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Dear Sirs

### REGIONAL WATER ASSESSMENT; SUBMISSION ON DRAFT ASSESSMENT (Nov. 2023)

This submission is made in response to the Regional Water Assessment [RWA] draft report and is submitted on behalf of the **Granite Belt Sustainable Action Network** [GBSAN].

#### Who is GBSAN?

The GBSAN is a dynamic and diverse community group located in the Granite Belt region of Queensland. With over 110 members, our group includes business owners, environmentalists, farmers, professionals, viticulturalists, teachers', operators of hospitality enterprises and a diversity of community interactions. We are united in our commitment to promote the region's development in a sustainable and balanced manner, considering economic, environmental, and social aspects.

GBSAN members are active in a range of community bodies including, Chamber of Commerce [CoC], Granite Belt Growers Association [GBGA], Granite Belt Wine & Tourism [GBWT], Stanthorpe District Community Reference Panel [SDCRP] and a range of other important representative groups.

#### What is GBSAN's interest in the RWA?

In all of our community engagements, GBSAN has consistently advocated for the development of a Sustainable Water Security Strategy for the Granite Belt.

The Granite Belt region faces significant water constraints, making reliable and secure access to water crucial for our entire community. Certain sectors within the region require the highest level of water security. Despite these concerns, to date there has been no development of such a strategy by the community and its leadership.

Our stance emphasizes the need for a sustainable water security strategy that strives to balance water requirements across the entire community, both now and in the future and it should aim to:

- Ensure fair and equitable distribution and accessibility for the entire community.
- Support thriving and healthy local communities, along with their livelihoods.
- Promote sustainable economic growth.
- Preserve the integrity of the landscape and environment.
- Effectively adapt to the challenges posed by climate change.

## Response to the RWA Draft

Any commentary that follows relates only to the RWA consideration of the Southern Downs and more specifically the Granite Belt sub region encompassing Stanthorpe township and its peri urban communities.

GBSAN supports the 4 key recommendations that arise from the RWA and commend the Minister to progress these recommendations for action with a high degree of urgency. Specifically:

- GBSAN supports further investigation into the W2S pipeline to secure Stanthorpe's water supply as a standalone project. Given the ongoing threat of a severe drought and the significant negative social and economic impact of the last drought the pipeline business case and technical assessment should be prioritised and fast tracked. We suggest that the W2S pipeline should be scoped more comprehensively beyond its current designation as contingency infrastructure.

We do not support the suggestion that any progress on this option should await the outcome of further evaluations of the Granite Belt Irrigation Project [GBIP]. The RWA findings are crystal clear *"the Warwick to Stanthorpe, via Connolly dam, pipeline will provide Stanthorpe region with secure water supply during severe droughts"* (RWA pg41).

- GBSAN supports the undertaking of further investigation for the installation of on-farm evaporation covers in the Granite Belt. This option has the potential to maximise the efficiency of existing water storages and is expected to deliver both positive economic and financial outcomes to all primary producers. Any grant or loan funding should be made available to all primary producers on the Granite Belt.
- GBSAN supports the RWA recommendation *"Continue GBIP development including geotechnical investigation, confirmation of water availability, pipeline alignment and design development"* as offering potential water security enhancement for the agricultural enterprises of the region. Given the RWA observation (pg44) that this project does not meet the water security obligation for the urban community, its further examinations should not be conflated with the high security needs of the urban community.
- GBSAN supports the recommendation to continue collaboration with NSW to optimise Border Rivers water availability. (RWA pg.27) This has the potential to improve overall water knowledge and management and risk mitigation between co-dependent communities.

## Additional recommendations for consideration when progressing the RWA.

### **1. Decouple the needs of township water from that sought by agriculture.**

GBSAN is concerned that historic considerations of the GBIP have conflated the water security needs of the urban and non-farm sectors with those of the Granite Belt agricultural sector. As its name suggests, GBIP was conceived as an irrigation project. This we believe has served to divert attention from the important and differing water security needs of other vibrant community sectors. These sectors already make a significant economic contribution to the Granite Belt and clearly have the potential to support further sustainable economic development for the region.

We include below two data tables in support of this proposition. They illustrate that a vibrant non-farm sector exists in the region. GBSAN is not confident that Stanthorpe township's long-term future has been given the priority it both needs and deserves within the RWA

considerations. The analysis in the RWA tends to subordinate the non-farm sector, which is the dominant regional employer and contributor to economic value add, to the interests of irrigator farmers.

## **2. The water security for sustainable economic diversity**

Water insecurity remains an impediment to sustainable economic development of the region and specifically the township. Reliability is an important attribute for any water supply system. It refers to the ability of a supply to operate without failure within a specific timeframe. In the case of urban communities, the goal is to achieve a supply reliability for water that is as close to 100% as is possible. The RWA is quite specific that the W2S option meets this objective and to that end GBSAN encourages its further evaluation independently and as a potential solution for the township and its residents and businesses.

The visitor economy, which is one of the more dynamic contributors to the regional growth, is highly sensitive to water security. Hospitality operators, local tour guides and hosts record significant reduction to their patronage when the town ran out of water, or the daily news reporting any such threat.

Equally the RWA observes (pg. 19) industrial activity is mainly focussed on value adding to agricultural commodities. The reality for Stanthorpe is that an absence of water security is acknowledged as a significant factor preventing food processing activities from establishing. They seek to locate in alternate townships offering reliable and higher-level water security than is on offer at Stanthorpe.

To ensure a sustainable and resilient economic future for the Granite Belt region, it is crucial to prioritize sectors that attract and retain highly skilled employees. These sectors include health, aged care, disability services, education, and other high-value service and retail-oriented activities. Employees in these fields expect to live in a community that offers excellent urban amenities, with a particular emphasis on reliable and sustainable access to clean water.

## **3. Transparency of economic assumptions**

GBSAN note a number of assertions about the future economic profile that underpin consideration of some of the options. The assumptions that underwrite these economic projections are not transparent. GBSAN lacks confidence in the projections arising from these initial assumptions. We anticipate flawed outcomes that may not align with the long-term interests and changing demographics of Stanthorpe and the greater Granite Belt.

We would like to have disclosure of:

- a. Key assumptions that guide the projection.
- b. The data sources employed to determine the projections.
- c. The supporting economic models arising from these assumptions.
- d. The future scenarios that these assumptions give rise to
  - i. Demographic & population
  - ii. Future Industry make-up
  - iii. The employment & services profile.

## **4. Use of unsuitable economic & financial criterion**

GBSAN is concerned that the use of the traditional NPV's & BCR models is inappropriate for the assessment of the public good investments that are being considered by the RWA. Neither the

W2S or GBIP produce acceptable BCR's or NPV's. These economic tools are too crude and lack the nuance required. More suited measures would include any or all of the following:

- Social Return on Investment (SROI): SROI measures the social impact of investments by quantifying the social benefits derived from a project. SROI provides a broader perspective on the overall societal value generated by infrastructure investments.
- Environmental Sustainability: Evaluating infrastructure projects based on their environmental impact is crucial in today's context. Accounting for environmental sustainability helps ensure a more resilient and sustainable future.
- Resilience and Adaptability: measuring investments in context of their ability to promote resilience and adaptability is vital, especially in the face of unpredictable events like natural disasters or pandemics. Infrastructure projects that build resilience and enable quick adaptation to changing circumstances can be evaluated based on their ability to mitigate risks, maintain functionality during disruptions, and facilitate swift recovery.
- Equity and Inclusion: Assessing investments through the lens of equity and inclusion ensures that infrastructure projects benefit all segments of society, particularly marginalized communities. It involves evaluating projects based on their potential to reduce disparities, promote accessibility, and create equal opportunities for all individuals and groups.

## 5. Update of Stanthorpe regional water supply security assessment

In 2016 the Queensland government completed a Stanthorpe regional water supply security assessment. In its introduction it clearly states:

*“Safe, secure and reliable water supplies are an essential resource for Stanthorpe, not only providing for the health and wellbeing of the community, but also providing opportunities for economic and community development.”*

Much has changed since that document was published:

- a severe drought leaving the town reliant on water cartage,
- bushfires arising in 2019, 2020 and 2023,
- a pandemic that helped to stimulate a vibrant visitor economy as Brisbane dwellers sought a rural refuge,
- a changing demographic,
- population growth in both urban and peri-urban Granite Belt,
- an emergent eco-tourism sector and
- new opportunities in tertiary education.

Further, climate modelling points to increased variability and uncertainty along with potential for more frequent droughts, emphasizing the need for water security.

GBSAN considers that this 2016 study provides a useful working model that if thoughtfully updated will afford contemporary data to support informed decision making on the options identified in the RWA.

We thank you for the opportunity to submit and look forward to participating constructively in future developments that help to progress the granite belt to achieving sustainable water security status.

Yours sincerely

Granite Belt Sustainable Action Network



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## Supporting Attachments

**Table 1. Regional Employment**

Classification	Employment GB	Rank	GB Ex Stanthorpe	Ex Town Rank	Stanthorpe Town	Township Ranks
Services	1,639	39%	289	17%	1,350	53%
Wholesale & Retail	854	20%	214	13%	640	25%
Agriculture	853	20%	785	46%	68	3%
Manf, Min & Construction	544	13%	267	16%	277	11%
Other	184	4%	84	5%	100	4%
logistics	166	4%	61	4%	105	4%
<b>Grand Total</b>	<b>4,240</b>	<b>100%</b>	<b>1,700</b>	<b>100%</b>	<b>2,540</b>	<b>100%</b>

Source: [Informed Decisions](#)

**Table 2: Sector Value Add analysis.**

Classification	GB Region Value-add (est. 2020/21) (\$m)	Regional Rank	Stanthorpe Town Value-add (est. 2020/21) (\$m)	Stanthorpe Rank	GB Peri Urban Value Add (est. 2020/21) (\$m)3	Peri Urban Rank
Services	\$143	36%	\$117	52%	\$25	15%
Agriculture	\$91	23%	\$7	3%	\$84	49%
Min, Manf & Constr	\$76	19%	\$42	18%	\$35	20%
Wholesale & Retail	\$52	13%	\$39	17%	\$13	7%
logistics	\$19	5%	\$12	5%	\$7	4%
Other	\$18	4%	\$10	4%	\$8	5%
<b>Grand Total</b>	<b>\$398</b>	<b>100%</b>	<b>\$227</b>	<b>100%</b>	<b>\$171</b>	<b>100%</b>

Source: [Informed Decisions, Southern Downs Regional Council economic profile](#)

### Notes

1. Stanthorpe township accounts for 60% of employment.
2. Stanthorpe township accounts for 57% of value add.
3. The services sector is most significant employer in region at 39% and delivers 36% of value add.