

Mr N J Laurie
The Clerk of the Parliament
Parliament House
Cnr Alice and George Streets
Brisbane Qld 4000

Dear Mr Laurie

I refer to your letter of 10 August 2006 enclosing a copy of Petition No. 704-06 lodged in the Queensland Legislative Assembly.

The petition requests that the House abandons plans for the dam at Traveston and considers other options.

The Traveston Crossing Dam site has been identified as the only site in the region where a large capacity dam could be constructed. In the Mary Valley, at least four extra storages would need to be built to provide up to a similar annual quantity of water as the Traveston proposal.

Traveston Crossing is south east Queensland's largest undeveloped dam site. It is proposed to operate the Traveston Crossing Dam in three phases to progressively meet demand and to reduce immediate landholder and road relocation impacts:

- Phase 1 — 2011 Traveston Crossing Dam built with an operating capacity of 180,000 megalitres and a yield of 70,000 megalitres per annum;
- Phase 2 — 2025 raising of Borumba Dam by about 30 metres to a 350,000 megalitres capacity to deliver an extra 40,000 megalitres per annum; and
- Phase 3 — 2035 full operation of Traveston Crossing Dam with a total system yield of 150,000 megalitres per annum.

The phased process will more than halve the initial land area required for the Dam - from 7,600 hectares down to 2,900 hectares and will reduce the estimated number of properties that need to be acquired from approximately 1,000 down to less than 500 by 2011. This three phase process would ensure yield targets required to meet the water needs of population growth in south east Queensland by 2050 are met.

The Queensland Government is now continuing its consultation processes with local landholders to purchase properties required for the Dam. The Queensland Government will undertake a fair and reasonable compensation process.

In addition, once the sale process for these properties is completed, former landholders can remain on the property at heavily concessional rents until the Dam is completed. For landholders affected by Phase 1 of the process, this will involve leasing back the property at either a set rate of 3 percent of the unimproved capital value, or \$1,000 per annum, whichever is lower.

Landholders not affected until Phase 3 of the process will be able to remain on their properties for up to 20 years. They will be able to do so, once again on a discounted rental basis. The rent would be set at 25 percent of the assessed market rental/lease rate.

The Queensland Government has listened to the valid concerns of the community that were raised at meetings in Beaudesert, Gympie and elsewhere concerning job security and the impact of the dams on business and livelihoods. The Community Futures Taskforce, headed by former Governor Major General Peter Arnison, has been established to look at issues such as jobs, industry assistance and how to help local communities capitalise on the construction of the Dam. Specific initiatives to be undertaken by the Taskforce include:

- undertaking community needs assessment to identify social, economic and land use implications;
- providing shopfront access to provide advice and support for individuals and the community;
- generating a case management approach for affected individuals, business and communities;
- establishing community reference groups;
- identifying opportunities for regional employment and business continuity;
- developing industry adjustment initiatives;
- identifying longer term employment opportunities;
- identifying skills and training programs;
- identifying land use planning scheme options;
- identifying social infrastructure and lifestyle needs to rebuild communities;
- identifying issues relating to access to rural water use; and
- rural futures planning.

The Taskforce will consult widely with local Members of Parliament, local government, industry, community groups, organisations and individuals. It is intended to involve local tradespeople and industry in construction, as well as new employment and training opportunities.

Local residents and businesses will have the opportunity to benefit from the construction of the Dam, where possible. The goal is to allow as many people as possible to remain in the region surrounding the Dam and to ensure that the local economy is strengthened to take advantage of the new opportunities presented by the Dam in the medium to long term. The hotline for the Community Futures Taskforce is freecall telephone 1800 133 258.

The *Water Resource (Mary Basin) Plan 2006* shows that 150,000 megalitres per annum can be sourced from the Mary River system upstream of Gympie for the Traveston Crossing Dam. Sourcing 150,000 megalitres for the Traveston Crossing Dam will leave the 'end of system' Mary River with 85 percent of its mean annual pre-development flows. As part of the South East Queensland Regional Water Supply Strategy, consultants GHD Pty Ltd were commissioned to prepare a report on dam and weir sites. The GHD Pty Ltd report notes that the proposed Traveston Crossing Dam can be operated to meet environmental flow and water allocation security objectives in the Plan.

Assessments by the technical advisory panel, who provided advice on the Plan, concluded that while there may be major impacts close to the Dam, substantial recovery is expected further downstream, with limited change in the estuarine and receiving waters, including those associated with the RAMSAR Wetland and the Great Sandy Strait.

Preliminary assessment has indicated that three endangered species are located in the area affected by the Dam. These include the Mary River Cod, lungfish and the Mary River Turtle. Mitigation strategies such as fish passage devices will be the subject of detailed environmental impact studies, as they were for the Burnett River Dam.

An Environmental Impact Study (EIS) is required as part of the development approval process. This will deal with all environmental issues and will be released to the public and referral agencies for comment. The Coordinator General will assess the EIS in consultation with the Commonwealth Department of Environment and Heritage. Construction can only commence once environmental approval is obtained. Pre-construction development approvals will also be obtained.

The construction will be in accordance with the approved conditions as identified in the EIS.

Thank you for bringing this matter to my attention.

Yours sincerely

Signed

Henry Palaszczuk MP
**Minister for Natural Resources and Mines
and Minister Assisting the Premier on Water**