

SUBMISSION TO
2003 NCP ASSESSMENT FRAMEWORK
FOR WATER REFORM
April 2003
IRRIGATION SCHEME MANAGEMENT
QUEENSLAND

INTRODUCTION

This submission is from the irrigation water user representatives of the Mackay Customer Council. Representation on the Customer Council is from the Pioneer Valley Water Board and from the Eton Irrigators Committee. SunWater operates two major dams and three weirs in the Pioneer River system to supply water to the area managed by the Pioneer Valley Water Board and to the Eton Irrigation Area.

The Mackay Customer Council also has representation from Mackay Sugar Co-operative Association and Mackay City Council as industrial and urban water users respectively in the Pioneer scheme.

The Mackay Customer Council was formed in late 2000.

EFFECTIVENESS OF CUSTOMER COUNCIL

The Mackay Customer Council has, since its establishment, submitted to both the Queensland Government and the SunWater Board of Directors that the council cannot be effective until it is given full access to the operational costs for the respective scheme infrastructure in the areas. There is considerable dissatisfaction from irrigators with the process used to establish price paths for irrigation supply in SunWater schemes which involved only token consultation with irrigators. There is a firm view by irrigators that the efficient costs used by the Government to set the price path have no sound justification.

The critical issue in the involvement of users in management of irrigation areas is the provision of the accurate information on the costs of operation which then leads to the basis for the water charges in each area. Irrigators in both the Pioneer and Eton schemes have advised the Government that they accept the requirement to meet the COAG lower bound costs for each scheme but are extremely frustrated by the refusal by Government and SunWater to provide details of the actual operational costs for the areas.

The Government refuses to make the cost information available to irrigators and Customer Councils on the grounds that it is Commercial in Confidence for Sunwater. This is totally rejected as SunWater is an absolute monopoly and is not subject to any form of competition even through local management by irrigators. The Queensland Government has advised that it will allow SunWater to operate until 2004 before any review of it and that it is still in the process of developing a policy on future local management of irrigation schemes.

This is a clear demonstration that commercial in confidence is not applicable and throws further concerns as to the validity of the present price paths arrangements for irrigation water.

With the absence of cost information for schemes, the Mackay Customer Council has only had input into the management of the local irrigation areas in the following areas.

- Comment on supply contracts for individual irrigators
- Comment on service standards
- Comment on asset renewal programs
- Comment on specific operational issues
- Advice on drought management strategy

This overall input can only be considered as advisory and does not provide any responsibility for irrigators in the management of the irrigation areas.

SUMMARY

The Pioneer Valley Water Board and Eton Irrigators Committee are of the view that the Customer Council has been established by SunWater solely to meet the legislative requirements of the Water Act 2000 with no real intent for it to have any role in the management of the irrigation areas. The major issue for Customer Council irrigator representatives is the denial of access to actual cost information for operation of the schemes and that the Council cannot be effective until this information is made available.

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