



Media Release

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More time for irrigation channel schemes

The deadline for government to receive proposals on irrigator ownership and operation of Queensland's channel irrigation schemes has been extended until March 2014. This extension, together with the release of the financial models for each scheme, will assist in the proper deliberation of local management.

The additional time has been welcomed by the eight interim boards, established to submit Business Proposals to government, as it provides more time for them to consider the options and to better inform scheme customers of the pros and cons of local management.

Irrigators and their representative bodies have been calling for local management of the schemes for a long time. The Queensland government is now investing in serious investigation of the transfer of channel assets, currently operated by government-owned corporation, SunWater, in Bundaberg, Burdekin-Haughton, Emerald, Eton, Lower Mary, Mareeba-Dimbulah, St George and Theodore.

Government has clearly stated that customer support for the business proposals will be critical for local management to proceed. Interim boards will consult with scheme customers about the key elements of their business proposals prior to submitting them to government. This process will be different in each scheme to accommodate different customer needs.

Project leader and Independent Chair of the Local Management Arrangements Working Group, Ms Leith Bouilly, said all of the interim boards had made significant progress on their business proposals but have been waiting for financial data and critical engineering assessments before being able to provide options to scheme customers.

"The interim boards, government and industry have been proactively focused on solutions to complex issues, such as land tenure, metering and the corporate structure of the future local management entities" Ms Bouilly said.

"The interim boards are currently developing business proposals that are best suited to their scheme and the needs of their customers. The timeline is still extremely tight but each interim board has identified opportunities and risks for irrigator-owned entities to run these schemes as viable businesses into the long-term," she said.

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A five-week inspection of the channel assets will be undertaken before Christmas as part of the engineering due diligence process. This assessment of the condition of the channel assets will be fundamental to understanding the true capital and operating cost of the schemes.

The costs will be an input to financial modelling being conducted by each board and used to develop the business proposals to government. Consultation drafts of the business proposals will be made available by each interim board for customer feedback prior to their submission.

All interim boards have plans to undertake stakeholder engagement on the key elements of the business plans prior to their submission to government so that the level of customer and wider industry and community support for local management can be gauged.

For further information on the project, or to contact an interim board, visit www.lmairrigation.com.au. Or call 3405 0356 for contact details of your scheme chair or to speak to the LMA Independent Chair Leith Bouilly.

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