

31 January 2011

Urban Water Inquiry
Productivity Commission
LB2 Collins Street East
Melbourne Vic. 3165

Dear Sir/Madam,

I refer to my submission of 26 October (Submission #9), and the supplementary submission of 27 December.

No clarification has been provided to date regarding conflicting information relating to regulatory asset determinations contained in the letter from the Minister Natural Resources dated 17 December, and in the letter from Unitywater dated 23 August 2010.

The Commission's Issues Paper of September 2010, page 21 includes investigation of integrated water management practices including themes such as obtaining new water sources and reductions in the occurrence and severity of floods. Recent floods suggest that ineffective integrated water management practices in S.E. Queensland have prevented reductions in the occurrence and severity of flooding of the lower reaches of the Brisbane River despite construction of the Wivenhoe Dam and availability of water from the Western Water Recycling project.

In July 2009, the Department of Infrastructure and Planning issued a draft S.E.Qld. Climate Change Management Plan (the Plan) for public consultation. Section 1.4 Policy 1.4.1 of the Plan states: *Reduce the risk from natural hazards, including the projected effects of climate change, to minimise vulnerability to riverine flooding etc.*

A newspaper article by Mr.Hedley Thomas published in the Weekend Australian of 22-23 January (pages 1 and 10) describes flood releases from the Wivenhoe Dam just prior to the recent extensive flooding event in Brisbane. The timing and magnitude of these releases exacerbated the flooding of Brisbane and added considerably to the costs of repair and restoration of both public infrastructure and private property.

Water sector accountability, transparency and governance arrangements are ineffective in Queensland for reasons set out in my public submission to the Queensland Competition Authority dated 26 August, and in correspondence with Commonwealth Treasury and the Commonwealth Minister for Local Government enclosed with the submission of 26 October. If background information in the newspaper article cited above is accurate, it appears the Queensland Government has failed to embrace the precautionary principle and heed warnings of possible extreme rainfall events in the Wivenhoe catchment despite policies to the contrary set out in the Plan.

The effectiveness of integrated water management in S.E. Queensland appears wanting with respect to the riverine flood abatement policy theme because of the Government's reluctance to reduce water storage and provide additional flood protection capacity contingency in the face of severe rainfall intensity warnings in and around the Wivenhoe Dam's catchment.

Yours sincerely,

Amy-Rosé West

Cc Ms. Mary Balzary - General Manager Ministerial and Communications Division
The Treasury