

# The Queensland Urban Water Industry

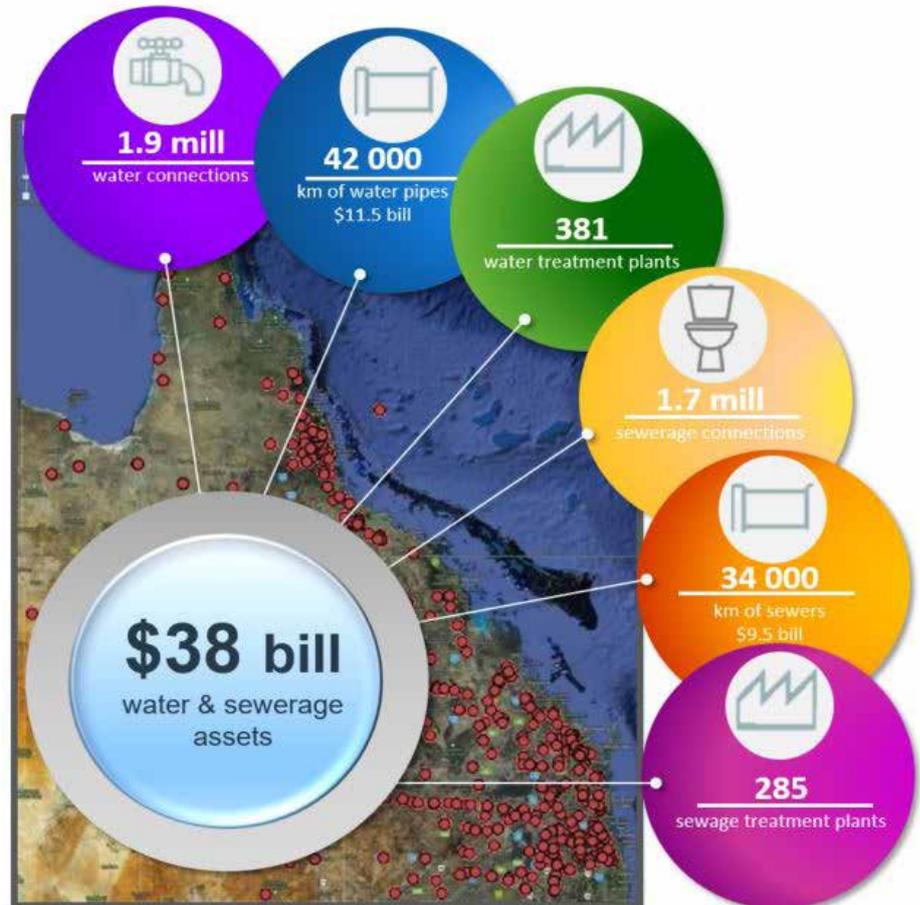
October 2019



In Queensland, urban water and sewerage services (WSS) are provided by local government-owned WSS providers. In parts of South East Queensland, reform in 2008 created two corporatised urban utilities, but in the remainder of the state, councils own, manage and operate WSS. Together they own around \$38 Billion in WSS assets that cost more than \$1 Billion per year to operate.

The Queensland sector relies on over 100 dams and weirs, over half of which are owned by local governments along with over 180 bores, one third of which access the Great Artesian Basin.

Pipes and other 'buried assets' are the most expensive component of a water utility's infrastructure. Water (42,000km) and sewer (33,500 km) networks make up the largest component of the \$38 billion local government-owned water and sewerage infrastructure. This network services more than 4.3 million people across 370 communities.

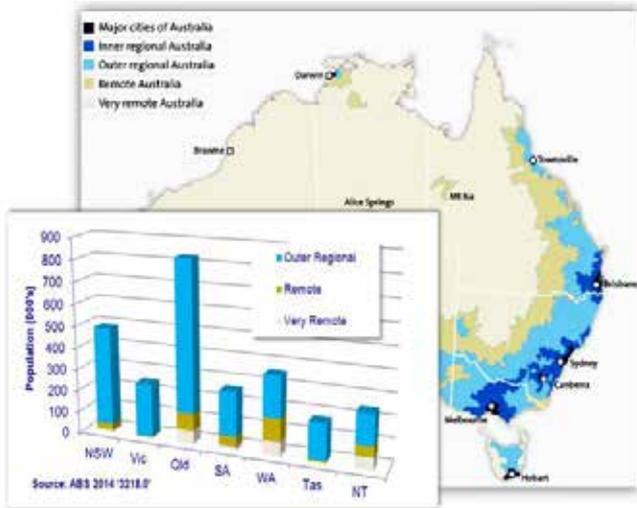


A primary driver of efficiency for a network utility is the density of its connections. High densities mean more customers are served with a smaller total 'footprint' of infrastructure thus reducing the cost to serve. Consequently, economies of scale are elusive where density is low and networks are too small and isolated for viable interconnection.

The population is widely dispersed over a very large area. It has the largest number of residents outside major cities and 'inner regional' areas of all Australian jurisdictions.

The scattered urban population means that service providers maintain over 370 public water supplies, some up to 100 km apart, and 88% of which are potable schemes. Two thirds of these potable services supply towns with fewer than 1000 residents. Half service fewer than 500 people.



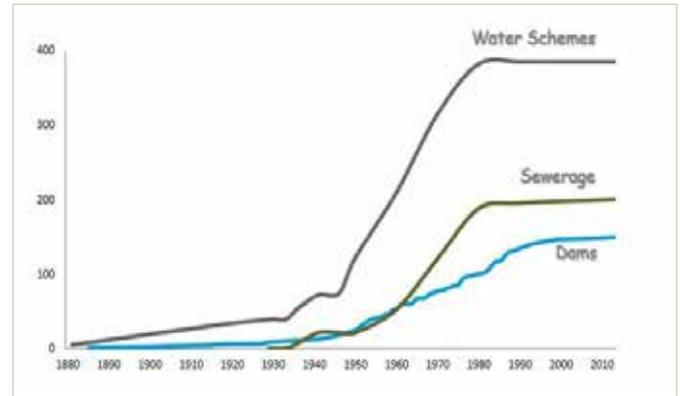


'Remoteness structure' showing the large population outside major cities and 'inner regional' Queensland (from Australian Bureau of Statistics, 2015, 3218.0).

Population distribution was a key factor in the historical development of Queensland's water assets. Infrastructure in regional towns was developed over the past 130 years with major investment in the 30 years following WWII. Growth was driven by over 100 years of coordinated co-investment by local and state governments.

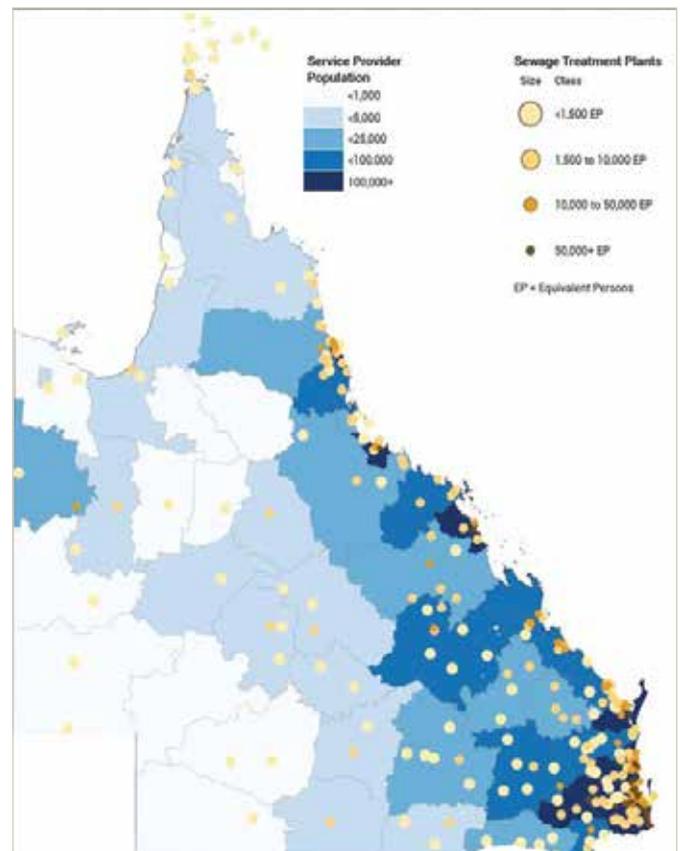
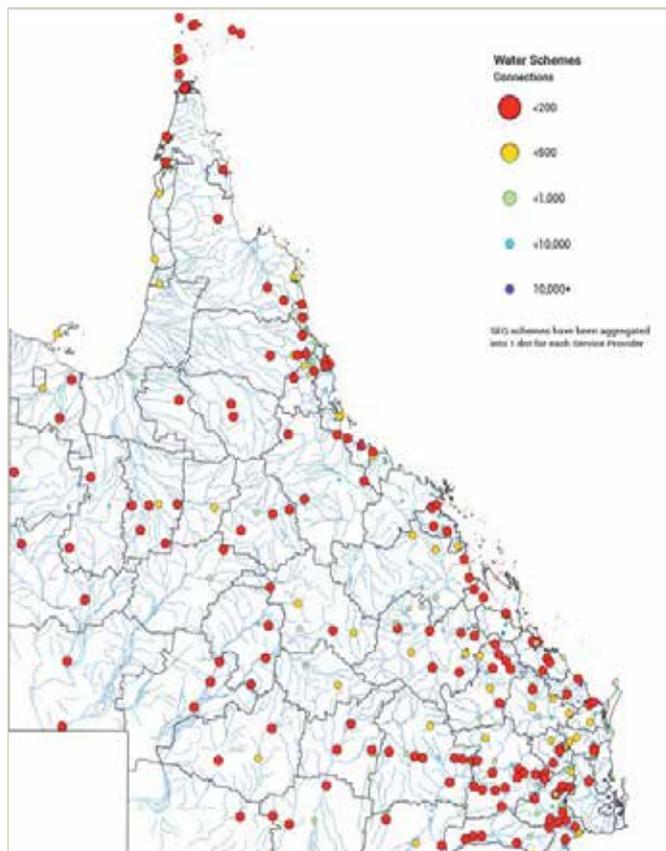
Investment in WSS assets increased rapidly after WWII but slowed dramatically in recent years.

This means that aged assets are spread widely across Queensland's dispersed communities. Some of these are reaching an age where targeted investment is required to ensure that current levels of service are maintained for Queensland's dispersed population.



This information sheet is the first in a series of that explore the challenges regional Queensland councils must anticipate in dealing with ageing network infrastructure.

These assets may be 'out-of-sight and out-of-mind' not requiring renewal as yet. As networks 'come of age', new strategies will be needed and some of the problems and possible solutions are listed to assist councils with these changes.



\*\*This information sheet is part of a series aimed at preparing regional councils for changing investment needs of network assets. They are available along with two detailed reviews at <https://www.qldwater.com.au/QWRAP>.