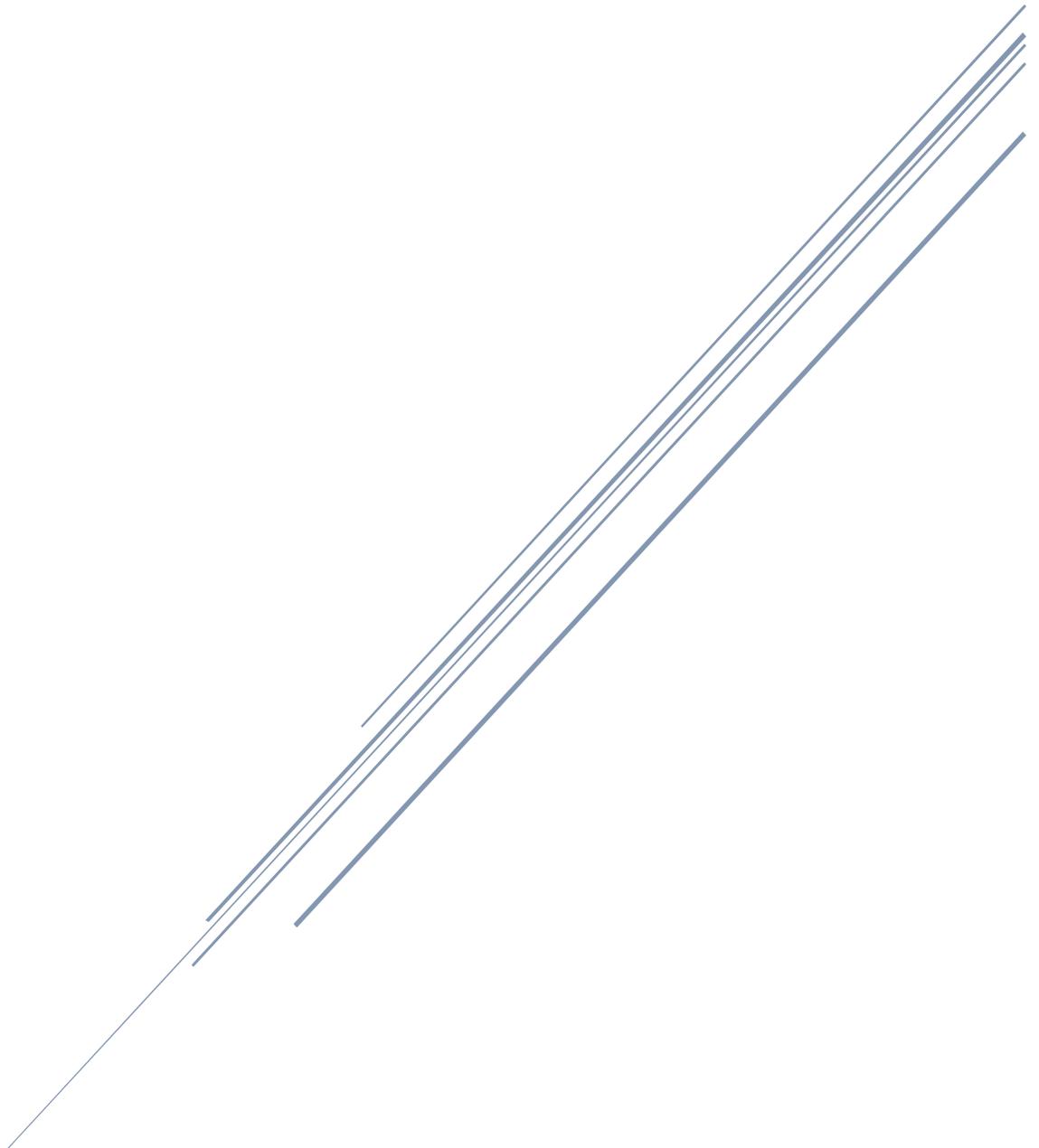


SUBMISSION 26 - COLIN BOYCE
MP - NATIONAL WATER REFORM
2024 - PUBLIC INQUIRY





Office of Colin Boyce MP
Federal Member for Flynn

Reference: 20240202/BOYCE Water Submission/MKF/KW

Friday, 2 February 2024

National Water Reform 2024
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Lodged online – 2 February 2024

RE: Submission – National Water Reform 2024

I appreciate the opportunity to provide my submission to the third Inquiry into the National Water Initiative. I have an interest in national water reform policy for my constituents and the larger Australian public and as such have offered my suggestions on several key points in the Inquiry.

My submission follows for your consideration.

Regards,

Colin Boyce MP
Federal Member for Flynn

National Water Reform 2020 – Executive summary

“Looking to the future, water resource management and water service provision will have to respond to these changing demands within the context of a growing population and climate change. Capital city populations are projected to increase by 10 million people by 2050.”

Australia's population grew by 2.2 per cent to 26.5 million people in the 12 months to 31 March 2023, according to data released by the Australian Bureau of Statistics (ABS).

Beidar Cho, ABS head of demography, said: “13 months after international borders were re-opened, net overseas migration accounted for 81 per cent of growth and added 454,400 people to the population in the year to March 2023.”

Natural increase was 108,800 people, a decrease of 18.5 per cent from last year. There were 301,200 births and 192,300 deaths registered during this time, with deaths increasing 7.9 per cent and births decreasing 3.4 per cent.

From the information above we can assume that population growth is a government made issue and migration policies ought to be tailored to align with the capacity of our present water resources.

Water Entitlements

“Water entitlements have become a valuable asset — estimates put their value in the southern MDB at more than \$26 billion. This value, coupled with their legal backing and the development of water markets, means entitlements can now be used as collateral for loans.”

When the 1994 COAG Water Reform Framework imposed limits on total water use it made water trading inevitable. Water entitlements have been made transferrable meaning water can be ‘owned’ without ownership of land. Water should be attached to land ownership, not to be traded simply to make money.

Allowing foreign ownership of water entitlements poses real risks to water security, agriculture, the environment, and long-term economic sustainability.

Water Saving Measures

Australia is the driest habitable continent on Earth and yet we use more water per person than most other countries in the world.¹ With Solar Panel subsidies provided for those installing roof top panels in their homes, the incentives for homeowners and renters to be conservative with water could be explored further.

While some states and territories are offering incentives for households to be more sustainable with their water usage, there is nothing available in Queensland. Considering the amounts of rainfall that

¹ [Water | YourHome](#)

Queensland receives on the coast, this should easily be a priority for the State Government if they were serious about saving water. Even installing products such as a water recirculation pump to heat water to temperature before showering has been shown to save up to 10 litres per person in an average household. These products have been around for decades, yet all incentives have been focused on solar panels.

Encouraging home owners to install and maintain rain water tanks for own use is another minimum suggestion that can make differences in stormwater and runoff. Some councils use this in their town planning requirements, but not all.

Utilising stormwater for public areas and golf courses has also been shown to make vast improvements to town water planning – as well as producing lush, green areas for visual and physical enjoyment of these areas.

Water Storage and Delivery Pricing

From Page 13 of the National Water Initiative Agreement 2004, it was agreed by the COAG that all States and Territories implement full cost recovery for water services.

This policy impacts the development of new infrastructure in areas where there is high demand for realistically priced water. These costs will also include the failed repairs to Paradise Dam, the reduction in size of the newly completed Rookwood Weir. Full cost recovery would be impractical.

Sensible water policy needs to be applied to continue to supply irrigation users with enough water at a marketable price to allow growth of the fresh food and fodder that the Flynn region is known for.

The Bundaberg region produces 25% of Australia's fresh fruit and vegetables. The unplanned release of 400 Million litres of fresh water to reduce the Paradise Dam to 42% over the concerns around the dam's safety could easily have been utilised by producers if there had been prior consultation and planning. There was no need for the water to have been sent directly to the sea. The impact of water security on our farmers at a time when the region was starting to recover from many years of drought, caused many to lose faith in the government's management of our greatest asset – water. Due to the lack of planning and consultation with grower's groups, many were unable to take advantage of the water that was wasted.

Section 100 of the Australian Constitution specifies:

The Commonwealth shall not, by any law or regulation of trade or commerce, abridge the right of a State or of the residents therein to the reasonable use of the waters of rivers for conservation or irrigation.²

Water is a necessity of life and needs to be managed in the best interests of all Australians.

The Bjelke-Petersen era built 53 dams and weirs in Queensland in 19 years of government.

In the past 20 something years in Queensland we have only seen two major pieces of water infrastructure completed – Paradise Dam on the Burnett River which is also (arguably) the greatest engineering debacle in Queensland's history, after the current Labor Government halving the capacity;

² [ParlInfo - Nor abridge right to use water \(aph.gov.au\)](http://aph.gov.au/ParlInfo/nor_abridge_right_to_use_water)

and the Rookwood Weir on the Fitzroy River that was announced in 2016 and finally completed at the end of last year. Rookwood was also reduced in size by the Labor Government, supposedly due to the increased cost of cement.

With agriculture poised to reach \$100 Billion by 2030, this need for infrastructure is only increasing.

The hydrogen industry plans for Gladstone will also need water. It takes approximately 10 litres of fresh water to make 1 kg of hydrogen. If we are serious about making a world class hydrogen industry in Gladstone that can create industrial quantities of hydrogen, and I am talking about millions of tonnes annually, where is the water going to come from? Where are the ideas and plans for the supply of more water?

If the Nathan Gorge Dam at Taroom was built with its planned capacity of 880,000 ML and an annual yield of 66,000 ML – half of this would only create 3M tonne of hydrogen. Not even close to industrial capacities needed for the hydrogen industry to function.

Desalination as an option for water supply further compounds the problem, with disposal of brine and waste adding to the economic unviability. And if then we add in the full cost recovery of the water infrastructure, the costs for the creation of hydrogen increases again. The amount of electricity required in desalination negates the benefits and increases the costs.

Investment into water security needs to be prioritised and not hampered by cost recovery policies.

Special Provisions and Reporting

The Department of Resources requires all large mining and petroleum projects to apply for a resource authority under the relevant resource legislation. Part of the requirements under the resource authority are water reporting obligations.

It is imperative that requirements placed on energy projects, regardless of their nature—whether they involve mines, gas extraction, or renewable energy sources—are uniform and equitable. Consistency in regulatory frameworks ensures accountability and promotes a level playing field for all stakeholders involved in the energy sector.

These obligations under the resource authority should be extended to cover renewable energy projects as a matter of urgency, to protect our water.

Nationals Amendment to the Nature Repair Market Bill

This is a proposal to include 'carbon sequestration' in the definition of unconventional gas development.

The current EPBC Act offers no protection to the waters of the Great Artesian Basin (GAB) regarding carbon sequestration, as carbon sequestration is not classified as a coalmine or gas operation.

The Great Artesian Basin is unique, the only one of its kind in the world. It is the world's largest underground potable water source and covers 22% of the area of Australia, 79% of Queensland, 1.7 million square km, estimated to carry 65,000 cubic kilometres of water.

Glencore are seeking approval to inject 300,000 tonnes of hypercritical CO₂ (carbon dioxide) fluid into the precipice aquifer of the GAB at a trial site at Moonie, western Darling Downs. It has been claimed the GAB site has potential to store 1 billion tonnes of hypercritical CO₂ fluid. Glencore have said this will lead to deterioration of environmental values of the receiving ground water.

Glencore cannot meet current environment regulations. They are making application to the Queensland Government to change the environmental regulations to allow them to put hypercritical fluid into any water aquifer in Queensland.

Glencore said in their technical assessment report that nobody should be allowed to draw water in close proximity to their injection site nor in a zone around injection site. Effectively saying the water will be useless after injecting CO₂.

If they are successful in changing these regulations it will open avenues for anybody to take up sequestering technology and inject their carbon waste into the Great Artesian Basin.

Given the implementation of the safety net mechanism, this will have huge ramifications given that 215 largest emitters in Australia can't find enough carbon offsets and will look to this technology. 30% of these industries are in Central Queensland.

This technology requires road transport of the hypercritical CO₂ by truck to the injection sites, causing additional carbon emissions. The net benefits of this Carbon Capture technology are minimal, especially when looking at the world's emissions.

The geological reports state that the storage component of CCS in Queensland is not well established. Previous projects were abandoned due to unsuitable geology. There has not been a comparable test carried out anywhere in the world, with CO₂ injections into potable water. References to the Otway project and the Moonie project are not comparable. The Otway project is in a saline formation.

There is no reference to addressing the potential impacts on the GAB in the rehabilitation plans for Glencore.

How can we be considering the destruction of Australia's greatest underground water resource for the sake of a trial? The National Water Initiative needs to address the protection of the Great Artesian Basin.

Summary

Investment in water infrastructure needs to be prioritised by the Australian Government.

If we are to continue to create our own issues of population increase and the renewables rush with hydrogen, then water must be treated as gold. We need to protect and preserve the resources that we are blessed to have in Australia and additional water storage projects should be encouraged. Injection of carbon dioxide into our largest potable water source needs to be stopped at all costs, for the sake of generations to come.

Projects such as the Nathan Gorge Dam were shovel ready decades ago, yet successive Governments have failed to continue the investments into water infrastructure in Queensland.

As Government policy for industrial hydrogen production continues, there needs to be better understanding of what this really entails. The water is used and destroyed in the production of

hydrogen. Should we be committing vast quantities of our most valuable resource (water) to produce energy for overseas countries? Adding water at full cost recovery further compounds the economic problem.

There needs to be a balance between the environment and renewable energy projects, particularly where water is involved. Pumped Hydro in ecologically sensitive areas also needs to be prevented, with other options to be investigated as alternatives for water storage instead of destroying the Pioneer Valley. Again, the potential for destruction of our nations' waterways while we spend billions on importing the components from China.

With the recent approvals of completely unsuitable projects by the EPBC I look forward to seeing the outcome of the Commission's Inquiry and encourage the Commission to consider the long-term effects of their policies.