; and we have established the Premier’s Water Foundation to provide money for research to ensure we use water more efficiently and can find new technologies and techniques to drive that. The government has, in a very comprehensive and holistic way, sought to deal with this important resource and ensure we have greater security of water supply for the people of Western Australia.

I want to say a bit more about each of these initiatives. The first is new ground water sources. We have put in three major bores through the western suburbs of Perth to produce an extra 15 gigalitres of water a year for our scheme. I will not go through every single thing we have done. However, a range of other initiatives have been undertaken to ensure that we open up new water sources. The key one, of course, is the investigation into the south west Yarragadee.

Mr P.D. Omodei: What about Harvey Dam, which was built by the previous government?

Mr J.C. Kobelke: I will go through all of those. The south west Yarragadee, as has been discussed and as has been reported in the media in the past day or two, is a major potential source of water. It is already being drawn on to a limited extent. There is an opportunity to perhaps draw much more water from that source. There have been many suggestions by experts and so-called experts about how we should do that. The government has sought to ensure that if we draw a large amount of water - the suggestion is 45 gigalitres a year - from the south west Yarragadee, it is done in a way that takes into account the environmental, social and economic consequences. I find it absolutely ludicrous that some people are suggesting that we can just put down bores and pull out and monitor the water, and if we run into problems we can just stop drawing the water. That may be all right if the cost is just $1 million or $2 million. However, we are talking about a scheme to harness water from the south west Yarragadee that is likely to cost about $400 million. No responsible government would commit to spend $400 million on water infrastructure for the bores, the pipe network and the processing plants to deliver that water to where it is needed only to find that the environmental or social consequences were such that we were using only half or one-quarter of that water and were wasting the rest. The opposition was keen to commit to a canal from the Kimberley without any exploratory work at all. I was astounded when people from the International Association of Hydrogeologists came to me after the election, when I had been given the responsibility for this matter, and asked me whether I knew that although this idea of bringing water from the Fitzroy had been committed to by the Liberals, there was no scientific data on what the draw rate on the Fitzroy could be. This is what the hydrogeologists were telling me. I was astounded. We were told in the election campaign that it was no problem; the water is there.

Mr P.D. Omodei: Which hydrogeologists were they?
Mr J.C. KOBELKE: It was the International Association of Hydrogeologists. They came to me, because they were talking about the importance of hydrogeology and the need to put in more resources - which is what the Gallop government is doing - so that we have proper scientific analysis and know what we are committing to.

Mr P.D. Omodei interjected.

Mr J.C. KOBELKE: Is the opposition still committed to the canal?

Mr P.D. Omodei: We are exploring every option.

Mr J.C. KOBELKE: So it has moved away from it! That is very sensible! The opposition has now realised the error of committing to a multibillion dollar scheme when it has no data to back it up.

Ms S.E. Walker: But it got you scared during the campaign!

Mr R.C. Kucera: So it was just a political stunt, was it? Is that what you are saying?

Mr J.C. KOBELKE: The member for Nedlands is suggesting I was scared that we would actually win the election and have a record number of Labor members in the Parliament! If the member for Nedlands thinks that the opportunity to have a record number of Labor members in the Parliament scared me, she has got it very wrong! The fact is that that particular episode really highlighted the lack of recognition by the opposition of the importance of water. The opposition saw it as a political issue. It did not see it as a serious issue on which it needed to get its sums right and make sure that if it was committing money - whether that be $400 million for the south west Yarragadee or $4 billion, $5 billion or $6 billion for a canal or pipeline from the Kimberley to Perth - it would deliver water that we could afford to use and would not create major environmental harm by taking water from one area to another.

Mr P.D. Omodei: The south west Yarragadee information has changed from 400 000 to 800 000 to 1.2 billion, so what are you talking about?

Mr J.C. KOBELKE: Is the member talking about the volume of water?

Mr P.D. Omodei: Yes - gigalitres. It has changed every year for the past three years.

Mr J.C. KOBELKE: The member can grab any figure he likes -

Mr P.D. Omodei: Have you spoken to Tenix?

Mr J.C. KOBELKE: Yes, but not on this issue. The issue we are talking about is doing the science properly, doing the public consultation properly and making sure that the economics of the proposal have been properly assessed so that when we commit to it we will be able to give people security about water supply. We are not worried about pipe dreams. We are not worried about picking an idea here or an idea there and saying, “Let us go with it.” We are talking about proper evaluation and planning to get approvals so that if we commit to a project such as the south west Yarragadee, we will know that it is sustainable for the interests of people in the south west, sustainable for the economics and sustainable for environment. That is very much what we are about with the south west Yarragadee. It is my view, and I think the view of many people, that the south west Yarragadee could have come on earlier. There has been talk for many years about how the south west Yarragadee is a huge resource of high quality water that we could seek to exploit. However, the fact is that when we started the work, we found that we needed to make sure it was done properly. It did take longer than people had anticipated. It is not completed yet. There may still be issues in getting the final approval; or it may not get approval for the amount that is being sought. People are very optimistic that it will, but it still has to go through the proper process. Therefore, by the time it became clear, through a proper process of assessment approval, that the south west Yarragadee was not available, the Water Corporation had already begun working on an alternative, which is the desalination plan that is now being constructed at Kwinana.

That is the way the Water Corporation, as a very professional organisation, works. It knows that ongoing demand is increasing, and it is aware that restrictions are placed on existing resources through a drying climate. As it can take a number of years from commitment stage to delivery of a new water scheme, the Water Corporation usually has two schemes planned at the same time. The corporation started planning on the desalination plant now under construction at Kwinana when a delay occurred in the required processes being undertaken concerning the Yarragadee aquifer. Therefore, the government was able to commit to that desalination plant. Some people say that the government should not develop the desalination plant. The government does not have to develop it. Instead, it could say that it will accept a higher risk of water shortages. Water in some cities around the world is available for only four hours a day. People live that way. If people in those places want water from the tap, they must wait until the water is turned on in their suburb at a certain time of the day. That is the case in much of the Third World. That is acceptable to some people, but it is not acceptable to the Gallop government, which is about providing a security of supply of high-quality potable
water. The government believes it is not appropriate to substantially increase the risk of not being able to maintain that supply. The government did not have to build the desalination plant if it were willing to have a considerably higher risk of water shortages, and if it were prepared to implement total sprinkler bans and to perhaps even rotate the supply of water to different suburbs at certain hours of the day. Many other parts of the world have such a scheme, and this government could have done the same. However, that is not the way the Gallop government wants to, or will, provide water.

An Economic Regulation Authority report on this matter suggested that the government should not build the desalination plant for economic reasons; that is, by not building the plant, water would be cheaper, which would be good for industry. Nevertheless, the report properly recognised that adopting that suggestion would substantially increase the risk of water shortages. The government must make that judgment. It clearly made the political judgment that a bit more will be paid for water to achieve a security of supply to a modern, dynamic city like Perth and to the people across the south west of the state and out to Kalgoorlie. People need and expect that quality and security of water supply. If anyone wants to put the contrary argument, I am happy to argue the government’s view. Clearly, this government will seek to ensure a security of water supply that is economically sustainable. Therefore, the government committed to the desalination plant, which is needed at this time. It is important for the future. If it is found that with climate change we have even greater problems than those foreseen, the state will have a water source that is climate independent. That will also enhance the security of our water supply.

The entire south west Yarragadee proposal has been a major undertaking; the scientific investigations have cost in the order of $12 million. Studies undertaken include a hydrological study of the Blackwood River and its tributaries, a study of vegetation and flora, a study of vegetation susceptibility, a study of conceptual regional hydrology, a social impact assessment, an economic impact assessment, a study into the hydro-chemistry of the south Perth basin, a study of the hydrology of the Lake Quitjup area, and a study of the hydrology of Lake Jasper. It can be seen that a thorough analysis has been undertaken in preparing the report to go to the Environmental Protection Authority for approval to draw down 45 gigalitres a year from the Yarragadee aquifer. An economic evaluation considered the economic benefits to be derived from the use of that water for the state in terms of what an extension of the integrated water scheme could deliver to different parts of the south west. Social and economic evaluations have been undertaken to ensure that people understand the environmental, social and economic effects of this scheme throughout the south west.

In summary, the south west Yarragadee has been confirmed as a major resource. The assessment of the water quality in the aquifer has been upgraded, and the annual recharge is estimated to be some 374 gigalitres a year. Therefore, we now have a much better picture of this very important aquifer, its replenishment rate and the consequences of drawing water from it. Of course, drawing water from such a large aquifer is not necessarily as simple as considering only one draw point. Different draw points have different consequences. The complexity of the science of the aquifer and how it might be tapped has been properly studied so that an appropriate decision can be made about the water to be drawn from it.

I move now to water trading. The Deputy Leader of the Opposition indicated that water is already traded at Harvey. The government is looking to continue that program. The cost, if we go to the extent of what is currently envisaged, could be in the order of $130 million for this program, which will extend into 2007 and even maybe 2008. The scheme involves a more efficient use of irrigation water, which generally means piping water, rather than using open channels or flood irrigation. Capital is provided so that local operators can use the water more efficiently, which is an advantage for the local producers, not only because they use less water, but also because, as a result of modern principles of horticulture and agriculture, they can ensure that they do not waste fertiliser and will get the best out of their operations. Advantages accrue to agriculturists under the water trading program. It also means people can be paid for their extra water, which they can sell on. That program has started, but we will seek approvals for a larger program, and will seek to work with the cooperatives to ensure that the water is directed to the highest value usage.

The Deputy Leader of the Opposition referred to the catchment in his electorate in Manjimup. Issues have arisen in that area, as the member well knows, related to the drying climate. The next issue is the priority given to upgrading the reservoir and the sources to ensure that greater security is given to that water supply.

Mr P.D. Omodei: Can you explain why the farmers’ dams are full and only the government’s dam is empty?

Mr J.C. KOBELKE: It may be that the farmers’ dams are a lot smaller.

I have some figures in this regard as of only last week. Manjimup has had stage 4 restrictions, which allow watering on only two allocated days each week, since 19 October 2002. The combined dam storage at Manjimup is 68 per cent of capacity, which is 14 per cent above the storage level on the same day last year. Greenbushes and Balingup have had stage 4 water restrictions in place since 8 November 2004. Their scheme
sits at 91 per cent of capacity, which is 28 per cent above the storage level at the same time last year. Bridgetown, Hester and Boyup Brook had their water restrictions increased at 11 February 2005 from stage 4, which commenced on 8 November 2004, to stage 5, which means that people are allowed to water on only one allocated day each week. The figures up to last week indicate that 60 millimetres of rain fell in Bridgetown during the week, and that the integrated dams of Millstream, Hester and Boyup Brook that supply those towns increased storage by 16 megalitres to 617 megalitres, which is 87 per cent of capacity, and the storage level is 18 per cent higher than was the case at the same time last year.

We now know that things have improved following improved rainfall. As is normal practice, the status of restrictions in the south west towns will be reviewed at the end of winter to see whether they need to be changed as we move into summer. The member and most people in the area are asking what the government is doing in the interim to improve supply, given the difficulties of the past few years. The Water Corporation recently completed its planning for the future development of water supplies in the lower south west. It proposes to expand the Bridgetown regional water supply scheme by interconnecting the towns of Bridgetown, Hester, Boyup Brook, Greenbushes, Balinup, Mullalyup and Kirup. This $70 million project will address the long-term needs of the towns, the reliability of the current sources in the drier climate being experienced, and the need to upgrade water treatment to meet current water quality guidelines.

The Water Corporation is also seeking to achieve considerable efficiencies for future maintenance and operations by rationalising the existing assets. The two water source options are being pursued in parallel. We do not want to embark on one option, only to learn that it cannot be proved or that it takes longer to prove; therefore, the two projects are being worked on jointly and a decision will be made on one or the other. A new dam at Gregory Brook is one proposal. It has the potential to provide 67 gigalitres. The other proposal is to use ground water from the south west Yarragadee aquifer near Nannup. Completion of the project to prove that is likely to take between three and five years. Clearly, the local people would like that process to happen more quickly. However, we must provide security of supply from those sources and guarantee that it can be done in a sustainable way.

Mr P.D. Omodei: I thought the Gallop Labor government was miles ahead with these things. The south west corner has the highest rainfall in the south west land division and yet its people are short of water - and the minister says that his government is doing a good job.

Mr J.C. KOBELKE: The member for Warren-Blackwood’s comments reveal his ignorance of the facts, even though he had responsibility for this area when he was a minister. Either that, or he just wants to play cheap politics. The fact is that the Liberal government knew about the drying climate. It put money into the Indian Ocean climate study. It sat on the issue and did next to nothing about it. This year, under this government, the Water Corporation has a record capital expenditure budget of over $700 million. We allocated more money in previous years and we have re-jigged the priorities to deal with the issue. The member for Warren-Blackwood simply thinks that all that should have been done yesterday, even though his government did next to nothing. That shows how seriously the Liberal Party is about discussing the importance of water.

Recycling is another area in which the Gallop Labor government has done well and moved ahead. The Kwinana Water Reclamation Plant was committed to and built by the Gallop government, and it is now operating. It has the capacity to produce six gigalitres of water a year, water that currently goes into the ocean via the Sepia Depression. As the member for Warren-Blackwood quite rightly pointed out, a large volume of treated waste water is currently discharged into the ocean. The ability to reuse that water is evident; it is a matter of putting the proper schemes in place. Places such as Singapore recycle waste water and use it for drinking water. However, I do not think that the people of Perth are ready for that. In addition, there is no need to recycle waste water into potable water that can be distributed to homes via the normal system. As has been demonstrated by the Kwinana Water Reclamation Plant, the needs of industry can be met by purifying water that would otherwise flow into the ocean. We are also looking at the potential -

Dr K.D. Hames: I seem to recall giving approval for the construction of that when I was the minister. You claim credit for it, but I am sure that I gave that approval.

Mr J.C. KOBELKE: No, the member did not.

Dr K.D. Hames: I will check that.

Mr J.C. KOBELKE: The member for Dawesville might have thought that the project was worth considering. However, a government cannot commit to such a project without first securing the money. The member for Warren-Blackwood attacked the government and said that it had not spent any money. In fact, money has been spent on the Kwinana Water Reclamation Plant. The money was committed, the plant was built and it is now operational.
Dr K.D. Hames: What month and year was it opened?

Dr J.M. Edwards: It was opened last year.

Mr J.C. KOBELKE: I am talking about a major plant involving six gigalitres of water a year. The member for Dawesville might have considered a trial.

Dr K.D. Hames: It was a major plant in Kwinana that would feed treated water into the Kwinana industrial area, some of which was of a high-grade quality.

Mr J.C. KOBELKE: The member may be thinking of the sewage treatment plant. The Liberal government spent a lot of money to expand that plant and to meet the increased demand as a result of the urban growth throughout the southern corridor. The plant did not purify waste water to the extent that it could be used; rather, it was fed into the Sepia Depression. What the Liberal government did enhanced the volume of the existing sewage treatment plant using slightly improved technology to put it into the line that went into the Sepia Depression. That major commitment was made by the last Liberal government. We have major problems with that because urban encroachment means that the process still produces too strong an odour. The Water Corporation is now considering the need to improve the process to reduce the odour, which offends people who live in that suburban neighbourhood. We are addressing that problem.

We are also experiencing major issues with waste water, in the same way that the Liberal government experienced issues with waste water, because of the urban expansion in the southern and northern corridors, particularly as a result of Western Australia’s economic growth. In this year’s budget, we have committed to start work on new sewerage plants in East Rockingham and Eglinton, which is in the northern suburbs. If those plants are not committed to soon, and if construction does not commence within a reasonable period - I am not talking about a month or two; it will be longer than that - there will be issues that will constrain that urban development. That is part of the reason that the government has committed, this year alone, in excess of $700 million in the capital expenditure budget of the Water Corporation.

Another recycling initiative that is under serious consideration is the large-scale reuse of water in the Gnangara mound. Clearly, both the Beenup and the yet-to-be-built Eglinton plant are close to market garden areas in Carabooda and the Gnangara area, which leaves open the possibility of bringing waste water across into those areas rather than simply discharging it into the ocean. Public consultation in the area has already taken place. The member for Wanneroo has been actively engaged in this issue because it affects her electorate. She is keen for the government to proceed with the project. However, we will not commit tens of millions of dollars to the required piping, injection and other uses until we are sure that we have the support of the local people and we know that it will stack up with the environmental and economic considerations.

Mr P.D. Omodei: How far down are the bores now - past 10 metres?

Mr J.C. KOBELKE: The member states that the watertable has dropped and that the government has done nothing about it. If he had read the study that was released a couple of weeks ago, he would know that there has been up to a six-metre drop in the ground water in the Gnangara mound due to climate change. The member might think that I am God, but I cannot fix that problem.

Mr P.D. Omodei interjected.

Mr J.C. KOBELKE: The member for Warren-Blackwood rants and raves without having read that thorough scientific report. The government has hugely increased efforts to undertake the scientific work that is required to better understand our important water sources. The last Liberal government took away those scientific resources. During the first term of the Gallop government, the Minister for the Environment and Heritage secured the extra money to re-establish the expertise required for us to better study those important sources. The Gnangara mound is an incredibly important source. It produces over half of the water used in metropolitan Perth.

Mr P.D. Omodei: You just said that you put down three new bores in the Yarragadee to get another 15 gigalitres.

Mr J.C. KOBELKE: The three bores are in the western suburbs of Perth; namely, Carine -

Mr P.D. Omodei: They're in the Yarragadee -
Mr J.C. KOBELKE: There is a complex set of aquifers over the Gnangara mound - the unconfined aquifer, the Leederville aquifer and the Yarragadee aquifer. This study has given us a much better understanding of their relationship. In his ignorance, the member for Warren-Blackwood does not understand - because he has not read the report - that the drying climate has been the major cause of the lowering of the watertable. The second most important factor affecting the watertable is land usage. The third factor is the draw down. The draw-down factor is of less significance than the other factors. We already had some knowledge of that, but we have much more knowledge now. Our knowledge has come from careful monitoring of which aquifer is being drawn from at what time of the year. I can remember back some years ago - I think it was in 1993, during the time of a Labor government - when the bores had a disastrous environmental impact in the area around Whiteman Park. There was a bore field there; it is still there today. One dry summer a very large amount of water was taken from those bores. The watertable dropped and the banksias located several kilometres around the area died. Clearly, that bore field was not properly managed. A lesson was learnt from that, and now there is much closer management. This study has clearly shown that the drawing of water from the mound has not resulted in any major catastrophe or had any significant effect on the plant life above the Gnangara mound.

Mr P.D. Omodei: Why did you close down the bores then?

Mr J.C. KOBELKE: Closing bores can be the result of a pollution factor, or because the bores are now being properly monitored. If the drawing is lowering the watertable, it is stopped. It is now monitored properly, and if we are drawing from the unconfined aquifer and that drawing is producing a lowering of the watertable to the extent that there are concerns for the environment, the drawing is stopped. It may be restarted at a later stage, such as after rain or at the end of winter. The location from which the water is drawn can be changed. There is much more sophisticated management now to ensure that there is no impact on the environment. That study clearly indicated that there has been an environmental change, driven by the changing climate. The drier climate has been responsible. The ecology has been able to adapt to that change in quite a remarkable way. The Minister for the Environment might be able to talk a bit more about that, because she knows more about it than I do. We are very conscious of balancing the need for production of high-quality water with the needs of the environment for that water. The Gallop government is clearly meeting the challenges in ensuring that new water sources are opened up and that the water sources we currently have are managed to the best of our ability.

The next matter we have initiated is the Wungong Dam project, in which we have looked at thinning the forest to improve run-off. I have heard one or two members opposite say that we should just chop down the trees and then we would get more water, but that is clearly nonsense. I was taken on a trip a month or two ago around the back of Mundaring Weir to inspect the damage from the major fire last summer. We stopped in an area where the foresters explained to me how the forest had regenerated. I was not aware until then that in 1905, only a few years after the dam was opened, there was concern because the run-off into the Mundaring Weir was less than anticipated for the goldfields water supply. The forest was clear-felled for a certain distance around the dam. People visiting the area around the dam now are actually looking at a jarrah forest that is 100 years old. However, over the past few decades the forest has been thinned in some places to determine the effects. I am not a trained forester, and I do not have scientific expertise, but I enjoy bushwalking. I was astounded at the stark difference between the areas where selective thinning had taken place and the areas that had not been thinned. The areas that had not been thinned were full of coppices. They contained 100-year-old jarrah trees with trunks barely 15 centimetres in diameter. In the areas that had been thinned there were jarrah trees of the same age, but with trunks 50 to 60 centimetres in diameter; beautiful large trees with an understorey of balga bushes with a bit of banksia. It was what my untrained eye would have considered a fairly mature jarrah forest. That had been accomplished by a thinning program over several decades. In the area where there had been no thinning, I found it unbelievable that there were 100-year-old jarrah trees with trunk diameters of 15 to 20 centimetres.

The issue is that it is not as simple as felling the trees, and we recognise that in what we are doing with the Wungong Dam. From small experiments that have taken place over decades, it is clear that thinning will lead to greater run-off. However, when clear-felling was done in 1905 around the edge of the Mundaring Weir, the salinity of the dam increased quite markedly within one or two seasons. There was also a much larger problem with silting; that is, with eroded soil being washed into the dam. It was clearly recognised that bulk clearing around the dam is not a sustainable way of increasing water production. It is known from other experiments that thinning can improve the run-off. The thinning that is being done in the Wungong catchment is not the first experiment, but it is the first large-scale properly scientifically monitored project. It will ensure the protection of the environment and, hopefully, improved run-off into the Wungong Dam. This project will last approximately 12 years, and $20 million has been committed to it. It is consistent with the forest management plan for 2004 to 2013.

In September this year the Environmental Protection Authority released its advice on the Wungong project in bulletin 1196. That allowed the project to proceed subject to the authority’s recommendations, with which the
Mr J.C. KOBELKE
Dr K.D. Hames
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The last area of this diverse approach to using water effectively and efficiently and giving security of water
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The Gallop government took a huge step during its first term of government to ensure that it promoted water
efficiency. We put in place a rebate scheme, which has cost in the order of $20 million. It is saving five gigalitres a year, so it has been a very worthwhile expenditure of money. A number of the products that
currently receive the rebate have different levels of efficiency for the dollars spent for the amount of water saved,
but there is a large overall effect of the water rebate in that it causes everyone to be much more conscious of the
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importance of using water wisely.

The last area of this diverse approach to using water effectively and efficiently and giving security of water
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and investigate innovative new ways of conserving water and maximising reuse of waste water.

Dr K.D. Hames: It sounds like the Office of Water Regulation that we had.

Mr J.C. KOBELKE: We are making it happen.
Dr K.D. Hames: We gave an award each year for people involved in research in the water industry.

Mr J.C. Kobelke: We are not saying that all this is brand new. What is new is that the government has committed to putting it together as a totally integrated program. Not only are we looking at the change in the structure of government, which the Premier has already initiated and taken the lead on, but also, once we have determined that structure of government, policies and programs, we will come into the house with legislative changes to try to fix it. An attempt was made back in the early 1990s, one that I think was started in the 1980s, to put in place a unified piece of legislation for water in this state. I served on the committee. The whole process was sabotaged by Richard Lewis over a key issue of principle. He put to us the Liberal Party view, which was that private ownership of water was paramount. Our position was that water must serve the public good. The issue of public ownership is important, because if there is no security, people will not invest. The bottom line was the primacy of water use for public good. That was the underlying principle, but because of technical issues with the bill, the Lawrence government did not proceed with it. It knew it could not get it through the Parliament, as Richard Lewis clearly said that the Liberal Party opposed it. My involvement with water legislation dates from that 1992 committee.

What we then saw under the last Liberal government was a move to corporatise and create competition in water. I say that quite honestly in a neutral way. Although I do not personally agree with all of that policy, if we had been in government we may have done something similar, because that is what was happening from 1993 onwards. All around Australia and the western world people were looking to get efficiencies and to make sure that everything was as competitive as possible. It was a question of making sure that markets had a role to play in creating those efficiencies. The Court government made a range of legislative changes, for which this was quite a fundamental basis. However, the legacy we wear from that is that our water legislation is even more confused because those changes were not done in a way to aggregate the legislation or simplify it to get efficiency. The Court government approached it merely to create efficiency in corporatisation. We must now go back to see how we can get that legislation into a simpler form and build on what we are doing with the policy and structure of government.

Mr P.D. Omodei: How long has it taken you?

Mr J.C. Kobelke: The coalition had eight years. What I have sought to do is touch on the breadth of the programs that the Gallop government has embarked upon to provide a more secure water source for the people of Western Australia, and particularly for the south west interconnected scheme, which extends to Kalgoorlie and serves many towns on the way to Kalgoorlie. The drying climate has posed a real challenge to us. It has meant that we have engaged the community. This started off with consultation with the community in our first term of government. We then looked to implement those policies. Now in our second term, with the Premier taking the leadership, we will complete that program of ensuring that we have water policies, programs and water supply utilities working in the best possible way to guarantee the security of supply of such a valuable resource.

The challenge is huge. As I have indicated, when one looks at what is happening elsewhere, we are seen as doing many things ahead of the game. The member raised the issue of the National Water Initiative. This has a lot in common with what we are doing; in fact, we are copying some of the outcomes from it because they are simply good practice. The issue is that we will not sign up to a federal government program when there are no guaranteed benefits to us but there is the potential for costs and liabilities by being dictated to by Canberra. We have experienced so many instances in which, once we sign up, we do not get what was promised and we end up having to wear the pain of a whole lot of dictates from Canberra. The Premier will clearly look after the interests of this state. Although the other side might see a quick fix in just signing up to the National Water Initiative, and even though it attacks us for doing a lot of things and is not happy with some of the charging under the initiative, we would rather make sure that we progress along a very similar road to that of the National Water Initiative. We want to look at issues to make sure that we respect and recognise the value of our water in the way that we use it, sell it and treat it, that there is a transparency through the whole process and that water trading is effective and available for use. Water trading is an example. The eastern states have major river systems, so trading of water simply means letting water go down a river so that someone can use it. That is not the case in most of Western Australia. Most of Western Australia’s important water sources are ground water sources. Water trading is therefore much more localised. There is the potential for water trading but it will not be the same as that in the Murray-Darling system, where there is a totally different set-up. As a result of the way in which funding is set up for the National Water Initiative, we could end up missing out altogether. We could be committed to something that ties us down and does things that are not good for Western Australia, with no clear guarantee that we will get the benefits of the money that might be available. We will not be sold a pig in a poke.

Mr P.D. Omodei: Why is it that the others parties want to support it but the government does not?
Mr J.C. KOBELKE: We are looking after the interests of all Western Australians. Members opposite have not shown any ability to stand up for Western Australia. When Richard Court was on this side of the house and he took on Canberra, we as the Labor opposition said that we were behind him. We saw the interests of Western Australia ahead of everything else.

Dr K.D. Hames: I do not remember you saying that.

Mr J.C. KOBELKE: We certainly did say it. When Richard Court took on the federal government in the interests of Western Australia, we said that we were behind him. However, when we hear about the Premier or the Treasurer in this government taking a fight to Canberra on behalf of Western Australia, we find members opposite kowtowing and being lap-dogs to the federal Liberal government. It is absolutely shameful. The people of Western Australia will not elect the opposition to government until it starts to stand up for Western Australia. The opposition has shown no sign of it in four and a half years. That is something the opposition should take account of. This side of the house knew the realities of being in opposition: a party will not be elected to government if it will not stand up for Western Australia. The other side of this house has given no indication whatsoever that it will stand up for Western Australia. The opposition can have its cheap political shots on the National Water Initiative. It can say that the government should join up and get the money that is being promised by the federal government. However, we know the realities. The realities are that the schemes do not necessarily serve the interests of Western Australia. When this government is convinced that the interests of Western Australia will be served by signing, that is the decision it will take. It will be based on what is good for Western Australia, in accordance with the very clear agenda of the Gallop government. The agenda will make sure that we give the best possible level of security to the people of Western Australia for the supply of water in a way that is environmentally and economically sustainable. Our program is recognised across Australia and internationally as being the leader. The government is in front and will stay in front; it will not be dragged back by a Howard government that shows very little interest in Western Australia. The idea of a parliamentary committee at another time with better terms of reference is certainly something that we will consider. These terms of reference are simply a rehash of a range of actions that the Gallop government has well in train and is progressing to look after the water supply of the people of Western Australia. The government does not support, at this stage, the establishment of a select committee. Members opposite are not even interested in learning what this government is doing. They do not know what is happening and they do not want to learn about it. The whole idea of a committee is that it be informed by the evidence and that it make rational judgments on the basis of it. Members opposite are not interested in being informed. They do not understand the facts and are not interested in being rational. We do not support the establishment of a select committee in this form.

MR D.T. REDMAN (Stirling) [6.11 pm]: I take this opportunity to give a perspective from the National Party. We support the motion put forward by the member for Warren-Blackwood. Both sides of the house have acknowledged the value of water to the state. We all know that it is a precious commodity and something that we need to protect. It is a basic necessity to ensure that we have continuity of supply. We live in a very dry part of the world. The member for Warren-Blackwood mentioned that, even in his area, which has a very high rainfall, there are water shortage concerns. Similarly in my electorate, especially around Albany, there are significant concerns about water supplies in the future. That is an area of quite high rainfall as well.

I acknowledge that members from both sides have referred to changing seasonal conditions and the impact that is having on the government’s decisions about water supplies throughout the state. I attended a briefing not long ago that was given by the Water Corporation. The figures supplied were those that the Leader of the House acknowledged, and showed the change in inflow to dams. There is no doubt that there have been some significant changes in that area. That highlights the fact that we need to do something to ensure water supplies to the people of this state. To give an idea of water usage, the Water Corporation supplied more than 338 gigalitres of drinking water in 2004. One gigalitre is equivalent to one million tonnes. That is a significant amount of water. To provide for the growth and security of public water supplies in the interconnected scheme, an additional 160 gigalitres per annum will be required by 2024. The state has a huge need for water. Clearly, we need to address this issue. The expected increase needs to be addressed not only in the short term, but also in the long term. The motion before the house raises a number of points. They are discussion points that need to be addressed on a bipartisan basis. The motion has merit and it is an appropriate task for a select committee, notwithstanding that a lot of good work is being done by government departments. The Leader of the House has acknowledged a lot of that work, particularly from the Water Corporation. From the contact I had at the briefing with representatives from the Water Corporation, I certainly have confidence in their abilities.

I will pick off three key issues that have been of concern for the National Party. A number of other points were made today, but I will not go over them. The first key issue concerns the desalination plant. The Kwinana seawater desalination plant is not a sound water solution for Western Australia. The estimated cost has risen
from $346 million to $387 million. That figure does not include ongoing running and maintenance costs each year. Those are significant costs. I have difficulty in seeing the plant as an efficient way of delivering water to the state. The plant will supply only 45 gigalitres of water each year, which, as I understand it, represents approximately two per cent of Western Australia’s total water use. The briefing I attended referred to the desalination plant providing an additional 17 per cent of current water supplies.

Mr J.C. Kobelke: That is correct.

Mr D.T. Redman: Nevertheless, the plant will still supply only two per cent of the state’s annual water usage.

Mr J.C. Kobelke: One type of water shortage is potable water through the reticulated scheme and the other is very different. The clear shortage is in the integrated water scheme. That is where the 45 gigalitres represents 17 per cent.

Mr D.T. Redman: I accept that. Like the member for Warren-Blackwood, I am not a rabid greenie. However, I did put forward a motion last week on biofuels. That industry has some environmental spin-offs. The desalination plant will generate 100,000 tonnes of greenhouse gas emissions and 65 million tonnes of hypersaline discharge, which will be dumped into Cockburn Sound every year. That has to be a threat to that fragile environment. However, that is not to say that desalination does not have its place; it is part of the National Party’s Bush Change policy. Members will be aware that the National Party is pushing its Bush Change policy to get resources into the regions to promote development and population growth. The National Party favours a number of smaller desalination plants in regional areas to assist with water supply to those communities. Merredin is a good example. Not only can desalination plants in regional areas assist with supplying a potable water source to those communities, but also they have a very positive effect in reducing salinity. A number of those towns in regional areas are facing serious risks with the rising water table. It is certainly a win-win situation if we are able to address those two issues. There have been a number of trials in various rural towns under the rural towns program. Ground water has been pumped and there have been small-scale desalination trials. They have been quite positive. In addition, there have been investigations into constructing a seawater desalination plant in Esperance. Piping fresh water to Kalgoorlie-Boulder has also been looked at over several years. I also urge the government to seriously consider that as a way of supplying water to the goldfields. Currently, potable water for Kalgoorlie-Boulder and nearby shires is piped 600 kilometres from the Mundaring Weir in Perth through the goldfields and the agricultural water supply system. The Shires of Menzies, Laverton and Leonora are supplied by a combination of surface catchment dams and bore fields. Esperance receives its water from an underground aquifer, and Ravensthorpe sources its supplies from nearby dams. Most shires in that region face major problems with the supply of fresh water due to the high salinity of the ground water. The cost of transporting water from Perth to Kalgoorlie and the limited supply of water sources in Perth make this a serious issue. The water from the Mundaring Weir has to be supplemented from ground water supplies. I see that as another serious issue.

The second issue is how we deal with waste water. As was mentioned earlier today, approximately 98 gigalitres of waste water is disposed of in the ocean each year. That is a significant amount of water. Something must be done to address that loss. Treated waste water has the potential to deliver twice the amount of water that will be produced by the environmentally harmful Kwinana seawater desalination plant. As such, it is a much better option. Why does the government not encourage the capture of waste water for industry, agriculture and other community amenities? Approximately 1.5 million people live in the metropolitan area and produce something like 320 megalitres of waste water from domestic, commercial and industrial sources each day of the year. That volume of water is equivalent to 160 Olympic-sized swimming pools; a significant amount. The waste water is treated before it is returned to the environment, through infiltration, back into the ground. The waste water is reused by industry and for the irrigation of land used for recreational purposes.

An issue raised by the Minister Assisting the Minister for Water Resources was also raised in the briefing I attended; that is, injecting water back into the Gnangara mound. It is a positive move; however, the lag time from when the waste water is injected to when it reaches the point at which it can be used is significant. It is certainly not a quick fix, but is probably a long-term strategy. The state water strategy sets a target for reuse of treated water at 20 per cent by 2012. It is directed at developing industrial use of recycled water and irrigation of parks and golf courses. That is a good move. Waste water reuse in regional Western Australia is already about 40 per cent, and the metropolitan area, with just three per cent waste water reuse, has a long way to go to catch up. I make the point that there is a significant difference in waste water reuse between regional areas and the metropolitan area. It is an issue that needs to be addressed. Obviously there is the potential to turn it around.
Mr R.C. Kucera: How do they handle the nutrient?

Mr D.T. REDMAN: It goes into the trees; in other words, they are growing trees and using the water to both fertilise and water those trees.

Mr R.C. Kucera: Almost like a massive hydroponics set up.

Mr D.T. REDMAN: The early thinking was that they would grow the trees and use them in the timber industry. However, they do not produce the same sort of product. They are very pithy because they grow quickly and do not have a lot of bulk in them. The utilisation of that waste water is significant.

Mr R.C. Kucera: Is there an end use for the trees?

Mr D.T. REDMAN: I am not sure. They harvest those trees. They probably go into woodchips, but they do not produce the same yield as a normal wood lot.

Mr R.C. Kucera: Is that at Albany?

Mr D.T. REDMAN: Yes.

The third issue is the Yarragadee aquifer. I will use a small-scale example of the complex issue this raises for the state. I have a situation in my electorate, where tree lots are being planted and irrigated by waste water. The same thing occurred in Albany. The state’s first wood lot scheme was established in Albany. Eucalypts were planted on 575 hectares and are irrigated by four million litres of treated waste water per day. It is a tremendous outcome. The original intent was to grow those trees and then harvest them. However, they grew very quickly and there was concern about the quality of that product. Nevertheless, it was a way to use the waste water in those areas.

A number of initiatives have taken place in the regions and one of those is currently occurring in Walpole, which is in my electorate, where tree lots are being planted and irrigated by waste water. The same thing occurred in Albany. The state’s first wood lot scheme was established in Albany. Eucalypts were planted on 575 hectares and are irrigated by four million litres of treated waste water per day. It is a tremendous outcome. The original intent was to grow those trees and then harvest them. However, they grew very quickly and there was concern about the quality of that product. Nevertheless, it was a way to use the waste water in those areas.

The use of treated waste water has been tested successfully and implemented interstate and overseas, especially in California where significant volumes of water are reused for agricultural and landscape irrigation, ground water recharge and industrial reuse. It is estimated that about 50 gigalitres of water is used each year for irrigation and public recreational facilities in Perth. Many communities across WA already use retreated water to irrigate public recreational facilities and open spaces. More than 50 towns in regional WA are treating waste water to irrigate recreational facilities by taking secondary or tertiary treated waste water, disinfecting it and distributing it back onto parks and playing fields. A number of the communities in my electorate have taken on that initiative. In smaller towns, particularly where there is a significant water shortage, it is a great step forward to green up the community and to support recreational pursuits, which are so good for community spirit. We need to maximise the opportunities for local government to address the waste water issue.

A number of initiatives have taken place in the regions and one of those is currently occurring in Walpole, which is in my electorate, where tree lots are being planted and irrigated by waste water. The same thing occurred in Albany. The state’s first wood lot scheme was established in Albany. Eucalypts were planted on 575 hectares and are irrigated by four million litres of treated waste water per day. It is a tremendous outcome. The original intent was to grow those trees and then harvest them. However, they grew very quickly and there was concern about the quality of that product. Nevertheless, it was a way to use the waste water in those areas.

The Water Corporation is quite rightly looking at future plans and it has to consider all options. One of the problems is the social implications that arise from these decisions. I will not say it is not a choice that should be exercised, but it makes the situation complex. It is not dissimilar to the circumstance in which people living in the south west on top of the Yarragadee aquifer are facing a possible demand for that water from the city. I can appreciate a bit of parochialism in these circumstances. We understand the need for a consistent and reliable water supply for our community. However, we must appreciate the issues that raises. I do not support using the Yarragadee as a water source for Perth. There are potential future needs in the south west; for example, agriculture, horticulture and domestic needs. It is a growth area. We need to be very careful about projecting the local needs in these areas, both agriculturally and domestically, before we make those decisions. We must also consider the environmental issues involved in taking water out of that aquifer. I have an appreciation of some of the issues of supplying water from the Yarragadee aquifer to the Perth community.

The Gnangara mound has been a source of water in Perth for some time and there are issues with the state of that supply. The Minister Assisting the Minister for Water Resources mentioned today that one of the main issues with the water levels is the long-term environmental impact. That change has had a significant effect on the water level. I had a personal link to it. My wife was left a house in Gnangara that was right on top of the mound. It was a reasonably big block of land that we wanted to subdivide. However, it was sitting on a water recharge area, and it could not be subdivided. Although my family missed out at an economic benefit, I understand the need to protect those water sources.
In summary, the three issues that are significant to the National Party are, firstly, the concerns involved with decision is made.

an aquifer that no-one has used, just because it has a volume of water in it. I guess that is an issue. There is no

users. This aquifer must be managed very carefully. The minister should not consider moving from bore to bore

the third highest level of impact on the aquifer was the amount of water taken by the commercial and domestic

particulars when there will be significant local commercial and domestic demands on that water. It is important

that careful studies of those needs be undertaken before it is decided to suck out a lot of water from that aquifer

and pump it elsewhere.

In summary, the three issues that are significant to the National Party are, firstly, the concerns involved with using desalination as a water source for the community; secondly, the need to address the issue of how to deal with and manage waste water - a lot goes down the sink and a lot can be reused, albeit for commercial reasons; and, thirdly, the overwhelming environmental concern about using the Yarragadee as a source of water, particularly when there will be significant local commercial and domestic demands on that water. It is important that careful studies of those needs be undertaken before it is decided to suck out a lot of water from that aquifer and pump it elsewhere.

I thank you, Mr Acting Speaker (Mr A.P. O’Gorman), for giving me the opportunity to speak to this motion. In summary, we support the motion and hope that the government supports it also, but I do not think it will.

DR G.G. JACOBS (Roe) [6.29 pm]: I thank the member for Warren-Blackwood for moving this motion, which calls for the appointment of a select committee to inquire into Western Australia’s water resources. I will support this motion because I believe there is a need for overview and for some vision. I will not go through the long list of terms of reference in this motion. However, I will address two of them, because I believe they are particularly relevant to the issue and the proposal and are intimately affecting my region. The first term of reference to which I refer is paragraph (c), which states -

the government’s role in planning for increased water demand;
The second term of reference on which I will comment is paragraph (l), which states -

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

I recently had some experience of and gained knowledge about a potentially exciting project that, with vision and overview, could benefit not only my home town and my region of Kalgoorlie, but also Western Australia and Perth, with their increasing water demands. When the Minister Assisting the Minister for Water Resources addressed the house, he was very strong on not having an idea here and an idea there, a bit here and a bit there, or doing things off the cuff. He talked about an overview and a plan to look after all Western Australians. The reason I support this motion is that it provides some of the overview and an opportunity to look at the bigger picture and the vision. It is the overview that is in the sentiment of a proposal that I will share with the house; that is, the United Utilities Australia Pty Ltd proposal to supply water to Esperance and the goldfields.

United Utilities is a world-renowned utility. It is a subsidiary of Thames Water Utilities Ltd. Its proposed scheme is a desalination plant in Esperance that would draw water from the Bay of Isles via a 200-metre inlet pipe and desalinate it using a reverse-osmosis process producing up to 100 megalitres a day of potable water. That is more than 11 gigalitres a year. The brine by-product of the process would be returned to the bay via a 1.6-kilometre outlet pipe, with the contingency for this to extend to a maximum of 2.5 kilometres, depending upon the outcome of environmental studies. The desalination plant would operate on the power from the adjacent Burns and Roe Worley Pty Ltd gas-fired power station, which is now in situ, with tree-planting programs proposed to offset the associated carbon emissions. BRW has six five-megawatt gas turbines, of which it presently uses three or four for the needs of the town and the area on the non-integrated grid.

The potable water from the desalination plant would be stored in a new balancing reservoir near Esperance and piped through Esperance and then north towards Kalgoorlie-Boulder. Since a desalination plant is most efficiently operated at a stable flow, additional storage reservoirs at major supply points along the pipeline would be necessary to meet seasonal peaks.

The other part of the project is the pipeline. The envisaged pipeline under the base-case scenario is a 957-millimetre steel cement-lined pipeline, with initially three pump stations and rising to five as throughput increases. The pipeline would operate satisfactorily at 60 megalitres a day, with a practical capacity of 100 megalitres a day. The desalinated potable water would be delivered to existing storage reservoirs in Kalgoorlie, including the corporation’s proposed new 400-megalitre storage reservoir. The controls for the pipeline would be in Esperance, with shadow controls at Kalgoorlie-Boulder for security of supply purposes. Staffing would include approximately 10 of United Utilities’ staff and local contractors.

United Utilities estimates that the desalination plant and pipeline would take 12 to 18 months to build following financial closure and Environmental Protection Authority approval. The earliest estimate for the start of the
I will briefly refer to those matters. The terms of reference state -

of reference also stated that the authority, in conducting its investigations, was to report on a number of matters. 

inquiry into the cost of supplying bulk potable water to Kalgoorlie-Boulder and surrounding regions. The terms 

Kalgoorlie-Boulder. The terms of reference requested that the Economic Regulation Authority undertake an 

terms of reference were clearly set down for the inquiry into the cost of supplying bulk potable water to Kalgoorlie-Boulder and surrounding regions. The terms of reference also stated that the authority, in conducting its investigations, was to report on a number of matters. 
I will briefly refer to those matters. The terms of reference state -

1. The current cost to the Water Corporation of providing a bulk potable water supply to Kalgoorlie-Boulder and surrounding regions. This should clearly identify the cost to the State Government through its community service obligation . . . payments to the Water Corporation.

2. The cost that United Utilities Australia, through its proposed desalinated seawater pipeline from Esperance to Kalgoorlie-Boulder, could provide bulk potable water to Kalgoorlie-Boulder and surrounding regions, over the next 25 years.

3. The cost saving to the Water Corporation for the next 25 years if United Utilities Australia did provide Kalgoorlie-Boulder and the surrounding regions with bulk potable water . . .

4. The impact of each option (points 2 and 3) on the State Government’s finances, . . .

5. The overall costs and benefits of each option, including the impact on the end consumer and the potential to enhance regional economic development in Kalgoorlie-Boulder and the State in general.

The Economic Regulation Authority has turned down this project. Its inquiry into the cost of supplying bulk potable water to Kalgoorlie-Boulder was completed in June 2005. I will briefly share with members the benefit and cost analysis that was provided in the report. The report refers to an assumed demand of 60 to 100 megalitres a day and the benefits and costs of the Esperance-Kalgoorlie pipeline versus the extension of the Goldfields and Agricultural Water Supply Scheme. The report outlined the avoided costs and the overall costs of the proposal. The avoided costs of the United Utilities Australia Pty Ltd proposal were classified under the heading “Savings in Corporation growth expenditure”. What would it save the Water Corporation if United Utilities supplied water to Kalgoorlie-Boulder and its surrounds? The avoided costs totalled $399.9 million. There would be savings in existing Water Corporation supply costs - that is, source of water, maintenance and pumping costs - totalling $166.7 million, and savings in expenditure in Esperance; that is, on capital and operational costs and costs involved in water quality upgrade. Esperance is known for probably two things; one is wind and the other is its poor water quality.

Ms S.E. Walker: What about the local member?

Dr G.G. Jacobs: I was talking about some negative things; I hope that the other thing mentioned is positive! That is for other people to say.

The report stated that there would be a $16.7 million saving in upgrading water quality in Esperance. Esperance suffers with significant mineralisation of its water. Savings to expenditure in Esperance were in the vicinity of $30 million. The report also outlined benefits to mines along the way. A lot of the mines want to use fresh water in their processes. That would produce significant savings, as salt water - mines often use hypersaline water - causes mining infrastructure to degrade. The total avoided costs amounted to $859.8 million. In the net benefit column were the costs of the United Utilities’ proposal. The capital costs were $446.9 million, the operational costs were $454.3 million and the water quality costs were $14.5 million, totalling $915.7 million. The net benefit to cost was minus $55 million. The executive summary to the report essentially said that the costs outweighed the benefits. We are talking about a net cost of $55 million from a $900 million project. Bearing in mind that a private company wants to invest $450 million in building a desalination plant and pipeline, a negative cost of $55 million in an analysis of benefit versus cost is hardly a reason for this project to be turned down.

The member for Warren-Blackwood has provided us with some vision through his motion. It is the ruling of the ERA that lacks vision, by asking what are the benefits of providing an alternative water supply for not just
Esperance or Kalgoorlie, but the whole state of Western Australia. That project would provide in the vicinity of 10 to 11 gigalitres of fresh, potable water. For a number of years I have heard of the dire straits this state is in with water supplies. A company is prepared to invest $450 million in a project. It is not a Mickey Mouse organisation. Thames Water Utilities Ltd is now a subsidiary of United Utilities Australia, which wants to build a facility to deliver drinkable water to Esperance. People in Esperance would be able to put that water in their kettles without it producing a lot of boiler scale. If this water were put through solar hot water systems, those systems would not bung up after five years, as they currently do in Esperance because of the type of water used. The project would provide potable, fresh water for the Kalgoorlie region, which would help with the extraction processes of the mining industry because it would not rot the infrastructure in a short time. The overall issue is that of providing a significant, alternative water supply for the state of Western Australia. This motion brings the vision that we need in Western Australia, which vision has not been shown before. We have heard a lot about this and that project, but let us look at an overall vision for Western Australia. If there were an overall vision for Western Australia, the project that I have just outlined would get up. It needs to get up for Esperance and the Kalgoorlie region. More than ever, it needs to get up for Western Australia, so that we have an alternative, affordable source of water. I commend this motion to the house. I certainly will be supporting it, because it provides the vision that is needed, through the project I outlined, for Western Australia.

DR J.M. EDWARDS (Maylands - Minister for the Environment) [6.48 pm]: I will add to what has already been said tonight by the Minister Assisting the Minister for Water Resources. This is a significant issue for the state. It is an issue that concerns us all.

Several members interjected.

Dr J.M. EDWARDS: We have given members opposite numerous reasons.

Several members interjected.

The ACTING SPEAKER (Mr A.P. O’Gorman): Order! The minister has barely got to her feet and already there are interjections and conversations across the back of the chamber. I will not accept that. I will call members to order if they persist.

Dr J.M. EDWARDS: Although members have already done so - perhaps I have some more detail - it is important to point out that rainfall in the Perth catchment area since 1997 is 21 per cent less than that in the 1911 to 1974 period.

Mr P.D. Omodei: We heard that from the minister. Why don’t you give us reasons that you will not support this motion?

Dr J.M. EDWARDS: We have given members opposite numerous reasons.

Several members interjected.

The ACTING SPEAKER (Mr A.P. O’Gorman): Order! The minister has not even been speaking for a minute and already we are in trouble. I ask members to give the minister time to make her arguments. If they do not agree with them, they can take it up later in the debate.

Dr J.M. EDWARDS: Run-off into Perth dams since 1997 is 64 per cent less than that in the 1911 to 1974 period. In the face of this, demand for water is doubling every 15 years.

Ms S.E. Walker interjected.

Dr J.M. EDWARDS: We also know that Perth’s temperatures are forecast to rise three degrees over the next 60 years, and that the number of days with temperatures above 35 degrees will double. All of this is new information. It is a problem that is emerging with climate change. It is now known nationally and internationally that the south west of Western Australia has been significantly affected and that we need to take measures to address the problem. That is precisely what the Gallop government has been doing since 2001. For example, since 2001 the Water Corporation has put on an extra 82 gigalitres of resources. We have had the southern trunk main and the Harris pump-back system. We have had the 29 gigalitre Stirling-Harvey redevelopment and the expansion of the Mirrabooka bore.

Mr P.D. Omodei: No, you haven’t.

Dr J.M. EDWARDS: Yes, we have. Six gigalitres have been added through that expansion. We have had the Samson Brook pipehead dam, the Wokalup Creek pipehead dam and the temporary trades with Harvey Water. These initiatives and the motion before us point to the need for a diversity of responses. What has happened to date is part of that diversity and part of the continuing diversity that we need to put in place to address this real issue of a water shortage.
I will make a few comments about water recycling. We all know that the recycling of waste water is undertaken at a very high level in country areas. I am about to say something that I have said previously, but it is worth repeating. We in the city can learn from our country cousins. This is an activity that they have been undertaking that people in the city need to do more of. I urge members of the opposition to support the government in the managed aquifer recharge project. The Environmental Protection Authority has considered that project recently. One of the issues that has arisen in the community is what I will refer to as the “yuck” factor. People do not want this waste water reinjected. They do not want to use it again. I think that is short-sighted because at the moment we pump that resource into the ocean. Heaps of energy is used in pumping it into the ocean. It serves no useful purpose in the ocean. It is a resource that we can use.

Mr P.D. Omodei: So you haven’t done anything because of the “yuck” factor.

Ms S.E. Walker: Because you’re yuppies over there.

Dr J.M. Edwards: We have started a project and we have been running it. The EPA has looked at the issues and is working through how we will do this. The main feedback we get from people is that they do not want it. The member for Nedlands should read the EPA report. I will bet that she has not even looked at it.

Point of Order

Mr A.D. McRae: I have waited for the member for Nedlands to stop her carping. For two hours members of the government have listened to members of the opposition without interruption. In fact, government members have been engaged in a cooperative debate. The moment that a government member stands, we end up with this sort of barrage. It is outrageous and it should stop.

The Acting Speaker: The member for Riverton is quite right. He has a point of order. It is unparliamentary of members to interject across the chamber. I remind members that the member for Vasse has been called to order on three occasions, the member for Nedlands on two occasions and the member for Warren-Blackwood on three occasions. I will call those members to order if they keep interjecting.

Debate Resumed

Dr J.M. Edwards: We can be really smart in this area. There is a project through which we could deliver a good outcome for everyone; that is, by taking waste water, reinjecting it and using it again. However, at this stage the community is saying that it does not like that notion. Our country cousins have proved to us that waste water can be used on ovals and other areas and that an added amenity benefit can be provided, because nothing looks better in a dry, dusty place than a fantastic green oval. It adds a real benefit to the community.

I will also make some remarks about the farm water grants scheme, to which the member for Warren-Blackwood has referred in his motion. When I became environment minister in 2001, I was delighted to be able to take the scheme under my wing. I have had a number of extremely good meetings with the rural water advisory committee. I inherited a review of the program, which had been undertaken in 2000, that suggested that we take a greater catchment focus in assessing the requests for that program. I have been keen for us to take up that scheme, and we have been doing that up to this time. I have a particular appreciation of this program, having grown up in an area in which the scheme water by-passed where I lived. At times I had to shower in water from a dam that sometimes had sheep stuck in it. From the colour of the water that came through the tap, I wondered precisely what the sheep had done in the dam. There was some resistance by an adolescent girl growing up in the country to shower using that particular source of water. The farm water grants scheme is available to commercial broadscale farmers in the dryland agricultural area. They have to demonstrate their on-farm water deficiency and that they have a plan for dealing with their farm water. The scheme has worked very well.

Mr P.D. Omodei: Did you make any changes to it; and, if you did, what kind of changes did you make?

Dr J.M. Edwards: Probably the greatest change that I made as minister was to put more funding into the scheme. We made an election commitment to put more funding into it and that is now being delivered on. Another major change I made was to expand the scheme to cover pastoral water grants. That expansion may well have been discussed when the member was in government, but it did not transpire at that time. We now have a scheme for pastoral water grants. In fact, since 1995 through the farm water grants scheme 2 726 grants have gone to individual farmers, with a total value of $22.4 million and a total project value of $65 million. That demonstrates that grants of government money to private landowners have a really good result. Thirty-nine grants through the community water supply program have gone to rural communities for water supply projects. I have been to some fantastic launches. People have been incredibly innovative, particularly in working with Cooperative Bulk Handling Ltd and capturing the run-off from the really tarmacked areas around wheat bins. Thirty-three grants have also gone to rural communities for stand-alone community water supplies. Under the new pastoral water grants scheme, 71 grants have gone to individual pastoralists. Those grants build on work...
that the member started when he was in government through the Gascoyne-Murchison scheme to get pastoralists to look carefully at their water use and to have water plans. The farm water grants scheme is a really great scheme and it is one that the government will continue to fund and work on with farmers.

One issue that I raised with the rural water advisory committee was how to work with farmers in areas on scheme water with a view to getting them off the scheme water supply and onto water supplied from their own dams and tanks to make them more sustainable. I urge my colleague the Minister Assisting the Minister for Water Resources to follow through on that issue and ensure that we are delivering a good product for everyone.

I will also make some comments about the Kwinana waste water reclamation plant. I was delighted to attend the opening of that plant with the Premier last year. It is a fantastic plant, but the member for Dawesville was wrong when he reckoned that he approved it. It was approved by this government. As Minister for the Environment, I ticked off on the environmental approvals and the Water Corporation proceeded with that project. It is designed to produce 16.7 megalitres of water a day. It utilises treated waste water sourced from the Woodman Point waste water treatment plant. It is a really fantastic engineering outcome located close to the waste water treatment plant, because it makes sure that we get people off scheme water and onto this much more sustainable supply of water. I am hopeful that with HIsmelt we can prove that treating waste water delivers a much better product. I have been interested in some of the feedback I have received from industry that this source is preferred because the quality of the water is much more assured - it is a much more standard quality - than we get by turning on the tap.

Debate interrupted, pursuant to standing orders.

House adjourned at 7.00 pm