



Speech by

Dr Mark Robinson

MEMBER FOR CLEVELAND

Hansard Wednesday, 9 June 2010

REDLAND WATER

Dr ROBINSON (Cleveland—LNP) (11.10 pm): On several occasions I have brought the views of my electorate to this House about the government's water reform agenda. Water supply and security have been a high priority for successive Redland councils. In the Redlands, the foresight of former councils ensured the Redlands has always had sufficient water to provide for its community.

Former Redland shire mayor Don Seccombe said that the state government taking control of dams, weirs, bulk water pipes and wastewater treatments plants in South-East Queensland while councils control the domestic distribution system and water retail businesses was 'not good for the Redlands'. He further stated that the 'Redlands has planned ahead and paid for its water security over the years and now we are being penalised.' The former mayor's comments were echoed loudly by many in the community and the unrest about the state government's takeover continues today.

1 July brings with it further changes in the delivery of water services for the Redlands. On 1 July, as a result of the state government's failed water reform program, a new entity that is jointly owned by the Redland, Logan and Gold Coast city councils, Allconnex Water, will take over the local delivery of water, recycled water, trade waste and wastewater services from Redland Water.

A new problem has developed with the state government's solution, and that is the potential of remaining Redland Water assets to be significantly undervalued in the transfer to Allconnex Water. The water assets have been independently valued in excess of \$700 million, but Allconnex has written them down to just over \$400 million. This shortfall of more than \$300 million will mean the Redlands will be ripped off again by the state government's water management policy. This major write-down of assets means that Redlanders will have a much lower level of equity in the new business which, in the short term, would likely result in reduced annual revenue for the council which will ultimately drive rates up.

Again, the residents of my electorate of Cleveland, and the broader Redlands, appear to have been ripped off by this state Labor government when it comes to water management. The latest is that there may still be further negotiations about the value of the Redland Water assets and thus the equity of the Redlands in Allconnex and the resultant level of rate rises in the Redlands.

Today I am calling on the government to take into account in its final deliberations the forward thinking of Redlands councils' thinking and planning that built the necessary water infrastructure to provide a more-than-adequate water supply for this growing community in the first place. It is now up to the government to finally show some fairness towards the Redlands vis-a-vis the community's water or it will put a nail in the coffin of cost-effective water delivery to the residents of the Redlands.