

**SUBCOMMITTEE OF THE STANDING COMMITTEE ON
PUBLIC ADMINISTRATION AND FINANCE**

WATER SERVICES INQUIRY

**TRANSCRIPT OF EVIDENCE TAKEN
AT KUNUNURRA
THURSDAY, 22 JULY 2004**

SESSION 4

Members

**Hon Barry House (Convenor)
Hon John Fischer
Hon Dee Margetts
Hon Norman Moore (Participating Member)
Hon Ken Travers**

[11.55 am]

WRIGHT, MR KEITH
Private Citizen,
PO Box 1019,
Kununurra, examined:

Hon BARRY HOUSE: Thanks for your attendance. You heard the preamble earlier, so I need not go through that again. I must go through the formal proceedings. On behalf of the subcommittee, I welcome you to the hearing. You have signed a document called "Information for Witnesses"; have you read and understood that document?

Mr Wright: That I have.

Hon BARRY HOUSE: These proceedings are being recorded for Hansard to transcribe. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please state the full title of any document to which you refer during the course of the hearing, and please speak into the microphones as much as possible. I remind you that your transcript will become a matter for the public record. If for any reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise you that premature publication or disclosure of public evidence may constitute a contempt of Parliament, and may mean that material published or disclosed is not subject to parliamentary privilege.

Welcome, once again, Keith. You are aware of the broad terms of reference being investigated by the subcommittee. We value any input you can provide to us. Would you like to make an opening statement?

Mr Wright: Yes. I appreciate the opportunity to make a submission to the subcommittee. I have been here about 35 years. I am a pharmacist. I have also been a shire councillor for 20-odd years, but I am here today in my private capacity. I have kept myself fairly well informed on proceedings and "political matters" surrounding water and other commodities throughout my time in the east Kimberley, particularly in the Wyndham-Kununurra area. As you get older, you pick up a bit of experience as you go.

Hon BARRY HOUSE: What major aspects of that experience do you want to share with us?

Mr Wright: Previous contributors to the committee have indicated that we use about seven per cent of water for irrigation processes. Wesfarmers Marubeni carried out a five-year, \$5 million - in round figures - feasibility study into the future expansion of the irrigation area. It pulled out in December 2001, and two and a half reasons, I suppose, were given for that: native title was still a problem to it, and I understand some environmental problems had not been resolved. There appeared to be some conflict between the environmental requirements under the state Act and the federal Act, but it was clear that that was resolvable after talking to the powers that be at Wesfarmers. The matter that brought it home to the general public when they attended a meeting by Wesfarmers Marubeni - it was in this room, actually - was when it said it was withdrawing as it could not get sufficient water allocation to irrigate 32 000 hectares. As I said, for 14 000 or 15 000 hectares, we use seven per cent of the water; in other words, the ratio is about one to two. For 32 000 hectares, it is about 16 per cent of the water. In other words, the total water usage for the

expanded area of 13 000 or 14 000 hectares, including the current 32 000 hectares, would be 24 or 25 per cent of the water. Wesfarmers could not get sufficient water allocation to irrigate the 32 000 hectares; yet, one can look at the one million cubic feet of water per second wandering down the Ord River in peak flood, and look at the fact the spillway overflowed continually in 2000-01 for an entire year. A figure was cited earlier this morning that the total water allocation passes the spillway in two days. That is the annual allocation. One must ask where the other 75 per cent of the water goes.

I have one problem. We basically are all environmentalists, but some departments and people tend to go overboard. I believe that 63 per cent of the water stored in Lake Argyle and Lake Kununurra is let downstream to maintain the wetland that has been created. I have no problem maintaining the wetland. But you must bear in mind that 40 years ago, before this dam was constructed, and the diversion was constructed at Lake Kununurra between 1959 and 1962, the Ord River was a series of rock pools during the off-season. That can be seen now at the Kimberley research station, or the Frank Wise Research Station. This was established in 1947, well before the dams were constructed. There is still a large waterhole there. Piping infrastructure is still in place out at the research station, where all their water requirements were dragged from the rock pool or from the pool on the Ord River. The Frank Wise Research Station, as it is now known, is on about 1 100 hectares of land; yet, they used to drag all the water they needed in the off-season from a residual water pool on the Ord River. This highlights part of the folly to a certain extent of signing international treaties. Anybody who must read the Ramsar wetlands treaties must become bored stiff. I have done so because I did law for a couple of years a few years ago. I regularly accessed the treaties page. The requirements of the Ramsar wetlands treaties we have signed mean that we must maintain something we have created. That 63 per cent figure, if it is accurate - it is quoted by people who know more about it than I know - is unreal. That means that 63c in every dollar spent building the dams is frittered away. As good as Peter Costello may be, I do not think the Australian economy can stand that sort of wastage. We need to rethink those water allocation figures or else, as Hon Norman Moore said earlier this morning, the whole design of the irrigation scheme will fall into question. It will not be able to do what it was designed to do because of a changing environment. In fact, an 18 or 20 per cent allocation is a reasonable way to maintain the wetlands, especially, as Mr House asked, as some of the water leakage associated with the M1 channel and the dam might already go into the environment; perhaps we are double dipping here.

Hon BARRY HOUSE: Any questions, Norman?

Hon NORMAN MOORE: Where do you start? Do you have any scientific evidence that suggests that 63 per cent is too much? It seems too much to me anecdotally. I have no figures to prove it. I have not been along the lower Ord and I do not know what is being preserved. From your experience, what is being maintained? It is obviously the new environment, not the old one.

Mr Wright: I recommend the trip to you; it is well worth the trip down. The future expansion of Ord stage two would encompass the development of the Mantinea Flats, which is an area of about 5 000 hectares. It was always designed for that to be irrigated straight out of the Ord River, not from the channel system by either expansion of M1 or construction of M2. Obviously there will be a requirement that some water will pass below the diversion dam for usage down at Mantinea Flats. The only scientific knowledge that I can present to you is the fact that one reason that Wesfarmers pulled out was that it could not get sufficient water to irrigate the 32 000 hectares. It could not get sufficient water to irrigate 32 000 hectares, and both dams are 100 per cent full, and it would have used 16 per cent to irrigate that 32 000 hectares. There is a fair bit of scientific and mathematical knowledge that suggests that something has been allocated in the wrong direction. I had to smile when a question was asked earlier by Hon Dee Margetts about whether the water should be pumped down to Adelaide or Perth. I would hazard a guess that if we or Wesfarmers or the developers could not find sufficient water to irrigate 32 000 hectares, we might not be able to fill the pipes, let alone pay for it at the other end.

Hon NORMAN MOORE: You are quite right. The proposition put forward by Wesfarmers was mainly for sugar cane, as I understand it -

Mr Wright: Yes.

Hon NORMAN MOORE: - which consumes more water than, say, cotton.

Mr Wright: Yes. That is an interesting comment. An awful lot of people assume that cotton is water hungry, when, from an environmental aspect, cotton really is a fairly water-economical crop. When the original memorandum of understanding was signed between the State Government and the Northern Territory Government for the feasibility into the development of Ord stage 2 - that is, the 64 000 hectares out there, of which 32 000 was irrigable - our shire, and I was a shire councillor at the time, was dead against it being allocated to a single entity and a single crop. Anybody who was here when cotton failed in 1974 - I was - would realise the heartache and the soul searching that took place when the only crop being grown in the area failed. We went through 10 or 15 years of quite serious low times in the irrigation area in the town of Kununurra. Once cotton failed, there was no infrastructure in place and there was no expertise to grow anything else. Our shire back in 1994 said that it did not want to set up another monoculture, which basically is what setting up the total irrigation project was to be with an expansion purely into sugar. In defence of Wesfarmers Marubeni, the whole concept was designed so that once Wesfarmers recouped its capital costs and a bit for shareholders, I suppose, the area was to be subdivided into smaller lots for use by individual farmers or much smaller farming entities than a single-cropping entity. Yes, I would hazard a guess that if it were discussed at council today, we would be against a single monoculture. But, as you say, sugar is one of the more water-hungry crops. It was also pointed out that in allocating water for the worst-case scenario, if something else came up, you would know the worst-case scenario, and you would also have some latitude to grow crops that perhaps we do not know about yet.

[12.10 pm]

Hon JOHN FISCHER: As a comment, advancements in cotton growing now mean it is definitely not considered to be a monoculture crop. It would certainly be grown with other crops. That is just an aside.

Mr Wright: I referred to when we were growing it originally between 1962 and 1974.

Hon JOHN FISCHER: Sure. Advancements show that huge developments would go in a different way. The comment that cotton takes slightly under half the water requirement of cane is interesting.

I pose a different question, Keith. You said you are making a personal representation at this hearing. In your shire experience, I believe that the shire has put down bores in the region around the airport.

Mr Wright: That is true, yeah.

Hon JOHN FISCHER: Can you enlighten the subcommittee a little about your knowledge as a shire member in regards to that and the costs involved? This was raised in an earlier submission. A lot of the proposals that have been put forward, along with their various spiels, involve very expensive costings, but do they have any background?

Mr Wright: Certainly, Mr Fischer. I think we can all appreciate - as evidence has been provided this morning - that not a great deal of scientific knowledge has gone into the Water Corporation's grasping out of the sky a cost of between \$8 million and \$100 million for alternative sites. Mr Chafer gave his submission this morning. The bore field, as it currently is, was done in two stages - it was increased in size. I cannot think of the exact time. It probably would have been about 20 years ago. It would be interesting to see the cost of setting up the bore field when it happened back in 1959 -

Hon BARRY HOUSE: I am sorry to interrupt, but technical problems have caught up with us finally, and we must check something to see whether this hearing is being recorded. I am sorry about this interruption. It will take a minute.

Mr Wright: That is modern technology.

Hon BARRY HOUSE: It is fantastic when it works.

Sitting suspended from 12.13 to 1.05 pm

Hon BARRY HOUSE: We will resume. I think you were giving your view on the costings.

Mr Wright: On the water bores.

Hon BARRY HOUSE: Perhaps you can repeat your question, John.

Hon JOHN FISCHER: I was referring to the shire's experience of putting bores down during your term as a councillor compared with the experience with the bores that were put down at the airport. Can you enlighten us about the depth at the airport, the casing that was put down and the pump capacity?

Mr Wright: Sure. I did not have a day-to-day relationship with the operation but I know that it cost the shire just on \$8 000 to put the bore down and equip it with a pump. This went down about eight or nine metres, I think it was, which is roughly the same depth that the Water Corporation is pumping its water from. One thing that did not come out this morning was how many bores were in the actual bore field. I know the question was asked, but I think that information was going to be supplied.

Hon DEE MARGETTS: Was that for potable water at the airport?

Mr Wright: No, but when the Water Corporation brings its water out of the bore at the bore field it is not potable either.

Hon JOHN FISCHER: That would have been within 1 000 or 1 500 yards of the bore field?

Mr Wright: I would say about 300 metres from the bore field. For all intents and purposes, the bores would be identical; that is, what the water is used for or the treatment that happens with the shire or the Water Corporation. It might be different because of the intended use.

Hon JOHN FISCHER: A long-term resident has said to me that the bore field is where it is because of the proximity of the power line. Is there any validity to that, to your knowledge?

Mr Wright: I do not know, but it is conceivable. It is accessible because it is on the side of the road. There are even anecdotal stories that we still use bore water because before the dams were constructed the town and the construction camp needed a water supply and the PWD and the Water Corporation have not got around to changing it - it has only been 42 years! We had to have a bore before we had dams for a water supply.

Hon BARRY HOUSE: Are there any more questions?

Hon DEE MARGETTS: I will defer for a minute.

Hon BARRY HOUSE: Keith, you may not be the authority to have this confirmed, but previously it was asked what constitutes the wetlands or the environment that has been serviced by the water flow. Is it just the river system, plus the water in the adjacent areas of the two lakes, or is there another expanse of wetland?

Mr Wright: The boundaries of the wetlands are variable. It is not only the actual water side, but it is the hinterland associated with that marine environment. It encompasses not only the water side of things but the land backing onto it. It is quite an extensive area, the Ramsar wetlands surrounding Lake Argyle, Lake Kununurra and the lower Ord - very extensive.

Hon DEE MARGETTS: There has been some discussion that any development that took place in the current P1 area alongside the river would be subject to best environmental practices and governance policies on setbacks. Is that part of your understanding; that even if you did get approval you would not be able to develop the land?

Mr Wright: Only one place in Kununurra has freehold down to high water level, and that is the current caravan park. All the rest have a public open space setback from high water level. Admittedly, there are some areas of the reserve, referred to as reserve No 41812, where some areas are jointly leased by the Water and Rivers Commission, the Department of Environment and the shire. That is a joint vested reserve. Yes, it is understood that there would be environmental conditions on any land nowadays.

Hon DEE MARGETTS: What is the current situation in relation to sewage management in Kununurra? What level of sewage management and treatment is there?

Mr Wright: I am not an expert on that at all.

Hon DEE MARGETTS: But surely the shire has been talking about that. Whatever development took place in the bore fields, given that there is useable water underneath - a water resource - some consideration would have to be given to what could not be done on that area.

Mr Wright: As I understand it, I know that the caravan park just the other side of the P1 area is connected at its own cost to the sewerage system. I think there would be a requirement. All places within the townsite are connected to the town sewerage system. Outside of town, throughout the rest of the shire, with the exception of the town of Wyndham, they use either anaerobic or septic systems, but because of the sensitivity I feel certain it would be a requirement of council that those in location 715, which is in that area that should be developed once the boundaries of P1 are redefined, hook into, at a cost, the deep sewerage system. I think that is understood and accepted by all.

Hon JOHN FISCHER: I refer to your shire experience with regard to potable water or non-potable water within the shire. I believe this area is on a non-potable scheme.

Mr Wright: Our shire operates a non-potable watering system for its verges and some departments, like Western Power, previously the hospital and some other bigger commercial areas such as the country club, pay X amount. We have recently installed meters so we charge so much per kilolitre for non-potable water that we pump from either Lake Kununurra or the main channel, depending on which side of town we are operating from. It is interesting that you raise that. I heard our CEO talk about the new housing subdivision where those houses would have potable and non-potable water connected. The non-potable water is in purple pipes so that it is not confused. It was a cost of \$600 000 to set it up for initially 33 or 39 housing lots. That sounds a huge cost, and quite frankly I think it is. Interestingly, about 10 years ago one of the local businesspeople in town, a Mr Spackman, made an approach to our shire and said, "Hey, I will develop a non-potable watering system for the entire township of Kununurra on the basis that, first, you give me approval to put it in your shire road reserve areas, and I will undertake to supply non-potable water for six hours a day to a house for \$250 a year." The idea was that he would provide water from the kerbside to the beginning of the building; in other words, running into the building lot, to the front of the house. That would be done on a rotational basis so that this side of the street is watered for six hours, and at the same time somewhere else. He was going to do that at his own cost; he was going to make some money out of it. He has since put his money into buying the tavern, and he has Retravisation and the Tuckerbox stores. He was in it to make money out of it, but he said he would be able to do that for \$250 a house, all up. He would put the infrastructure in and charge \$250 a house - that is consumption. It will be interesting to see. There would be no operational cost for this non-potable watering system, but it is anecdotally said that it would be considerably less than the Water Corporation charges for its potable water.

[1.15 pm]

Hon JOHN FISCHER: Do you pay the Water Corporation for the non-potable water that the shire uses for gardens?

Mr Wright: As I understand it, we have to get a licence from the Water and Rivers Commission to access X amount of water. I am not sure how that is charged, but we have to have a licence to pump water out of the Lake Kununurra water channel.

Hon KEN TRAVERS: Just on that scheme you were talking about, the non-potable scheme through the town, where was the source of water going to come from and why did it not go ahead?

Mr Wright: The source of water was obviously Lake Kununurra. We would not go down the path of having bores. It failed because the current CEO, who is now thankfully the CEO of the City of Albany, was not interested in it and said that we could not do it in competition; that is, we were not allowed to sell water. The engineer of the day is now with the Serpentine-Jarrahdale shire. They just were not interested, and put forward lots of submissions to councillors that they were not going to do it. People are still amazed: here we are, water is our greatest asset! If you take a drive through town you will see uncared for, couldn't-care-less dust bowl areas. I mean, it is criminal. There are millions and millions of cubic metres of water going out to the ocean, out through Cambridge Gulf, and we have not got green gardens.

Hon KEN TRAVERS: What year was that?

Mr Wright: I am trying to think, but it would have to have been 1994 when it came to council, give or take a year either side. Andrew Hammond was here between 1993 and 1996 and Robert Harris was the engineer. My memory for dates and figures is usually pretty good.

Hon BARRY HOUSE: In terms of the amount of water, earlier today we heard that the irrigation system has an allocation of 335 gigalitres and uses about only 170 of that. You are probably not the right person to ask, but, anecdotally, do you know how much of that seepage goes back into the river system or into the environment?

Mr Wright: No-one knows. Better people than me have not even thought about it. They do not know. It is interesting that the current figure for irrigation is about seven per cent, and that is for about 14 000 or 15 000 hectares - 32 000 would double that. The total amount, even if we got a water allocation for the future 32 000 plus the current 14 000 or 15 000, would be about only 24 or 25 per cent of the water that is in Lake Argyle or Lake Kununurra, and yet it cannot go ahead because we have not got sufficient water, thanks to Ernie Bridge.

Hon KEN TRAVERS: When you talk about 24 per cent, are you talking about the volume of water in the lakes or the annual inflow?

Mr Wright: No. Currently, the Water Corporation and the Water and Rivers Commission quote that the irrigation allocation utilises about seven per cent.

Hon KEN TRAVERS: Of the annual -

Mr Wright: I do not know. I think it is stored water, because I do not really think that anyone knows how much water passes over if the spillway is seven metres over the plug. No-one could tell you how wide that water was at the top and how wide it was at the bottom. Hence, no-one really knows. It has to be seven per cent of stored water.

Hon KEN TRAVERS: So, four years' supply?

Mr Wright: Yes.

Hon KEN TRAVERS: If you used it all and there was no recharge -

Mr Wright: And no rain.

Hon KEN TRAVERS: You would empty the dam in four years.

Mr Wright: Yes, but you have to bear in mind that we had 10 per cent higher rainfall last year and four years ago - in 2000-01 - we doubled our rainfall. It was interesting the year after the double rainfall that we had an almost average rainfall and everyone thought we were in drought, because we were comparing it with the almost double rainfall the previous year.

Hon BARRY HOUSE: Is there anything you would like to finish with?

Mr Wright: No. When I began my submission I said that we are all environmentalists and we all have the environment at heart, but I think that figure of 63 per cent has to be looked at. I mean, the river must have survived because it is still there - with no water allocation - and it was a series of rock pools 42 years ago. We were not allocating 63 per cent of the total flow then because it all went out to sea. To see Ivanhoe Crossing filled bank to bank, and to see all the diversion dam gates that you flew over as you came in open to their maximum and the water level the same height downstream as upstream shows you the volume of water that goes through. Before that the water was not stored, it flushed the system out. That is not what is happening now. One of the problems with the Water and Rivers Commission is also the fact that they are charged with preserving our rivers for posterity and for future use, but they appear to be, in conjunction with perhaps the Department of the Environment, preserving the growth of introduced weed species - such as combungi and things - to the detriment of the natural environment. An awful lot of the things that you will see when you go upstream this afternoon or tomorrow, or fly over it, have been introduced. Some of them are handy because they stop bank erosion and things like that, especially from fast boats, but in 10 years we will not be able to go by boat right to the base of the main dam because of the growth of combungi and non-maintenance of the actual lake environment. But the river survived without this huge allocation. We did not have to store the water before but the river survived, so why do we have to allocate it to preserve the river now? That is the one message that I think needs to be looked at - that percentage - or else we will not be here; we will not be growing things. It was set up because we have the environment to grow out of season; we have the environment to grow things that people in the world need. We have 220 million people a damned sight closer than do those in Canberra, Perth and Adelaide, just up here, and those 220 million people must be eating something, but here are we stopping development of the irrigation area for the original concept, which was to grow things.

Hon BARRY HOUSE: Thank you very much. Sorry about the interruption.