Regional Development Australia
HUNTER

Thursday 19 September 2013

Independent Water Advisory Panel
Email: mwd@services.nsw.gov.au

Metropolitan Water Directorate
NSW Department of Finance and Services
McKell Building
2-24 Rawson Place
Sydney NSW 2000

Lower Hunter Water Plan – submission from RDA Hunter

Dear Panel Chair and Members,

The RDA Hunter Committee and Chair, Ms Gaye Hart AM, appreciate the opportunity to provide feedback on *Building the Lower Hunter Water Plan: a discussion paper*.

Regional Development Australia (RDA) Hunter has participated in community engagement sessions held in Newcastle. The Metropolitan Water Directorate representatives and consultants are to be commended for their sincere and informative presentations. The recognition of community values and propositions for the Plan underscore the vital importance of water and the real and ever-present need to implement measures that will deliver the four main objectives of the Plan.

Introducing RDA Hunter

Established in 2009, RDA Hunter is the peak economic development organisation for the Hunter region. Funded by the Australian and NSW Governments, its activities are also supported through project grants and financial contributions from regional partners. Activities focus on collaboratively linking regional community members and businesses to government to address challenges and create opportunities for long-term and sustainable prosperity.

The RDA Hunter Committee (Board) is representative of the region's leaders from industry, business, education, local government and community groups. The vision for the Hunter is a region that continues to grow and be recognised nationally and internationally for high quality products and services, well-connected liveable places and a collaborative business culture that supports innovation to deliver Australia's largest regional economy.

The Hunter - A Region of Opportunity

Recommendation: Planning for the Hunter needs to take into account the whole-of-region.

A consistent message from RDA Hunter is to always consider the Hunter in its entirety when planning and this applies to water as much as it does to land-use, population, infrastructure, transport, trade, investment and economic development planning.

The Hunter is the seventh largest urban area in Australia and New South Wales' major region for economic activity. For the RDA network, the region encompasses 11 local government areas: Dungog, Cessnock, Gloucester, Great Lakes, Lake Macquarie, Maitland, Muswellbrook, Newcastle, Port Stephens, Singleton and Upper Hunter Shire.

The Hunter region

- contributed $36.9 billion in 2011-12 to make it Australia's largest regional economy;
- contributed more than 8% of Gross State Product and 2.6% of GDP; and
- produces at least 60% of the State's electricity.

In *Prospects and challenges for the Hunter Region – a strategic economic study (2013)* Deloitte Access Economics* estimates that by 2036, the Hunter region's economy will have grown by almost 75%, delivering a Gross Regional Product of $64.8 billion.

* Deloitte Access Economics report available on RDA Hunter website: http://www.rdahunter.org.au/

The discussion paper quite rightly shows how water flows through rivers, dams, sandbeds and pipelines beyond arbitrary divisions in the region. See Appendix A, the Region's Waterways as described the Hunter-Central Rivers Catchment Management Authority.

Urban growth to accommodate a steadily growing population will indeed have a major impact on the region's limited water resources. As the work on the Plan makes clear, water planning is also essential to support industries that deliver jobs and investment into the region.

An imminent "lack of water supplies" in the Hunter Valley has been identified by ACIL Tasman in the study, *Vision 2020 Project: The Australian Minerals Industry's Infrastructure Path to Prosperity*. The advice is to: "Ensure that adequate supplies of water are available; particularly post 2014 when the current extraction limit is likely to be exceeded".

This assessment has implications for the portfolios that include transferring water from inland, the Lostock dam, to the coast. The economic cost of such transfers should also include lost opportunity and reduced capacity for expansion of the industries that rely on a secure source of water from that dam. These industries include: agriculture, power generation, wine making, thoroughbred horse breeding and mining.

Planning to transfer water from inland to the coast will also reduce the certainty required to develop and expand rural communities as the population of the Hunter grows.

An additional supply of water

Recommendation: Work with Centennial Coal to enable potable water that can be produced at the Newstan Mine, Fassifern to be used by Lake Macquarie and Central Coast communities.

As presented at community engagement sessions in Newcastle, an alternative source of water exists within close proximity to growth centres and the existing water trunk main.

Every day the mining company extracts, manages and treats underground 'problem' water before returning the bulk of it to Lake Macquarie. The requirements to turn this water into high quality drinking water are known and plans have been prepared to establish the treatment facilities on-site.

The supply of water, from 20 to 40 million litres per day, would be available long-term. Records for several decades that include drought periods indicate it is a source of water that is reliable. It is also a source of water that will continue to be available after 2040 when it is anticipated that mining coal from this location has ceased.

This is an innovative solution to deliver more water into the area. The environmental and technical review of water by NSW Planning and Hunter Water are on the record as holding the "view that there is a need for additional water supply for the lower Hunter".

Education and engagement

Recommendation: Initiatives such as the *Water education plan* and *Water for Life* need to be rolled-out beyond Greater Sydney.

Community education and engagement plans such as these would have far-reaching benefits in the Hunter and Central Coast regions. Building the future water-savvy population needs to be a priority that begins with child care centres, kindergartens and primary schools. The water-wise messages also need to be backed-up by entertainers, story-tellers and other role models who can capture the imagination of our children.

Being "water wise" and understanding drought restrictions are bedrock principles for each of the proposed portfolios; as they should be. The community must embrace these fundamental measures for them to be effective.

On behalf of RDA Hunter, thank you again for the opportunity to contribute to the Water Plan and we look forward to the next phase of the process.

If you have any questions or would like further information, please call **02 4908 7300**.

Yours faithfully

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Chief Executive Officer
RDA Hunter

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Appendix A

Hunter Region Waterways

Source: Hunter-Central Rivers Catchment Management Authority, Section 2 of 2013 CAP

Lower Hunter Waterways

The bulk of the reticulated water supply for the lower Hunter is derived from the Williams valley which is dammed at Chichester with a weir located at Seaham.

The Paterson valley is dammed at Lostock – this storage is for irrigated agriculture in the lower Hunter.

The Hunter estuary is extensive and includes a highly industrialised port. The area is known for its spectacular coastline.

The Tomaree-Tomago sandbeds are important groundwater sources providing up to 30 per cent of the reticulated water supply to the lower Hunter and Lake Macquarie areas.

Upper Hunter Waterways

Main rivers are the Hunter, Goulburn, Pages, Dart Brook and Wollombi Brook.

The Hunter is regulated by Glenbawn and Glennies Creek dams which store water primarily for irrigation; this resource is also used extensively by power generators and the mining sector.

Central Coast Waterways

The Wyong River and Jilliby, Mardi and mangrove Creeks are the sources of domestic water which is pumped and stored in both Mardi and Mangrove Dams and the source of water for irrigated agriculture.

The area has many coastal lagoons and estuaries (Brisbane Water, Tuggerah Lakes, Lake Macquarie and Cockrone, Avoca, Terrigal and Wamberal lagoons).

Lower North Coast Waterways

The main rivers are the Manning, Karuah, Wallamba and Myall. The area is known for its estuaries and coastal lakes including the Manning Estuary, Myall Lakes system, Wallis Lakes and Port Stephens.

The Myall Lakes system is Ramsar listed as an internationally significant wetland site.