

ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE

QUESTIONS ON NOTICE – BUDGET ESTIMATES 2022-23 – 11 NOVEMBER 2022

MURRAY-DARLING BASIN PLAN MATTERS CROSS-PORTFOLIO

QoN No.	Portfolio QoN No.	Department /Agency	Senator	Title	Question	Transcript Page
1	SQ22-000860	Department of Climate Change, Energy, the Environment and Water	Susan McDonald	National Water Grid Authority: administered funding profile and departmental funding	<p>Senator McDONALD: I'm sorry. I didn't hear you properly. If you could on notice provide me with a profiling in the forwards. As to the National Water Grid Authority, I found in the budget papers the allocation for that. Could you confirm the amount and the profiling for the forwards for the National Water Grid Authority, please?</p> <p>Ms Werner: The National Water Grid Authority is just a division of the department. We don't have a separate allocation.</p> <p>Senator McDONALD: So, it is in here?</p> <p>Mr Fredericks: Can you just refer us to the page?</p> <p>Senator McDONALD: Yes. Portfolio Budget Statements, Budget Related Paper (No. 1.3), page 71, Department of DCCEEW, administered expenses.</p> <p>Ms O'Connell: That's under the heading of 'administered expenses'; is that the column that you're looking at?</p> <p>Senator McDONALD: Yes.</p> <p>Ms O'Connell: That's not departmental, that's administered expenses.</p> <p>Mr Southwell: The administered funding, I'm told, is the money that relates to the balance of the science program. The departmental funding for the National Water Grid Authority is part of DCCEEW.</p> <p>Senator McDONALD: I'm not entirely sure I'm following you very clearly on this. I'm sorry if I continue to ask questions that are repetitive or not to the point. Can you provide me with the profiling of that money, perhaps on notice?</p> <p>Mr Fredericks: In fairness, to assist you, we will take on notice providing you with information of the administered funding profile for the National Water Grid Authority, and we'll provide you with the profile as it is at the moment for departmental funding for the National Water Grid Authority, which just to restate is a division within the department as it was a division within the previous infrastructure department.</p> <p>Senator McDONALD: Thank you.</p> <p>Mr Fredericks: So, we'll take that on notice and give you that in a bit of detail.</p> <p>Senator McDONALD: And also for North Queensland?</p> <p>Mr Southwell: I can provide the North Queensland-</p>	11-12

					<p>Senator McDONALD: You could, but I will run out of time. I've only got 10 minutes.</p> <p>Ms Werner: I have the administered fund profile. That's the amount of money that we actually spend on projects and business cases for the National Water Grid Fund. Would you like that across the forward estimates?</p> <p>Senator McDONALD: I would like you to take that on notice and give it to me by the end today.</p> <p>Ms Werner: In writing.</p> <p>Senator McDONALD: In writing; that would be good.</p>	
2	SQ22-000862	Department of Climate Change, Energy, the Environment and Water	Susan McDonald	Table of projects	<p>Senator McDONALD: On notice, could I ask for a table of these projects: the Hughenden Irrigation Scheme, Big Rocks Weir, Hells Gate, Urannah, Bowen Pipeline, and Emu Swamp Dam?</p> <p>Ms Werner: Yes.</p> <p>Senator McDONALD: I'd like them to include which agency they're under, where the funding is under and where you're up to as far as business case, EIS-</p>	13
3	SQ22-000863	Department of Climate Change, Energy, the Environment and Water	Susan McDonald	Queensland Energy Grid Plan	<p>Senator McDONALD: Can I ask about the Queensland Energy Grid Plan, which includes a pumped hydro scheme under the Burdekin Pioneer project. Has the Queensland government been to this department to ask them to have it put on a list as a priority project to assist with funding?</p> <p>Ms Werner: The Queensland government hasn't spoken to the National Water Grid Authority about that, no. But we'd have to take on notice whether they've had any other conversations with anyone else in our department. It is possible.</p> <p>Senator McDONALD: So, you'll take that on notice?</p> <p>Ms Werner: We'll take that on notice.</p>	14
4	SQ22-000865	Department of Climate Change, Energy, the Environment and Water	Susan McDonald	\$11.5 million for strategic water planning	<p>Senator McDONALD: And cities like Cairns, which is projected to run out of water by 2030. Townsville has got a pipeline now. On notice, then, could I ask for the \$11.5 million water allocation-</p> <p>Ms Werner: Strategic water planning, yes.</p> <p>Senator McDONALD: Could I ask for a profile of when that money is to be spent, the agency that is responsible for that, and a scope of studies for what that work will contribute to.</p> <p>Ms Werner: Yes.</p>	15
5	SQ22-000866	Department of Climate Change, Energy, the Environment and Water	Sarah Hanson-Young	Cost of securing 4.5 gegalitres	<p>Senator HANSON-YOUNG: We have 4.5 gegalitres secured?</p> <p>Dr Derham: Yes, that's correct. That is what we deemed registered.</p> <p>Senator HANSON-YOUNG: How much did that cost us?</p> <p>Dr Derham: It's difficult to pull that apart, because quite a number of our contracts have multiple milestones, and through the course of the delivery of those contracts portions of the total water savings associated with the projects</p>	18

					will be delivered. On 11 October we received 2.4 gigalitres of water entitlements associated with the Murrumbidgee Irrigation Automation Project, and that was the first entitlement transfer of a total of 5.47 gigalitres that we expect against that project. I will take that on notice to be able to provide you a breakdown of the entitlements that we expect for the contracts that we have in place, and the projection of water to be registered as those milestones-	
6	SQ22-000868	Murray-Darling Basin Authority	Perin Davey	Funding for Northern Basin Aboriginal Nations and the Murray Lower Darling Rivers Indigenous Nations	<p>Senator DAVEY: In the last few minutes I just want to ask about the Aboriginal nations groups that the MDBA funds. My understanding is the MDBA provides funding to both the Northern Basin Aboriginal Nations and the Murray Lower Darling Rivers Indigenous Nations; is that correct?</p> <p>Ms Connell: Yes. The Murray-Darling Basin Authority funds MLDRIN to the tune of \$400,000 a year, and until 31 October had also funded NBAN as well.</p> <p>Senator DAVEY: Is there anywhere published how much you fund those organisations? Is that in your annual report, where you actually break down the funding that's provided to them?</p> <p>Mr Goodes: I don't think we recorded contract by contract anywhere.</p> <p>Senator DAVEY: Is there a total, say, that for 2022-23 we've given X amount to NBAN and X to MLDRIN?</p> <p>Mr Goodes: I'd have to take on notice as to whether it's reported in our annual report separately, and the list of contracts.</p>	20
7	SQ22-000869	Department of Climate Change, Energy, the Environment and Water	Karen Grogan	Records on the value of water entitlements across the Murray-Darling Basin	<p>CHAIR: I might start with a couple of questions. I'm keen to understand how long have we had good records on the value of water entitlements across the Murray-Darling Basin?</p> <p>Ms Connell: There are a number of sources which include information about the current value of entitlements and trades in the Murray-Darling Basin. That service is provided by the Bureau of Meteorology. I'd have to take on notice from when that service commenced. I'm not aware of the time, off the top of my head. We can come back to you this afternoon.</p>	22
8	SQ22-000891	Department of Climate Change, Energy, the Environment and Water	Karen Grogan	Water entitlement price increases	<p>CHAIR: We've got a good few years of data in terms of the value of water entitlements?</p> <p>Ms Connell: Yes, that's right.</p> <p>CHAIR: If we went back, say, 10 years or so, let's start with 2009, would you have a sense of what the average price of the entitlements would be?</p> <p>Ms Connell: There are a multitude of entitlement types and classes across the basin. They differ from state to state. In terms of the increase in price from 2009 until today, I understand that there have been substantial price increases. I don't have the number off the top of my head, but we can this afternoon get you some examples of, for example, high-security licence in the Murrumbidgee and</p>	22

					<p>the increase of that entitlement cost from 2009 until to date. But it's fair to say, basically, one of the principal drivers of entitlement price is around availability and supply. We've seen, for example, the Murray below the choke, and the increase in permanent plantings. That's obviously impacted on water entitlement prices in that area. I don't know whether Ms Solomon can add anything further to that at this point.</p> <p>Ms Solomon: I have the average prices of some of the entitlements below the Barmah Choke at the moment. There's evidence of increase, but not the previous prices.</p> <p>Ms Connell: ABARES does annually report on those figures. As I said, we can come back to you this afternoon with some examples of how entitlement prices have increased.</p> <p>CHAIR: That would be great, in increments, if you could, in terms of year on year; that would be excellent.</p>	
9	SQ22-000854	Department of Climate Change, Energy, the Environment and Water	Malcolm Roberts	Funding	<p>Senator ROBERTS: I have two more short questions. There was \$1,480 million allocated in this budget to the Sustainable Rural Water Use and Infrastructure Program. Does the program include water purchase as well?</p> <p>Ms Connell: Can you direct me to the reference?</p> <p>Senator ROBERTS: I haven't prepared that. The budget item?</p> <p>Ms O'Connell: The budget item or the amount.</p> <p>Senator ROBERTS: Yes, it's the \$1,480 million, Sustainable Rural Water Use and Infrastructure Program.</p> <p>Ms Connell: I will ask Ms Bunfield to come to the table. The program that you're referring to is a large program that funds a range of projects and programs in relation to delivering on the basin plan, and it is the program which has to date funded water purchases to bridge the gap. But in relation to your specific question-</p> <p>Ms Bunfield: Under the Sustainable Rural Water Use and Infrastructure Program there's approximately \$698 million allocated over this financial year, and that funding is split across a number of appropriations, including a bill which is funded within the department, and also across Treasury, which are the funds that we provide out to states for a range of different programs.</p> <p>Senator ROBERTS: Can we have an itemised list of what you plan to spend the money on, please? Just on notice is fine.</p> <p>Ms Bunfield: Sure.</p> <p>Senator ROBERTS: Does the program include water purchases? Correct?</p> <p>Ms Connell: This program has been the source of funding for Bridging the Gap purchases.</p>	24-25

					<p>Senator ROBERTS: Thank you. The budget for 2022-2023 is \$698.8 million. We are about halfway through that financial year, so you'd have a very clear idea of where that money has been spent. The budget figure is precise: \$698.8 million, not \$700 million. It seems very specific.</p> <p>Ms Connell: Just for the record, I think the figure you're referring to is \$698 million in 2022-23. That's funding being provided to basin states to deliver on basin projects. The Commonwealth funds basin states to deliver supply and constraints projects. We fund them to deliver off-farm efficiency projects. New South Wales and Queensland are receiving funding to improve metering. There are a range of other programs, but we can provide you with that information on notice, because-</p> <p>Senator ROBERTS: On notice would be fine. Thank you.</p>	
10	SQ22-000853	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	Profiling on projects within the National Water Grid fund	<p>Ms Werner: The Dungowan Dam project was deferred beyond the forward estimates.</p> <p>Senator McKENZIE: What was the figure of the deferral? Was the amount changed?</p> <p>Ms Werner: It was 302-there was no change to the amount. There was \$302 million in the forward estimates. That was deferred.</p> <p>Senator McKENZIE: So the full amount-</p> <p>Ms Werner: The full amount remains in the grid fund and the full amount that is remaining is \$595 million.</p> <p>Senator McKENZIE: Not for Dungowan.</p> <p>Ms Werner: Yes.</p> <p>Senator McKENZIE: Right. And you're profiling that out over, what, 10 years?</p> <p>Ms Werner: Yes.</p> <p>Senator McKENZIE: So when is the first year that funding should flow to this project on the 10-year profile?</p> <p>Ms Werner: In 2026-27.</p> <p>Senator McKENZIE: Okay. That's one of the New South Wales projects.</p> <p>Ms Werner: Another project which was deferred was the Wyangala Dam wall raising.</p> <p>Senator McKENZIE: Yes. I'm going to return to that one later, but, yes.</p> <p>Ms Werner: We deferred \$265 million past the forward estimates.</p> <p>Senator McKENZIE: Right. So that's still in the grant-</p> <p>Ms Werner: It remains in the fund.</p> <p>Senator McKENZIE: On notice, can you give me the full profile over the 10-</p> <p>Ms Werner: 2026-27.</p> <p>Senator McAllister: Senator McKenzie, it is helpful for the officials to describe</p>	25-26

				<p>the reprofiling, but the context for this, of course, is that the reason for the delay is the need to work up the business cases so that they are able to be assessed. The challenge, of course, is that the government you were part of made a range of commitments, and the reason for the deferral is to prepare adequate business cases so that it can be established whether or not these projects-</p> <p>Senator McKENZIE: That's a decision for government. I can read the TPs in a variety of newspapers. But right now I'm interested in the profiling.</p> <p>Senator McAllister: Well, it's important for context, because-and we're quite happy to provide the profiling and the officials should continue, but-</p> <p>Senator McKENZIE: Thank you.</p> <p>Senator McAllister: it is contingent on the work being undertaken to refine the business cases.</p> <p>Senator McKENZIE: Thank you.</p> <p>Ms Werner: The Hughenden Irrigation Scheme funding was deferred beyond the forward estimates. That's \$170 million. This is in Queensland now.</p> <p>Senator McKENZIE: That's-I'm assuming that's a 2026-27 profile beginning.</p> <p>Ms Werner: Yes. The Emu Swamp Dam project was deferred beyond the forward estimates, also in Queensland, and that was \$162.5 million.</p> <p>Senator McKENZIE: Thank you. The March budget had money going to these projects starting-just help me with the original profiling.</p> <p>Ms Werner: Yes-this year.</p> <p>Senator McKENZIE: This year. So we've kicked that out. It's going to take, to the minister's point, in excess of four years to get a business case on these projects up and running. Would that be typical?</p> <p>Ms Werner: I've got-I can speak to each individual project and where it's up to. Certainly it's the case that the projects could well still proceed after we've got robust business cases and consultation and planning activities have been completed, and with the support of the responsible state. But it may also be that, through that process, alternative solutions are identified to the problem that is sought to be being addressed by those projects. I'm happy to speak to them each individually, if you would like, in terms of the status.</p> <p>Senator McKENZIE: Yes.</p> <p>Ms Werner: For Dungowan Dam and Pipeline, Infrastructure Australia evaluated the detailed business case for this project and they published their evaluation of that on 17 August this year. It was not recommended for inclusion in their priority list. They made the assessment that the costs far outweigh the benefits that will be delivered.</p>	
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11	SQ22-000893	Department of Climate Change, Energy, the Environment and Water	Karen Grogan	National Water Grid Advisory Body membership	<p>CHAIR: I'm advised there was a letter sent by one of these expert members, and I understand they were all very expert in their field.</p> <p>Mr Southwell: The members were—I think, from memory there were eight members, I believe. I'd have to check the exact numbers. But they were appointed by the former deputy prime minister, Minister McCormack, at the time based on their skills and experience in a personal capacity.</p>	28
12	SQ22-000855	Department of Climate Change, Energy, the Environment and Water	Perin Davey	Stocktake - South Australia project location	<p>Senator DAVEY: Just to be clear, though, the stocktake was done in 2019. Work has commenced to deliver on projects identified through that stocktake. So when people say that the previous government did nothing or stood in the way, that's actually a false claim, because this work was being undertaken under the previous government and has proceeded. Are there any projects in South Australia that were identified that are being investigated?</p> <p>Dr Derham: We've had a number of projects from South Australia that we're working through. I don't have the actual stocktake list in front of me, but what I can report on today is the work that we actually have underway at the moment in consultation with the SA government. I have mentioned the City of Marion</p>	34

					<p>water efficiency project, which is an urban stormwater project. We are aware that there are three other councils in South Australia that are working to bring forward proposals. We actually are hopeful to receive them before the end of the calendar year from the South Australian government. We project potentially an extra gigalitre of water savings against those three projects, but I don't have details at this stage. I haven't seen the proposals. But that's what South Australian colleagues are sharing with us. I'm also aware of another council in South Australia that's quite keen to continue to work with South Australian department on bringing forward a water efficiency project as well. It's not necessarily a stormwater project in the same guise as what we have for Marion, but it is a different prospective project. We have continued to consult with the South Australian government on a couple of other irrigation type efficiency projects in there-the Barossa Valley, which you may know about, Senator, is a complex project, but there's been some work going on at looking at improvements for water efficiencies in the Barossa for some time and its ability to be linked to the 450 and prospectivity have been considered. There's also been some work in I think they call it the Northern Adelaide project, where again there's a small irrigation-</p> <p>Senator DAVEY: Would that be the Mount Lofty Ranges or not quite?</p> <p>Dr Derham: Probably not quite.</p> <p>Senator DAVEY: My geography in South Australia is not perfect.</p> <p>Dr Derham: I don't think it's the Mount Lofty Ranges. I'll take that on notice, Senator, and just let you know. It's more North Adelaide than it is the ranges, I think you'll find. It's vegetable for market. There's an opportunity there for some water efficiencies to be redirected into that with a better quality water associated with the water efficiency project. It's more North Adelaide than it is the ranges, I'll say that. But, again, we've been in constant consultation with the South Australian government on those types of prospective projects.</p>	
13	SQ22-000856	Department of Climate Change, Energy, the Environment and Water	Andrew McLachlan	Correspondence from the River Murray Commissioner	<p>Senator McLACHLAN: Secretary, have you received any correspondence from Mr Beasley in relation to his appointment and or the position of the state?</p> <p>Mr Fredericks: I don't believe I have. I'm not sure if any of my officials can assist me on that one, otherwise I'll take that on notice.</p> <p>Ms O'Connell: Senator, I don't recall receiving anything.</p> <p>Senator McLACHLAN: I don't know if there is-I'm simply asking.</p> <p>Ms O'Connell: There was obviously a public announcement from the South Australian government at the time, so we were clearly aware of that, yes.</p> <p>Mr Fredericks: I'll take on notice the formal question.</p> <p>Senator McLACHLAN: Yes, if it exists, I call for it. You can make your decision on</p>	35

					<p>whether you'd release it. Minister, can I put that question to you whether there's been a formal correspondence between the commissioner and the federal government.</p> <p>Senator McAllister: I'll take it on notice since, obviously, it wouldn't have come to me had it happened. I'll take it on notice.</p>	
14	SQ22-000857	Department of Climate Change, Energy, the Environment and Water	Andrew McLachlan	Correspondence from the South Australian Premier	<p>Senator McLACHLAN: That's good. I don't raise those questions to at all be critical of Mr Beasley. Now, my new premier issued a media release regarding a six-point action plan for the Murray. But he also indicated that he was contemplating legal action to defend the rights of my state. Has there been any correspondence between the South Australian government and the federal government regarding a demand or setting out his particular concerns where he feels he needs to resort to legal action? Perhaps I'll start with the authority and I'll move to your right.</p> <p>Mr McConville: No, in terms of the authority, we've received no correspondence from the South Australian premier.</p> <p>Senator McLACHLAN: I'll go to the secretary.</p> <p>Mr Fredericks: I'll give the same answer. I'll check with my officials, but otherwise I will take it on notice.</p> <p>Senator McAllister: Yes, I'll take it on notice as well.</p>	36
15	SQ22-000858	Department of Climate Change, Energy, the Environment and Water	Andrew McLachlan	The Basin Plan	<p>Senator McLACHLAN: Again, I call for it if it exists or if it happens. From the perspective-maybe I'll go to the secretary. There have been concerns, regardless of the political persuasion of leader in my state, about the operation of the plan. Occasionally leaders have reflected about legal action. Has the department done any work in relation to the possibilities of legal cause from my state in relation to enforcing their perceived rights or the crossing of their rights?</p> <p>Mr Fredericks: I think that's a question I'll need my officials to answer.</p> <p>Senator McLACHLAN: He didn't articulate necessarily his actual cause of action. I'm asking, being old lawyer.</p> <p>Ms O'Connell: Any advice we constructed would be in relationship to the cause of action, so-</p> <p>Senator McLACHLAN: What would the cause of action be?</p> <p>Ms O'Connell: Well, I can't proffer what that would be.</p> <p>Senator McLACHLAN: Has there been any work? You could take on notice any work around the fact that certain states may have legal rights which they could seek to enforce in relation to the plan. I mean, I would have thought someone has actually had to think about it.</p> <p>Ms Connell: Senator, the basin plan is obviously a complex document with a range of water recovery targets and other obligations on the part of states.</p>	36-37

					<p>There are obligations to prepare water resource plans, obligations to provide information in relation to water accounts, and obligations to provide information in relation to water trade. So there is a raft of issues against which states are required to perform. It's not easy to answer the question.</p> <p>Ms O'Connell: It really depends on the course of-what the action is, and that is not specific.</p> <p>Senator McLACHLAN: I appreciate that I'm being a little bit unfair in some ways. From your perspective it would be probably the enforcement of the statutory obligations in the plan. I was just thinking whether there'd be any other courses of action outside-common law rights or existing-</p> <p>Ms O'Connell: I can't project-</p> <p>Mr Fredericks: I think perhaps if there was a proper question-it's hard for us to answer, because I think in the generality we wouldn't really start focusing until we had a level of specificity that it's becoming apparent we don't have. So I think it's probably legitimate to-</p> <p>Senator McLACHLAN: Well, I appreciate that you're waiting for the court-for the litigation to come, and it may not come because it may be settled with counsel or government meetings. But at the same time I'm interested whether your department had reflected on it and whether there is any existing discussion around enforcement of rights as we get closer to the due date for the plan.</p> <p>Mr Fredericks: What I'll do on that is I'll take it formally on notice.</p>	
16	SQ22-000859	Murray-Darling Basin Authority	Andrew McLachlan	Minutes - meeting with Mr Beasley	<p>Senator McLACHLAN: Just back to the authority, did Mr Beasley-were there any minutes taken at that meeting?</p> <p>Mr McConville: Yes, Senator, there were. Senator McLACHLAN: I call for those.</p> <p>Mr McConville: Can I take that on notice?</p> <p>Senator McLACHLAN: Yes, and if in fact there is a claim of public interest immunity, could I ask that it be referred to the minister so that we don't have to come back for the process's inevitable journey.</p> <p>Mr McConville: Certainly.</p>	37
17	SQ22-000888	Department of Climate Change, Energy, the Environment and Water	Perin Davey	Growth in asset value	<p>Senator DAVEY: That's good. So you're no stranger to the challenges of the cross-portfolio. The Environmental Water Holder is a very significant portfolio—almost 2,100 gigalitres of long-term environmental equivalence. Not everyone is aware that you actually hold a hell of a lot more entitlement or licences than the volume. Can you tell us how many entitlements? I know they've got different values and different—but how many entitlements do you hold?</p> <p>Mr Banks: The volume of entitlements is 2,877 gigalitres. The long-term average annual yield from that, which is what counts for the basin plan, is 1,991 gigalitres.</p>	43

					<p>Senator DAVEY: Have you got the current portfolio value—what those entitlements would currently be valued at?</p> <p>Mr Banks: I understand the asset value is about \$4 billion.</p> <p>Senator DAVEY: I think, if my memory serves me correctly, that's had quite a significant capital gain. It's increased in value over time.</p> <p>Mr Banks: Senator, I don't have the details in terms of what the growth in that asset value is. We can look at that and perhaps try and get back to you later on this afternoon.</p> <p>Senator DAVEY: Or you can take it on notice. It would be very interesting just to know the price paid and what the current value is, because I think it's very interesting.</p>	
18	SQ22-000889	Department of Climate Change, Energy, the Environment and Water	Perin Davey	Portfolio management rules	<p>Senator DAVEY: Because you have such a large portfolio across multiple trading zones, do you ever use what is commonly called carryover parking, where, if in one water valley you've got too much water to carry over or something, you might transfer it to another valley, where you've got capacity to carry over water? Do you ever use that?</p> <p>Mr Banks: I'm not familiar with that particular term, Senator, but, as I indicated, we'll manage our portfolio according to the rules that are set. So we do transfer water. I just don't know if we've transferred water for the purposes of carryover. But anything we do is within the rules that are set by the state government.</p> <p>Senator DAVEY: Can you take that on notice?</p> <p>Mr Banks: Yes, I can take that on notice and we'll come back.</p>	44
19	SQ22-000861	Murray-Darling Basin Authority	Perin Davey	Sustainable yield study - staff structure	<p>Senator DAVEY: Well, yes. I understand there's money for the sustainable yield audit and the Sustainable Rivers Audit and for updating the science. I asked CSIRO, because I've been told, and we keep hearing CSIRO mentioned in conjunction with that, and they said that they're still in discussions with you, so they don't know how much of that money they'll get. But you've got staff appointed to those. You can take it on notice if you want. I'm wanting to understand the increase in staffing, what the staff are going to be doing so that we can—those following along at home can understand sort of where the staff are and what their jobs are. On the surface, we would have thought that the staffing levels would go backwards because you've lost a chunk to the Inspector General. But now you're getting more staff. It's like the bureaucracy just breeds itself.</p> <p>Mr Manning: I can't speak to bureaucracy writ large, but in terms of the sustainable yield study specifically, yes, we received \$9.8 million over three years to deliver that study. We're at the very early stages of planning that. So we literally had our first workshop last week to sit down to look at the scope of that study. So step 1 was to work out the scope, work out where it fits within our</p>	49

					<p>science journey and then, once we've worked through those details, we'll get into the detailed project planning. That will include staff allocation. So, from my perspective, we're doing that within our existing team at the current point in time, and we'll make decisions in relation to what we need as we work the project up.</p> <p>Senator DAVEY: Can I ask that you take it on notice? Once you've got the structure all worked out and once you've mapped out the process, can you provide the committee with just the structure?</p> <p>Mr McConville: We'll take on notice the allocation of staff across the business and the direction of numbers of staff over the period.</p> <p>Senator DAVEY: Thank you.</p>	
20	SQ22-000864	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	Strategic objectives	<p>Senator McKENZIE: ... With regard to the investment framework of the authority, can you please outline the significant changes to the documents since the election-strategic objectives, investment principles and eligibility criteria specifically?</p> <p>Ms Werner: Yes, Senator. The government has introduced three new strategic objectives for the fund. Those are to provide safe and reliable water for regional and remote communities, to generate public benefit through responsible investment in water infrastructure for productive use, and to build resilient water infrastructure that is environmentally sustainable and culturally responsible.</p> <p>Senator McKENZIE: Thank you. Were any strategic objectives deleted? They are three that were added.</p> <p>Ms Werner: Three were certainly changed, yes. Each of those replaces a previous one. Would you like me to read out the previous ones?</p> <p>Senator McKENZIE: Just on notice would be great.</p> <p>Ms Werner: Okay.</p>	51
21	SQ22-000867	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	National Water Grid project details	<p>Senator McKENZIE: Fantastic news. In terms of your program of work, on notice, could you give the details on the funding of projects by program that have been contractually committed, and committed but not yet contracted, and any funding that has not yet been allocated; details of any changes that have occurred since last estimates hearings and since pre-election economic fiscal outlook; where there have been changes, particularly delays in scheduled project completion times, a list of projects by program which at the time of last estimates hearings were scheduled for completion in each of 2022-23 and 2023-24; and a list of programs that have been discontinued since 23 May 2022.</p> <p>Ms Werner: Yes.</p>	51

22	SQ22-000870	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	Warragamba Dam correspondence	<p>Senator McKENZIE: ... I've got questions on Warragamba Dam. On 14 October, there was a bit of confusion because the Prime Minister said he hadn't received any request from Premier Perrottet-'haven't received any details'-a direct quote. The Premier's office, of New South Wales, obviously then refuted the claim. Does the department or the authority hold any correspondence between the Albanese government and the Perrottet government relating to this project that was exchanged prior to the Prime Minister making these comments on 14 October?</p> <p>Mr Fredericks: I think we're going to have to take that on notice.</p> <p>Senator McKENZIE: I think in your estimates prep, Secretary, this could have been flagged as a hot topic to be asked. The Premier's saying one thing and the Prime Minister's saying another. There's reportedly some correspondence from a minister that's not from this department. There is no-one behind you that actually has the answer-the corro list?</p> <p>Mr Fredericks: I'm happy to check with my officials at the table.</p> <p>Senator McKENZIE: Is there correspondence?</p> <p>Ms O'Connell: Senator, first, in terms of Warragamba Dam, it's not proposed as a measure to increase water supply; it's proposed as a flood mitigation measure. There are questions about whether it would be eligible under the grid, so it's not necessarily connected to the grid.</p> <p>Senator McKENZIE: My question is one about correspondence between the federal Albanese government and the New South Wales Perrottet government prior to the Prime Minister saying publicly, 'We haven't received any request; we haven't received any details'. Now, I know how extensively departments keep correspondence tracks. I'm pretty confident that is a yes or no answer from this department.</p> <p>Ms O'Connell: In terms of correspondence with the New South Wales government, there is a letter from Stuart Ayers to Minister King in relation to Warragamba Dam. It is not a request under the grid.</p> <p>Senator McKENZIE: No-it's going to Minister King-</p> <p>Ms O'Connell: It does not propose or put forward a proposal for funding under the grid. There is a reply from Minister King back to Minister Ayres.</p> <p>...</p> <p>Senator McKENZIE: Is there a table in the folder that might have the Ayres date?</p> <p>Ms O'Connell: It's not dated in terms of the letter. The reply-</p> <p>Senator McKENZIE: I understand what you're saying*--**that the letter itself isn't dated. But you will have-</p> <p>Senator McAllister: We'll take that on notice, Senator McKenzie. Senator</p>	54-55
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					commentary by- Senator McAllister: We'll also take that on notice.	
23	SQ22-000871	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	Warragamba Dam project - Minister meeting with community representatives	<p>Senator McKENZIE: Taking it all on notice. Has the minister met any community representatives about the Warragamba Dam project?</p> <p>Ms O'Connell: We'll have to take that on notice.</p> <p>Mr Fredericks: Yes, we'll take that on notice.</p> <p>Senator McKENZIE: Your own minister, not Minister King.</p> <p>Senator McAllister: I am obviously representing the portfolio minister-</p> <p>Senator McKENZIE: I understand you're representing-</p> <p>Senator McAllister: and I'm not aware of all of her- Senator McKENZIE: But I also understand- Senator McAllister: We'll take it on notice.</p> <p>Senator McKENZIE: that the department would know where their minister is. If they're sitting down talking about the Warragamba Dam project, you probably had to prepare a brief for her to have that conversation.</p> <p>Senator McAllister: Senator McKenzie, we will take it on notice so that accurate information can be provided.</p>	55-56
24	SQ22-000872	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	Warragamba Dam - representations from local members	<p>Senator McKENZIE: This is incredible. Has Minister Plibersek received any representations from local members of parliament against raising the wall?</p> <p>Senator McAllister: I'll take that on notice, Senator.</p> <p>Senator McKENZIE: Don't know-it's another corro question. Okay. On Insiders on 16 October, Minister King was asked about New South Wales and Warragamba Dam. She said, 'We'll have conversations and we're in conversations with them at the moment. I understand the New South Wales department is again talking to Infrastructure Australia. There's a bit more information we're going to need'. What are those conversations, given that this is now your responsibility?</p> <p>Senator McAllister: Senator McKenzie, that question needs to be asked of Minister King.</p> <p>Senator McKENZIE: I understand that there may be bits of papers that have gone missing between this-as part of government shifting departments. But you have sat here, senior and very experienced officials of the Public Service, and you don't have correspondence records. You don't know where your minister's been. You haven't prepared briefs on projects that another senior minister, Catherine King, has said you're actually actively in conversations with the New South Wales government about. I mean, this is passing crazy that you don't have this level of detail.</p> <p>Mr Fredericks: Senator, in fairness, I think at the start of your question you referenced Infrastructure Australia. Am I right in that?</p> <p>Senator McKENZIE: Infrastructure-</p>	56

					<p>Mr Fredericks: Because-</p> <p>Senator McKENZIE: The New South Wales department is talking to Infrastructure Australia.</p> <p>Mr Fredericks: So infrastructure Australia is still a portfolio agency in the infrastructure portfolio.</p> <p>Senator McKENZIE: Yes, I appreciate that. My question, though, to your minister is: has your minister, as the responsible minister, met with locals or received any correspondence or lobbying from local MPs around this project about-for or against raising the wall? That's a legitimate question, Secretary, to ask. Has Minister Plibersek-</p> <p>Senator McAllister: You did ask that, and it was taken on notice.</p>	
25	SQ22-000873	Department of Climate Change, Energy, the Environment and Water	Bridget McKenzie	Warragamba Dam - discussions with Infrastructure Australia	<p>Senator McKENZIE: Yes. What communication does the department have with Infrastructure Australia around water infrastructure projects?</p> <p>Ms Werner: We have a monthly catch-up with Infrastructure Australia. Infrastructure Australia is required to assess any proposals that are over \$250 million. So, before we make a Commonwealth government commitment to funding a project that was over \$250 million, the correct procedure is that Infrastructure Australia conducts an assessment of that project. Infrastructure Australia would then brief us on the outcomes of that assessment. But there are not that many projects of that size coming through. So our main engagement is that we catch up with them regularly and we talk to them about a whole range of issues to do with infrastructure that they're responsible for. They are our key adviser for infrastructure matters.</p> <p>Senator McKENZIE: So you would know that if New South Wales government-well, if Minister King's saying that the New South Wales government is talking to Infrastructure Australia, and it's quite an iterative process, as we've outlined today, you would be informed about how those conversations are going or not?</p> <p>Ms Werner: Infrastructure Australia has never mentioned to me that they are in conversations with New South Wales about Warragamba Dam.</p> <p>Senator McKENZIE: And you are the responsible official at those meetings?</p> <p>Ms Werner: Nor have I ever-well, other members of my team attend the meetings and there's-</p> <p>Senator McKENZIE: Could you take on notice to just-</p> <p>Ms Werner: Sure, I'd be happy to do that.</p> <p>Senator McKENZIE: I also would like to know if the business case has been finalised yet. Has it been submitted at Infrastructure Australia, maybe at your next monthly meeting? When is the department expecting Infrastructure Australia to have completed their assessment, noting the National Water Grid</p>	56-57

					<p>has moved? What is your relationship between IA-the two? So you have a monthly meeting. Are there any other formalised or informal arrangements to make that a productive relationship?</p> <p>Ms Werner: Yes.</p> <p>Mr Fredericks: Can I just say also, by the way, those part questions that you raised about Infrastructure Australia-again, in fairness to you, we'll do two things. We'll take them on notice in our own right and we'll transmit those questions to the infrastructure portfolio in their right.</p>	
26	SQ22-000875	Department of Climate Change, Energy, the Environment and Water	Susan McDonald	Hells Gate Dam - Townsville Enterprise Limited	<p>Senator McDONALD: Thank you. I just want to go back to Hells Gates Dam. It's a project that's a very long way away and there have been a lot of projects previously developed in the south. There's a lot of development of agricultural water and town water. But in the north, there's very little. And the north, particularly the Townsville region, was incredibly excited about the Hells Gates project. Could you tell me how much money had been committed by the federal government to the business case studies, environmental assessments and other works to assess that project?</p> <p>Ms Werner: Senator, the government had provided \$24 million for the business case and it had provided \$2.2 million for the Hells Gates Dam feasibility study.</p> <p>Senator McDONALD: That money-do you have on file there what consultancy that went to?</p> <p>Ms Werner: It wouldn't have been paid to a consultancy. It would have been paid to the Queensland government as our delivery partner.</p> <p>Senator McDONALD: Right. Given that I'm local, I know that Townsville Enterprise Limited-of which the Townsville mayor is a member, and Townsville business people-is the economic development and tourism organisation for that region. It's my understanding that SMEC, the Snowy Mountain Engineering Company, did all the works and analysis for that. That's \$24 million, plus \$2.4 million-\$26.4 million for a feasibility and a business case. It doesn't sound like the back of an envelope sort of work. It's my understanding that the Townsville Enterprise Limited had presented the business case to the minister soon after the election. Could you take on notice for me the times that Townsville Enterprise Limited met with the new government to present the business case and the detailed work that had happened for the Hells Gates Dam project, please?</p> <p>Ms Werner: I will have to take that on notice, Senator.</p>	57-58
27	SQ22-000876	North Queensland Water	Susan McDonald	North Queensland Water Infrastructure	<p>Senator McDONALD: All right. I appreciate that they weren't called-the North Queensland Water Infrastructure Authority wasn't called. Can I ask the department on notice for their scope of works? We had a broad one, but I'd ask</p>	61

		Infrastructure Authority		Authority - Scope of work	them what their- Mr Fredericks: I might do the same thing as I did before with Senator McKenzie. We'll take it in our own right and we'll transfer it off to the North Queensland Water Infrastructure Authority as well, on notice.	
28	SQ22-000892	North Queensland Water Infrastructure Authority	Susan McDonald	North Queensland Water Infrastructure Authority - Charleston Dam final build and pipeline costs	Senator McDONALD: Terrific. I was hoping you were going to say Charleston Dam. That was a tiny little project—\$3 million. Was that the final build of the dam plus the pipeline? Ms Werner: I have to be honest with you, Senator—we only have the water grid fund. Mr Southwell: It was funded under another program with Infrastructure, but we can take that on notice.	61