

THE LEGISLATIVE COUNCIL SELECT COMMITTEE ON CLYDE RIVER WATER MET IN THE CONFERENCE ROOM, HENTY HOUSE, LAUNCESTON ON THURSDAY 19 AUGUST 2004.

Mr ANTHONY ARCHER, WAS RECALLED AND RE-EXAMINED.

CHAIR (Mr Hall) - Mr Archer, if you have any new or additional information would you like to provide it, please.

Mr ARCHER - I have and what I request is that it be in a private session with the committee. Is that appropriate?

CHAIR - If that was the case you would have to indicate your reasons and the committee would then have to consider whether that was appropriate or not.

Mr ARCHER - What I would like to put forward are some alternative proposals to make water available. I had discussions with my neighbours to attempt to broker an agreement prior to today and haven't been successful at this stage. Whilst they are happy for me to put the proposal forward, they would like it to be kept within the committee at this stage, for confidentiality, I guess. It is something that I think might help progress what we've discussed so far to try to get a resolution to make more water available.

Mr WILKINSON - I know there has been a person already who requested for it to be in private and the reasons were valid reasons. Just on the basis that you want it confidential, at the moment I don't believe is enough. If you can explain why you believe it should be confidential, what would happen if it got out to the other individuals, then it may be a different story. But I think you have to go a bit further than that.

Mr ARCHER - There are a number of other matters. That's one. There are matters of our own business finances that I wanted to touch on and perhaps it's appropriate that I don't do that if it is not in a private session; I would keep those confidential. I thought they may have been useful but they are better not tabled if they can't be kept in confidence. That is really the whole reason for wanting to keep it confidential.

CHAIR - Keeping your personal business divorced from that will allow you to be more general. If you don't feel like speaking about neighbours or whatever then you can put proposals to us without being totally specific in that case.

Mr ARCHER - Yes, I will temper what I was going to suggest in light of that then.

CHAIR - Okay, thank you.

Mr ARCHER - As part of my examinations to attempt to see if there is not a way forward, I have been trying to itemise the key points of contention and I guess that the 1976 decision and priorities that may or may not attach to that is clearly the key issue that I am sure the committee is coming to terms with after the last few meetings that you have had.

There are a few issues in the 1976 priority that I would like to touch on that I didn't in the last submission. I would also like to discuss a little the historic usage as a basis for allocation and why that should be in light of information from New South Wales in regard to water allocation in ground water when it is under stress. This is new information that only became available last Friday. It's from the Department of Infrastructure Planning and Natural Resources in New South Wales. I would like to just touch on that on but again, not go into too much detail because I was asked at this stage not to reveal too much detail as it hasn't been made public completely yet.

I would also like to touch on another proposal that I think would significantly assist in getting some resolution and that was that put by Stephen Mackey, the Clyde Water Trust Secretary in the previous meeting that was held in Hobart. I think the Mackey proposal, just to touch on it, has a lot to offer. I think it could go a long way towards resolving these issues, given that we can get our mind around handling the 1976 policy decision and how that be treated. So I would like to endorse what Stephen Mackey proposed in the meeting before the committee and I think it could lead to a resolution with other matters. I think for the Mackey proposal to get up - and I would like to hear it in more depth of course - for it to work there needs to be very clear trading rules established for one end of the river - clearly, at Hamilton. Mr Mackey touched on the point that these irrigators at Hamilton would have absolute surety and I think it is very important as a trade-off for not trading their rights upstream and a very useful proposal, in my view, that should be given more consideration.

Mr WILKINSON - Is it fair to say, if I might at this stage, that the major concern of all the irrigators is to have water available when required for their properties? That should be the major concern, should it not?

Mr ARCHER - Have water available, yes.

Mr WILKINSON - So therefore the major thing that you believe should be looked at is the availability of water as opposed to a person getting a water right, not using that water but trading it to somebody else?

Mr ARCHER - I think that's part of what we should be looking at. I think it falls under a complete general property right issue that we could be setting precedents for Australia-wide. The example for that, for instance, is - I will touch on it when I discuss this -

Mr WILKINSON - All right, if you want to keep going.

Mr ARCHER - The implications for the surety of supply have significant ramifications for our valley in terms of technological development and individual businesses development but also the prospect of developing further water resources in the future. Perhaps I should come to this proposal. I will come to it in a moment. I will just quickly touch on what Mr Mackey was putting forward that I found very useful. I think for the system to work there will need to be a period of administration for the trust and for the irrigators, and I think about the only issues that all irrigators agree upon at the moment is that the administrator would be better to be someone independent rather than the Rivers and Water Supply Commission and I think that could work very well. I don't personally have any problem with the Rivers and Water Supply Commission other than that there is a

perception that they are not at arm's length and that they are closely related. Because in Tasmania, people know everyone. So I think we need a commercial administrator. They don't necessarily need a clear understanding of water. I think the issues will be resolved for them in terms of water rights but I think for the trust to progress it will need a period of administration and I would also urge the committee to consider a different system for selecting trustees in the future from the one that I believe is currently proposed where it would be made up entirely of irrigators. I think it needs to be comprised of perhaps one irrigator from each end of the river and two councillors, or something along those lines. The councillor model has worked very well for over a hundred years and I think it should continue to be endorsed as much as we can. It has been very good because it is at arm's length. And any potential conflicts can be resolved through the electoral process and that has never needed to be the case. But it has worked very well.

The other issue that I would like to just briefly touch on was another point made by Mr Mackey that the quantum of allocation available from the lakes should be a minimum of 15 000 megalitres. I touched on that in my own proposal with a letter from John Cleary where the minister offered the irrigators some comfort. A letter was sent from Henry Edgell, which I have included in my submissions, requesting that consideration be given to how much water was being released from the lakes and the effect on irrigators. Then Minister Cleary made two points. Firstly he suggested there would be a minimum of 20 000 additional megalitres of water made available from lakes Crescent and Sorell by the channel and gateworks that had been conducted by the Carp Working Group, but he also suggested that all the models should allocate no less than 15 000 megalitres to the trust to provide for its reasonable requirements. And I think the figure of 10 000 megalitres was certainly done prior to any of the studies by the Rivers and Water Supply Commission's Jenny Deakin - I think she was actually with the Inland Fisheries Service at the time - and I think it was a figure plucked from the air, whereas I don't believe that is a reasonable basis for allocation. I did not agree with the position of Dr Temple-Smith in his submissions where he is saying that the committee should limit itself purely to allocation. I think what that would do is leave the discussion up to another dispute further down the track. What is going to happen, in my view, is that, if there is not sensible resolution in terms of distribution of water from the lakes, we will be going through exactly this process again in 18 months' time or so when irrigators are attempting to just retain the water they have been able to use in the past.

I am sure there is a clear chain of control of the water by the trust from 1832, but certainly from 1855, which has been demonstrated, and for those rights to be taken away, I would ask that this committee also make recommendations to the Government that it should adopt the National Water Initiative. The National Water Initiative clarifies Federal funding for States in regard to water issues, but it also clarifies irrigation tenure - in other words, the time that rights would apply for - and what is proposed is that they be perpetual, whereas some rights have been proposed to be shorter term than that - ten years, seven years, 14 years I have heard mooted. But certainly my view is they need to be perpetual rights, like a property right, and there also needs to be the issue of compensation handled in a clear and transparent manner. As a signatory to the National Water Initiative that would be the case and there should be Federal funding available to assist in these periods of adjustment. And so if there are to be property rights taken away from one group to benefit another, there may be Federal funding available to assist with the process. Whilst Tasmania is not a signatory, I do not believe that is the case.

In regard to the proposal that I wanted to touch on this morning, there is a dam site on the Clyde River on land that is owned by myself and the Edgell family. We went through the approvals process for this dam site several years ago, and we have virtually had the approvals completed. We have certainly had the environmental studies undertaken, ones for fauna and flora, ones for basic engineering. There are still some minor engineering surveys to be completed, but basically the storage has got most of the approvals, and so it is an approved storage.

CHAIR - What sort of capacity are we looking at?

Mr ARCHER - It varies at different heights, but at the greatest height here it has been calculated at about 9 700 megalitres, so roughly 10 000 megalitres, or 8 000 at a slightly lower height. But it is a very economical storage because it has a very good ratio of wall height to water stored. Unfortunately it does flood a lot of good land and it would inundate the existing Dennistoun storage. The Edgell family's position - and because we are not in private session here I would just like to touch on this very briefly - is that they do not wish to be the proponents of this storage. They feel that it would be better handled as a community-based scheme, and I am speaking on behalf of someone else. Our own family's position is that we would be prepared to make available the land and the approvals, that we have already paid for at significant cost with the Edgell family, if it would help get some resolution to this problem. But I just wanted to put that in that there is a potential storage at the north of the Clyde Valley, so it would be above all the irrigators except for Richard Bowden, so it would be available to supply water to ourselves and Henry Edgell who, as you are aware, uses over half the water. It would be available to mitigate carp releases. It would have a lot to offer in terms of river management, because a significant proportion - not all, but a significant proportion - of the water in the catchment falls between this storage and the lakes. Rather than just the lakes themselves, a lot of the water that is actually being used as what we term shoulder water has actually come from between this storage and the lakes. This storage would have the opportunity to pick that up. If it were to go ahead, I would envisage that it would need to be administered and controlled by the trust, that it would need to be in trust control, water that flows in and water that flows out, absolute authority of the trust. I don't want to go into too much detail.

CHAIR - Can I just ask a question there in relation to the existing Edgell dam? Where is that? That's the Dennistoun dam at the moment.

Mr ARCHER - That's the Dennistoun dam that's shown. But what we would be doing is adding some more metres to the wall of the Dennistoun dam, retaining the Dennistoun dam as it is so that at low levels it can still be used as a pressure supply to their system. But flooding land owned by Dennistoun and, to a significant degree, by myself across the river. So it's very short distance. It is only 400 metres from the Dennistoun dam across the river and I believe it would be a very economical storage ratio.

CHAIR - The existing Dennistoun dam is about 3 500 megalitres?

Mr ARCHER - No. This is only half of the Dennistoun storages.

CHAIR - Right.

Mr ARCHER - This dam, I don't know the exact figure but I believe it is between 1 500 and 1 600 megalitres and they have another storage of a similar capacity. But again, I am not privy to the exact figures. But their total storage, yes, they add up to something over 3 000 megalitres. But this storage is only half of that.

Mrs SMITH - Mr Archer, has there been any costing of this proposal?

Mr ARCHER - Yes, there has.

Mrs SMITH - Are you prepared to give us a general figure?

Mr ARCHER - I have not done exhaustive studies in terms of the spillways. But the storage itself could be built for, I believe, under \$500 000.

Mrs SMITH - Thank you.

Mr ARCHER - So it's not a lot of money, certainly compared to the amount of water that is raised and being pumped with the running cost at Hamilton. It's potentially a very economical storage but we would need the consent of my neighbours and at the moment they would be prepared to float the proposal but certainly don't want to be the proponents. But we would need to negotiate how the whole thing went together. But it would make significantly more water available in those years of shortage.

Mr FLETCHER - So that impoundment is going to catch the shoulder water that falls in the catchment area between Crescent and that area?

Mr ARCHER - In the top of the Clyde but there is significant -

Mr FLETCHER - Will you fill that from winter run-off at all? Will you be looking for winter water to fill that?

Mr ARCHER - I would envisage that it would be almost solely filled by winter water.

Mrs SMITH - You would meter at both ends, so what came in, went out over the summer more precious times?

Mr ARCHER - The discussion that we had with the trust when we were proposing it is that they would have control of what went in and what went out. And they could stay the same so that we didn't breach environmental flows. But what it would do is it would provide a buffer from flushes and so they could be released over time. We would create flushes with the river to provide the environmental flows that were necessary. It would be a wonderful management tool for the river in terms of controlling.

Mr FLETCHER - Your suggestion in your terms is that you establish this dam that has 7 000 or 8 000 extra megalitres of water available to it over and above the 1 500 or 1 600 that is there now and that is used to meet the shortfall in supply during every season or during seasons when there are stresses on the current supply? It just seems to me in considering the whole issue that in most years, through a combination of Meadowbank and Crescent-Sorell, there was enough water in the system to meet the likely demand.

Mr ARCHER - That has certainly been the case until the last few years.

Mr FLETCHER - When Crescent has been down?

Mr ARCHER - Not only has Crescent been down but demand for water on an ongoing basis has increased because people have put capital infrastructure into irrigation schemes. And in the past if it was a flood-based scheme, for instance, you would turn it on and off. But once you've invested some hundreds of thousands - and the average, I suspect, for most of the pivot development would be something like \$1 000 an acre in infrastructure in the ground and above the ground - people need to recoup their interest bills and so they are tending to use the system more often.

Mr FLETCHER - So you've had the growth in demand and the supplier has been sent the 30-year average of 10 000 megalitres. And your argument is that is now insufficient. You need more water. One way of getting more water is to utilise Meadowbank to a greater degree but also to establish plan B which gives you that capacity on an annual basis to feed another perhaps 4 000, 5 000 or 6 000 megalitres into the system.

Mr ARCHER - Yes, but not only insufficient but insufficient surety. It's the surety that's the issue, that because you have all that infrastructure and expensive contracts and plant to maintain you would need to be there every year and not most years; you need the water every year at a certain level for it to be viable.

Very quickly, I would just like to touch on this document that has only just come to hand which has been produced by the Infrastructure Planning and Natural Resources Department. I don't think it is necessarily to table the document. But what that does is it looks at a comparison in New South Wales for ground water uses between how water should be distributed in times of stress. And I would like to really make the point that in New South Wales, all the sleepers and dozer water has been paid for with a licence fee every year. So it's quite different to the circumstance that we are looking at here. But in that instance where there has been a licence fee collected every year, they are looking at giving significant priority in times of shortage to historic users. And what they call historic users there, active water as opposed to inactive water but the principles are the same.

CHAIR - Were you going to table that, did you mention?

Mr ARCHER - It's a pretty poor copy. I could table it if it was to be useful but I don't feel it's necessary.

CHAIR - Thank you.

Mr ARCHER - That's handled the major points for my discussion other than the 1976 decision in which was just the language of the two documents. I think there was some conflict in the letters. The letter, for instance, that was sent to my father and to Henry Edgell at Dennistoun is not the same as the trust minutes. The letter that was sent to my father does not infer any priority. The letter that we have received talks about licensing terms and conditions. It does not talk about priority. The trust minutes - and you would need to get that from the trust - but from the copy that I've received from the archives and that I've tabled in the documents suggest that there is an implied priority, whereas

that's certainly not the letter that was sent to my partner at the time and Henry Edgell. And my view is for a priority to have been binding then it would need to have been brought to account in that letter, not just in the trust minutes. If there was to be a priority established, that's when it needed to occur and the language of the letter we received certainly doesn't suggest that.

CHAIR - Thank you.

Mr WILKINSON - That would be in control of the trust, absolute control of the trust?

Mr ARCHER - Yes. But that is all open to negotiation. But that would be my personal preference and certainly I know that would be the preference of my neighbours.

Mr WILKINSON - It would be paid for by?

Mr ARCHER - I think that would need to be determined.

Mr WILKINSON - And that would give, you believe, an extra 6 000 to 7 000 megalitres?

Mr ARCHER - It depends on what height it's put to. But comfortably, at least 4 000 and 6 000 by only putting another metre and a half on it. Significantly more water but I would like to see those studies done in a little more depth than they are done now because they were only done for personal purposes rather for community purposes.

Mr WILKINSON - Okay.

Mr ARCHER - In regard to that first point which we touched on, the priority of water from the 1976 decision, one of the concerns that I had was that there was a very long bow being drawn between how much water would be available then. If the Mackey proposal is accepted, and let's see what he has to say, but if that is accepted, obviously the pre-1976 priority for water at Hamilton would not be an issue. So we would only be looking at pre-1976 water between Hamilton and Bothwell. Because the pre-1976 water at Hamilton would be catered for at absolute surety through Meadowbank. And if we look at the water that was drawn - and I have only done the figures roughly - but between 1986 and 1996 between Bothwell and Hamilton there has been a maximum of only 900 megalitres of that priority used. So if any priority were to be given, I don't believe it should exceed that sort of figure. My own view, as I said earlier, is that there should not be priority for pre-1976 water but if there is, I think it needs to be tempered with that suggestion.

CHAIR - Thank you very much for your evidence, Mr Archer.

THE WITNESS WITHDREW.