

**DAM WORKS LEGISLATION (MISCELLANEOUS  
AMENDMENTS) BILL 2007 (No. 6)  
Second Reading**

**Mr PARKINSON** (Wellington - Leader of the Government in the Council - 2R) –

Mr President, I move –

That the bill be now read the second time.

The primary purpose of this bill is to amend the Water Management Act 1999, the Threatened Species Protection Act 1995 and the Inland Fisheries Act 1995 to streamline the approval process for a permit to undertake dam works. The bill also amends the Water Management Act 1999 to enable the declaration of water supply emergencies.

The Government was pleased to provide a report to Parliament in 2005 on the operation of the Water Management Act over the first five years of its implementation and then invite submissions from interested parties on suggestions for improvements to the operation of the act. A number of those submissions took issue with the efficiency of the dam approval process, particularly on matters relating to key assessment issues such as threatened species and vegetation communities, and to the appeals process. The bill I present today addresses these very issues.

At the outset, I wish to commend the members of the Assessment Committee for Dam Construction for their outstanding work over the past six years in implementing the new dam works approval process and I stress that the changes proposed in this bill do not reflect in any way a shortcoming in the committee's efficiency. On the contrary, the changes remove the legislative impediments that have prevented the committee fulfilling its desired role as a virtual one-stop-shop for assessing applications for dam works permits and that have caused considerable delays and frustration to dam proponents.

It has been noted many times in this House that the Labor Government has clearly recognised the need for the ongoing sustainable use and development of our water resources for the benefit of Tasmanians. This is clearly evidenced through the Government's initiatives in providing a clear blueprint for development and protection of our water through the Water Development Plan for Tasmania and the SMART Farming Initiative, as well as a contemporary legislative framework in the Water Management Act.

Ongoing water resource development is essential to underpin investment in irrigated agriculture, industry and tourism, as well as to provide reliable water supplies for cities and towns. Fostering such water resource development is even more critical now, given the recent exceptionally dry climatic conditions and the potential long-term impact of climate change. While drought and climate change provide significant challenges to Tasmania, we are fortunate to still have opportunities for the development of new water

supplies that can maximise our ability to adapt to these adverse impacts on overall water availability.

Secure water supplies are essential to boost productivity and the long-term viability of the Tasmanian agricultural sector. The farming sector plays a vital role in Tasmania's economy and the importance of irrigation cannot be underestimated. According to figures released last year by the Australian Bureau of Statistics and the Productivity Commission, farms that irrigate generate on average 55 per cent more output per farm than farms which do not irrigate.

This importance of water for irrigation is particularly highlighted in Tasmania where it is estimated that around half of the total annual farm-gate value of agricultural production comes from around only 5 per cent of the farmed land - the irrigated area.

I am pleased to say that information provided by the department shows that Tasmanian farmers lead the nation in the return derived from each megalitre of irrigation water applied to crops with an average gross value of production of around \$1 680 per megalitre. This is more than double the Australian average of around \$750 per megalitre.

Further strategic water development can provide a strong competitive advantage for the State's food production, industrial growth and tourism, as well as attracting 'water shortage refugees' from mainland cities and towns to boost our economy and population. Further development of our water resources relies primarily on the construction of dams and associated water infrastructure to capture winter stream flows. This situation will be exacerbated by climate change with predictions that Tasmania's rainfall will become even more winter dominant.

It is clear from the feedback from private proponents and from the work undertaken by the department under the Water Development Plan that a major impediment to dam construction is the complexity of the regulatory system rather than the availability of water. The amendments I present today are the first step in reducing those impediments so that we are better able to recognise and capture the significant social and economic benefits available through the harvesting of additional secure water supplies.

This bill will abolish the need for separate permits under the Threatened Species Protection Act 1995 or authorisation under the Inland Fisheries Act 1995 for the construction of dams. In addition, the Forest Practices Regulations 1997 and Wildlife Regulations 1999 are being amended concurrently to fully integrate the dam approval process by removing the need for separate assessment of forest and non-forest vegetation issues at dam sites.

Relevant issues formerly covered by these separate authorities will be covered by the dam works permit. The Assessment Committee for Dam Construction will seek and consider expert information on these issues, along with relevant socioeconomic, engineering and other environmental issues as part of the one-stop-shop approval process.

I must point out that no change is proposed to the current situation in regard to cultural heritage matters. It would be inappropriate for the assessment committee to deal with such matters and while the committee will continue to take account of cultural heritage in assessing dam works applications, proponents will still be required to obtain any necessary permits under the Aboriginal Relics Act 1975.

The streamlined approval process will greatly simplify the regulatory process for applicants. Since the Water Management Act commenced in 2000, over 1 000 applications for dam works permits have been dealt with. A large proportion of these required additional authorisations, such as threatened species permits or forest practices plans, resulted in additional delays and costs for the applicants as they negotiated their way through the red tape. This new process will mean that an applicant will not have to apply separately for such authorisations - they will be an integral part of the dam permit process. These changes will in themselves encourage further private sector investment in water development but as I noted earlier, this is the first step in securing our water future.

The bill before you also clarifies the provisions enabling the minister to set policy directions for the assessment committee. Over the last six years, the Government has vigorously promoted the development of our water resources because of the resulting economic and social benefits available to the Tasmanian community. In the present and likely future situation of drought, climate change and decreasing food production on mainland Australia, large-scale Tasmanian water development projects of regional significance like the Meander Dam must be firmly on the agenda.

The next step in achieving this clear vision for the Government and the Tasmanian community is to provide the required policy direction to enable the Assessment Committee for Dam Construction to give due weighting to the socioeconomic benefits of community water development proposals. This the Government intends to do in the near future so that we can revisit large-scale dam proposals in the north-east, north-west and Midlands to see if we can strike a more appropriate balance between benefits and impacts. It would be remiss of this Government not to make every such effort to fully secure our water future.

The majority of the provisions in the bill before you are to set in place the mechanisms for the streamlined, integrated dam approval process. They also make necessary changes to the manner in which appeals against the granting or refusal of a dam works permit are dealt with, from one of checking technical assessment to one of checking due process. Currently dam works permits can be appealed to the Resource Management and Planning Appeal Tribunal that conducts 'de novo' proceedings. This is despite the fact that comprehensive technical assessment is fundamental in the consideration of dam permit applications by the expertise-based assessment committee. In effect, this appeal process amounts to the provision of a 'second opinion' on the assessment committee's deliberations.

When the current dam assessment process under the Water Management Act was initiated in 2000, there was good reason for such an appeals mechanism to be in place

while the new process was bedded in. Six years later, the substantial time and cost burden involved in the current appeals mechanism whereby RMPAT reviews the decisions of the assessment committee from scratch can no longer be justified.

In considering this proposed amendment, it is worth noting that since the commencement of the Water Management Act, the assessment committee has been a very effective decision-maker on dam works permit applications. In this time, over 1 000 applications have been determined by the committee. RMPAT has held a hearing on 14 of these decisions and in only one case, the Meander Dam, has the appeal been fully upheld.

It is recognised that limiting RMPAT's role to one of process checking may be perceived as reducing the scope of third parties to have objections properly considered in relation to dam permit applications. To address these concerns, an enhanced assessment process has been designed by the assessment committee to ensure that third parties have sufficient scope to make effective representations. The decision process will be more transparent by enabling representors to view additional information supplied by the proponent in response to a notice from the assessment committee and make submissions before a final decision is handed down. With these enhancements, I believe that the decision process will be even more effective and timely. Proponents will have greater certainty in that the consideration of technical aspects related to a dam works permit application will reside solely with the statutory expert group as decision-maker. Consideration of third party interests will be assured as the assessment committee will be compelled to examine all issues thoroughly to satisfy the requirements of proper process.

Proposed amendments to Part 6 of the Water Management Act will more effectively integrate water licensing and allocation with the dam approvals process. In particular, amendments to section 58 covering the imposition of water use conditions will clarify how the management of potential downstream and offsite impacts of water use is clearly regulated through licensing and allocation, rather than being considered in the dam approval process. This will enhance the protection of water quality for the aquatic environment and downstream water users, including estuarine aquaculture, when significant changes to existing water use are proposed.

The Government is providing \$750 000 through the SMART Farming Initiative to subsidise the cost of farm water development plans. These plans will identify any major risks of increased irrigation use such as salinity and soil erosion and recommend effective mitigation measures. Where necessary, these measures will then form the basis of water licence conditions to ensure that they are put into place and maintained.

Finally, the bill provides for the declaration a 'water supply emergency'. The recent widespread drought conditions demonstrate that while the Water Management Act and associated water management plans are designed to deal with reasonably foreseeable climate variations, it is possible that exceptional circumstances will arise when immediate action is needed to address an unexpected and critical water shortage. This became evident with the recent water supply crisis at Bothwell. At that time the minister stated

his intention to make legislative changes to deal with such crises at the earliest opportunity. To this end amendments are proposed that will enable the ministerial declaration of a water supply emergency. Following such a declaration, directions to ensure that water is available for town supplies, domestic purposes, stock watering, firefighting, hydro-electric generation or commercial purposes may be made. The declaration will prevail over any inconsistency with a relevant water management plan or another provision of the Water Management Act. Of course, any person adversely affected by actions taken during a declared water supply emergency will be able to apply for due compensation.

The Dam Works Legislation (Miscellaneous Amendments) Bill 2007 provides the opportunity to deal with the medium-term impact of drought and the longer-term impacts of climate change by securing our water future. I also advise members, for the record, that during the Committee stage I intend to move some minor amendments of a procedural nature. I commend the bill to the Council.