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MT:dp

8 September 2017

Ms Natasha Exel
Inquiry Secretary
Legislative Council
Parliament House
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Dear Ms Exel

Inquiry into TasWater Ownership

Thank you for the opportunity to provide comment on the inquiry in to the ownership of TasWater. As the largest shareholder of TasWater, the Council has a keen interest in the proposed legislation and the outcomes that the State Government believes will be delivered by a change in ownership.

At the time the first changes in the ownership and management of water and sewerage infrastructure commenced, the Council raised the need for a strategic approach to catchment management to be adopted. The disconnect of a water and sewerage business from an holistic catchment management perspective has the potential, and experience would suggest the result, of delivering sub-optimal outcomes in terms of public amenity, recreation use and the environment in general.

These outcomes are particularly evident in the Tamar Valley where the North and South Esk rivers meet after flowing over a significant land area across multiple municipalities. Addressing sewage flows and the treatment which is a key objective of the water corporation is a critical component of improving environmental outcomes but it is not the whole solution. The solution requires collaboration and co-operation between the various State Government agencies, the Hydro, multiple councils, the water and sewerage authority and the community.

A shared vision of what the State's rivers and waterways could and should be in five, ten or fifteen years has not been apparent to date. TasWater and its predecessor were in large part formed to have a commercial focus that addressed infrastructure needs and policy decisions (e.g. water pricing), that Local Government had been unable or unwilling to address. This focus should not be at the exclusion or to the detriment of overall community objectives for services and the environment.

It is fair to say that there has been agreement between parties on specific projects, in particular the State and Federal support for the Launceston Flood Remediation works which the Council greatly appreciates, however what has been lacking until recently which has now been addressed by the formation Tamar Estuary Management Taskforce is the complete view.

The question that this experience poses for the Council is whether a change in ownership as proposed by the State Government is better placed to participate in the delivery of the overall objective than the existing ownership model?

The State Government proposal offers a financial contribution together with a continued reduction in financial return to Local Government to accelerate the infrastructure upgrade and renewal program - as the former custodian of the infrastructure this shared funding model is an appropriate compromise to delivering outcomes that should be a priority for all Tasmanians.

At a local level, the improvement in the amenity, recreational use and ecological health of the Tamar Estuary is one of the City of Launceston's priority strategic focuses - to open up the Estuary for the greater Launceston community and drive economic, social and environmental outcomes. Undoubtedly there will be similar priorities in other areas across the State.

We see that the Tamar Estuary Management Taskforce, established under the Launceston City Deal, is a real opportunity to resolve the issues in the Esk Rivers and Tamar Estuary, with all three levels of government participating and the State Government stepping up to take on its responsibility for leading the Taskforce.

The Launceston Sewerage Improvement Project is a critical element of delivering long term sustainable environmental and financial outcomes. Ongoing work on the Launceston Flood levees, which in places house sewerage pumping stations and related infrastructure is another critical element in an holistic approach the overall improved outcomes. The Water Corporation, be it TasWater or the proposed successor, is a key partner and stakeholder in this work.

The Council has not adopted a formal position as most other Councils have and has, instead chosen to listen to the options that are being debated. Ultimately it will be the ability to bring the various parties together with the necessary financial resources that will be the determinant of optimal outcomes for the State.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Tidey', written in a cursive style.

Michael Tidey
ACTING GENERAL MANAGER