

Ed Willet
Executive Director
National Competition Council
GPO Box 250B
Melbourne VIC 3001

1st April 2002

Dear Sir

2002 National Competition Council Policy Assessment Framework for Water Reform

The Tasmanian Conservation Trust would like to make the following comments on this assessment.

1. Institutional Reform – structural separation

The TCT believes that the roles of water resource management, standards setting, regulatory enforcement and service provision are inextricably linked within the Tasmanian Government and heavily influenced by politics. Institutional separation is cosmetic at best. Debate is almost completely internalised, with little opportunity for community involvement. To illustrate this issue, the TCT was recently denied access to a government staff member when seeking information on a water development proposal where the Tasmanian Government is the proponent. The TCT has complained about this to the Minister, who has referred us to the departmental secretary. We are still waiting for a response.

2. Allocations

(i) Water allocations and property rights

The TCT is pleased with the progress on the proposed 'Farm Dams' policy. However, it is unfortunate that the Tasmanian Government chose not to implement a moratorium on farm dam approvals while this process was being developed.

(ii) Provision for the Environment

The TCT is very supportive of the Water Management Planning (WMP) process. However, this process is under-resourced and falling behind schedule. Only one WMP (Great Forester) has to date been released for public comment. Additionally, the Tasmanian Government has failed to implement a WMP Steering Committee, which would allow formal input by stakeholders into the development of the process.

The TCT is also concerned over the Tasmanian Government's apparent reluctance to adhere to Principle 5 of the *National principles for provision of water for ecosystems*. However, in the absence of any finalised WMPs, this is difficult to assess. The TCT requests that the National Competition Council re-assess the Tasmanian Government's progress on this issue in 2003.

3. New Rural Schemes

The TCT is deeply concerned about the proposed Meander Dam development. The Tasmanian Government seems committed to the construction of this dam without first assessing its economic viability and ecologically sustainability.

The TCT's chief concerns with this proposal are:

- The dam would have significant impacts on two nationally listed threatened species: Spotted-tailed quoll *Dasyuris maculatus* and the South Esk heath suspecies *Epacris aff. exserta*. No effective mitigation measures have yet been proposed, and in at least one case, the advice of expert consultants ignored. Please refer to attached expert consultant's report on spotted-tail quoll.
- No evidence of economic viability of this proposal has been provided. Please refer to attached executive summary of the Economic Feasibility Study. Note that the full economic feasibility study is still not available, with only 8 days remaining in the public submission process. In particular, we draw your attention to the following statements: "...the majority of prices within the theoretical pricing range appear to be outside existing market tolerance levels..." (page 4), and "A commercial viewpoint of the project on a stand-alone basis indicates that the project is unviable given the economic report on price and demand levels vis-à-vis the capital cost of the project and investment rates of return." (page 4).
- The area immediately upstream of the proposed dam impoundment suffers from severe erosion and is considered Tasmania's worst degraded sub-alpine area. This is likely to have a severe impact on the functioning and ecology of the impoundment.
- The proposal is proceeding independently of a Water Management Plan for the Meander Catchment. Additionally, a major justification for the dam is to provide for environmental flows in the Meander River. There is significant unlicensed take from the Meander River. The TCT consider this proposal an attempt by the Tasmanian Government to avoid its obligations under Principle 5 of *National principles for provision of water for ecosystems* in this catchment.
- The Tasmanian Government is acting as both the proponent and assessing body.

The TCT also believes that the Tasmanian Government has failed to act in a transparent and accountable manner during the assessment process. In particular:

- Regular statements to the press by the Minister for the Environment and the Premier have flagged this proposal as definitely proceeding.
- Tenders for the construction of the dam have been called for prior to the closure of public comment on the DPEMP.
- TCT has been denied access to staff and technical documents.
- The Tasmanian Government has chosen not to advertise the fact that the proposal is to be assessed under the *EPBC Act 1999* in the Tasmanian press.

The TCT believe that these and other issues indicate the need to assess the Tasmanian government's progress in the area of public consultation and education activities in 2002

Please do not hesitate to contact me for more information on these or any related issues.

Yours sincerely

Craig Woodfield
Water Policy Officer