

Parliamentary Paper
No. 146/1980

The Parliament of the
Commonwealth of Australia

**SOUTH WEST TASMANIA AND
HYDRO-ELECTRIC POWER
DEVELOPMENT**

House of Representatives
Standing Committee on
Environment and Conservation

Report

August 1980

© Commonwealth of Australia 1980

0 642 05690 0

Printed by Authority by the Commonwealth Government Printer

House of Representatives Standing Committee on Environment and Conservation

Terms of Reference

That a Standing Committee be appointed to inquire into and report on:

- (a) environmental aspects of legislative and administrative measures which ought to be taken in order to ensure the wise and effective management of the Australian environment and of Australia's natural resources; and
- (b) such other matters relating to the environment and conservation and the management of Australia's resources as are referred to it by:
 - (i) the Minister responsible for those matters, or
 - (ii) resolution of the House.

Members of the Committee

Chairman

Mr J. C. Hodges, M.P.

Deputy-Chairman

Dr H. A. Jenkins, M.P.

Members

Mr M. Baillieu, M.P.

Mr B. Cohen, M.P.

Mr J. F. Cotter, M.P.

Mr P. S. Fisher, M.P.

Mr B. L. Howe, M.P.

Mr B. D. Simon, M.P.

Clerk to the Committee

Mr J. R. Cummins

Contents

Chapter	Paragraph
1 Introduction	1
2 South West Tasmania and the Franklin Lower Gordon River Region	
Description	6
Value of South West Tasmania	12
3 Gordon River Power Development Stage Two	
Demand for electricity	22
Alternative schemes	25
The proposal	28
4 Environmental considerations	
Hydro-Electric conversion assessment	32
Comments on H.E.C. assessment	35
5 Tasmanian Government assessment	
Co-ordination Committee on Future Power Development	43
Tasmanian Government decision	46
6 Conclusions	50
Appendix 1	Dissent by Mr J. F. Cotter, M.P.
Appendix 2	References
Appendix 3	The eleven major rivers of Tasmania
Appendix 4	Tasmanian Government Energy Conservation Strategy

1 Introduction

During the past year the Committee received many representations concerning South West Tasmania and the proposed hydro-electricity scheme for the Franklin and Lower Gordon Rivers.

2. Following an invitation from the Tasmanian Wilderness Society, the Committee visited Tasmania from 29 February to 3 March 1980. During this visit the Committee held informal discussions with the Hydro-Electric Commission, the Strahan Shire Council, the Strahan community, tour operators and conservationists. The Committee inspected the Franklin and Lower Gordon Rivers and camped overnight on the Franklin River.

3. On 17 April 1980 the Committee resolved to report to Parliament on South West Tasmania with particular reference to the Franklin and Lower Gordon Rivers.

4. From the outset the Committee stresses that it is not in a position to oppose or endorse proposed hydro-electric power developments in South West Tasmania. The Committee's two-day inspection and discussions were insufficient for the Committee to reach firm conclusions relating to the proposal. Rather, the purpose of this report is to place before the House the issues that have been drawn to the attention of the Committee.

5. A list of references upon which this report is based is at Appendix 2.

2 South West Tasmania and the Franklin and Lower Gordon Rivers Region

Description

6. Much of the Franklin and Lower Gordon Rivers region is as it was when European man first came to Tasmania three centuries ago and to this day there are no towns, farms or fences within the region.

7. The Tasmanian National Parks and Wildlife Service divides the catchment of the Franklin and Lower Gordon Rivers into three regions, namely, the highland country, the middle gorge and the lowland country.

8. The Franklin and Gordon Rivers rise in the central west highlands. The Franklin River flows through alpine tarns and glacial lakes before plunging through a number of waterfalls and rapids and entering the middle gorge country. The middle gorge country is characterised by a series of narrow gorges containing numerous waterfalls and rapids. In the lowland reaches the country becomes less rugged and the river reaches become longer. Riverside cave entrances are abundant. Here the rivers are broadwaters flanked by thick rainforest and water-sculptured limestone cliffs.

9. The vegetation of the region is a mosaic of rain forest, wet sclerophyll, scrub, heathland, sedgeland and swampland. Remoteness from fires and high rainfall combine to produce widespread rainforest in many of the river and creek valleys. The rainforest is composed of tree species such as myrtle, sassafras, leatherwood and Huon pine.

10. Eighteen indigenous species of mammals have been recorded in the region. These include the Tasmanian devil, native cat, ringtail possum and pigmy possum, Bennetts wallaby, pademelon, wombat, brown bandicoot, water rat, swamp rat, marsupial mouse, platypus and echidna.

11. Forty-nine species of birds have been recorded in the region. The status of at least two bird species is of concern. The azure kingfisher is uncommon in Tasmania and appears to be restricted almost entirely to the west of the State. The orange-bellied parrot is only known to breed in South West Tasmania. Only eighty-three birds of this endangered species are known. In addition, South West Tasmania, because of its very high average rainfall, provides extensive habitats for freshwater fauna.

Value of South West Tasmania

12. In November 1975 the Tasmanian Minister for National Parks and Wildlife appointed the South West Advisory Committee (Cartland Committee). The Cartland Committee concluded that the south-west of Tasmania was an area of unique importance locally and nationally and would undoubtedly increase in international importance in years to come. The Report stated that it is one of the last remaining largely undeveloped temperate areas in the world and that it contains areas and features of incomparable beauty and significance. The Cartland Committee also concluded that South West Tasmania has important present and potential economic significance.

13. The Cartland Committee recommended, among other things, that a conservation area be established to cover the whole of South West Tasmania and that the Tasmanian Government submit a case to the Commonwealth Government for special funding for management of the area.

14. Following the South West Advisory Committee's Report, the Tasmanian Premier on 20 March 1979 announced a set of policy decisions relating to the future management of South West Tasmania. The Premier stated that the Government could not ignore the fact that South West Tasmania embraces unique wilderness and other areas of international repute and is important in terms of tourism and recreation as well as in terms of natural history and science. The specific policy decisions taken by Cabinet included a proposal to declare the whole of South West Tasmania as a conservation area and an undertaking that the Government would submit a case to the Commonwealth Government for a substantial and continuing appropriation of funds for South West Tasmania in keeping with its value to the nation as a whole.

15. The Tasmanian National Parks and Wildlife Service believes that the Gordon and Franklin Rivers are an integral part of the south west wilderness. It has recommended that the catchment of the rivers be proclaimed as a wild rivers national park. The Wildlife Service claims that no other national park in Tasmania or elsewhere in Australia has a natural access waterway comparable to the Gordon River nor the range of scenic, historical, recreational, tourist and scientific values provided by this area.

16. In its submission the National Parks Service provided a table of the main rivers of the State. This table is at Appendix 3. It can be seen that the three major Tasmanian rivers, the Gordon, Pieman and Derwent, have already been dammed and with the exception of the Franklin and Davey Rivers all major rivers in the State have been dammed or polluted to some extent. The Service concludes that Tasmania in 1979 has only two of its eleven major rivers in their wild state, one of which is the Franklin River.

17. The Wildlife Service considers that the importance of this area to its mammal and bird fauna lies largely in its freedom from introduced species. The Service concludes that the major rivers of the region emerge as a remarkable zoological resource, the more so since they are significantly different in composition of their fauna and in their physical characteristics to any other rivers found in Australia and hence elsewhere in the world.

18. At the Federal level the significance of the area has been acknowledged in a number of ways. Since 1976 Government funds have been made available under the Environment (Financial Assistance) Act to assist the South West Tasmania Resources Survey. The purpose of the survey is to compile a detailed inventory of the resources of the area. In particular it will identify those attributes which may require the preservation and management of areas of South West Tasmania as national parks.

19. In announcing the grant for 1979-80, the then Minister for Science and the Environment said:

South West Tasmania is one of the few remaining wilderness areas in the temperate regions of the world and together with Cape York shares the distinction of being the largest remaining wilderness area in the eastern coastal region of Australia. As such it is of national significance and in the opinion of some is a potential candidate for world heritage status.

20. The Minister further stated that the Government is firmly committed to assist the Tasmanian Government in establishing a national park of world significance (*Senate Hansard* 10 May 1979, page 1810).

21. On 8 July 1980 the Australian Heritage Commission announced the listing of South West Tasmania in the Register of the National Estate.

3 Gordon River Power Development Stage Two

Demand for electricity

22. Despite active energy conservation programs conducted by the Hydro-Electric Commission (H.E.C.), that organisation states that there will be a significant and continuing increase in the demand for electricity at least for the next twenty years. The present generating system, including new developments which will come into production over the next few years, will meet the Tasmanian forecast power demand only to 1990.

23. The H.E.C. has estimated the future general load¹ on the basis of a per capita growth rate in demand of 3.5 per cent per year. This projected growth in demand will be influenced by the price of electricity, thermal insulation, solar water heating, appliance efficiency and oil prices. Major industrial load² is at present the largest section of the total demand for electricity and this load has historically increased at a rate of 7 per cent a year. The H.E.C. approached all established industries to ascertain the extent of all possible future increases in their electrical requirements. Most of the major established industries expect to require additional increments far in excess of the potential from presently untapped hydro sources.

24. The Commission in its forecast has made an allowance for an increase of 1.8 per cent a year in 1980 reducing to 1.3 per cent a year in 2000. In its forecasts the H.E.C. has made no allowance for major new industries.

Alternative schemes

25. As with past developments the H.E.C. gave careful consideration to all means by which the required electrical energy could be generated. It used four criteria to assess which alternatives are worthy of detailed consideration, namely:

- there must be sufficient of the primary energy resources available to ensure continuation of generation at the required level throughout the life of the generating facility;
- the technology of conversion must be established and must be socially acceptable;
- total capacity cost must be one for which finance will be available; and
- the total cost of production of electricity from the particular primary source and associated conversion processes must be one which consumers generally are prepared to pay.

26. The Commission examined water power, oil and gas fired thermal power, wood and woodwastes, wastes other than wood, nuclear power and imported electricity and what it describes as unconventional methods of generation such as wind and solar energy. Four alternative development programs which have the apparent potential to meet the load forecasts were considered in detail by the H.E.C. These were:

¹ General load consists mainly of domestic, commercial and small industrial loads.

² Major industrial load consists of all large industries whose rates are determined by negotiation and contracts.

- the integrated development of the Lower Gordon, Franklin and King Rivers;
- the separate development of the Lower Gordon, Franklin and King Rivers;
- a coal-fired thermal station; and
- the inter-connection with Victoria by underwater cables.

Details of this examination can be found in the H.E.C. Report.

27. After detailed consideration the Commission recommended the construction of the first stage of the integrated development as the most cost-effective means of meeting forecast demand.

The proposal

28. For a number of years the Hydro-Electric Commission has recognised that the hydro-electric potential of the Lower Gordon, Franklin and King Rivers could be developed (according to the H.E.C.) at a very low real cost.

29. The integrated development consists of two schemes, the first of which harnesses the combined flow of the Gordon and Franklin Rivers in a power station just downstream of the Gordon and Franklin junction. The second stage of the scheme develops the further potential of the King and Franklin Rivers in a power station located on the Franklin River. The total output of the development is 339.3 megawatts.

30. To meet the forecast of demand for electrical load from 1990 to 1995 the Hydro-Electric Commission has recommended that the first stage of the development proceed. This consists of a concrete faced rock-filled dam 105 metres high, one kilometre downstream of the Franklin-Gordon Rivers junction, a concrete spillway and a power house with an installed capacity of 296 megawatts. It will harness most of the water power potential of the Lower Gordon River and, being located below the Franklin junction, will develop the potential of the lower part of the Franklin River. The total potential is 172 megawatts. The dam will result in a reservoir extending up the Gordon River valley for 36 kilometres and up the Franklin River valley for 35 kilometres.

31. In order to meet the recommended program, initial construction of an access road must start in late 1980. Work on the dam site would commence in 1983 and commercial operation of the power station is programmed to commence in 1990.

4 Environmental considerations

Hydro-Electric Commission assessment

32. The H.E.C., as part of its report on the Gordon River power development, has included a draft environmental statement. Detailed environmental studies were carried out to the extent that is required to allow necessary decisions to be taken at this time.

33. The area to be flooded by the first stage of the Integrated Development represents 4.6 per cent of the Lower Gordon Basin and only 1 per cent of the area defined by the Cartland Committee as 'South West Tasmania'. Low level features of the river channels, gorges and valleys will be flooded including a number of caves on the Lower Gordon and Lower Franklin Rivers.

34. The H.E.C. is yet to complete detailed studies of the environmental implications of the second stage of the development. The major findings of the H.E.C. are summarised below.

Archaeology and history—There are no archaeological sites or other evidence of Aboriginal occupancy in the area. The only visible remains of European occupation are several old piners' camps and a lime kiln.

Land use—Tourism is the only commercial activity; the Gordon River cruises from Strahan will not be affected. Of the whole range of recreational pursuits supported by the south-west as a whole, the project area supports very little. The main activity is canoeing on the Franklin (fifty people in 1978) and this will be partially affected. Virtually no bushwalking or climbing occurs.

Flora and fauna—The most serious effect is some loss of habitat. The H.E.C. concludes that when viewed within the totality of habitat in Tasmania the loss could not be considered serious. None of the species of mammals affected is rare or endangered in Tasmania, although the status of two species of birds is not certain. No survey of reptiles and amphibians, bats or terrestrial invertebrates has been undertaken. Most of the vegetation is represented elsewhere in Tasmania.

Forestry resources—There is currently no logging and the timber resources to be flooded are not suitable for commercial extraction.

Tourism resources—The project will not affect the features on which the growing tourist industry of western Tasmania is based. The project has the potential to enhance the tourist base of the western part of the State.

Wilderness value—The project does not significantly affect direct wilderness use which is negligible in this area particularly when compared to other more scenic areas of wilderness elsewhere in the State. Other rivers with comparable dimensions but with less wild and scenic quality remain in the State.

Lower Gordon River below dam—There is no threat to the fringe vegetation along the banks of the lower reaches of the Lower Gordon River.

Comments on the H.E.C. assessment

35. A number of organisations including the Tasmanian National Parks and Wildlife Service and the Tasmanian Wilderness Society have criticised the H.E.C. proposal as well as the quality of the draft environmental statement and report.

36. The Tasmanian Wildlife Service commented that the report and its supporting documents do not provide a satisfactory or sufficient basis of fact for an informed decision to be made on the requirements for further hydro power developments in the Gordon, Franklin and King River catchments. The most serious failure of the report is

the absence of an environmental impact assessment conducted according to any recognised guidelines. The Service concludes that the draft impact statement fails to consider all practical options or to fully or accurately assess the impact on flora and fauna and possible Aboriginal relics and fails to fully evaluate the wilderness value of the Lower Gordon–Franklin region as an integral part of South West Tasmania as a whole.

37. The South Australian Branch of the Tasmanian Wilderness Society believes that the project is not justified on the basis of projected energy demands outlined in the H.E.C. Report. It criticises the H.E.C.'s assessments on the following grounds:

- the forecast of demand for electricity was made without any firm policy guiding the type of industry and economic development that is planned for Tasmania and consequently the basis for justifying the recommended project is questionable;
- the potential of energy conservation measures is inadequately assessed;
- the substitution of means of supplying low grade heat for domestic and industrial purposes is inadequately assessed; and
- alternative decentralised methods of generating electricity are inadequately assessed.

38. According to the Wilderness Society the environmental assessment is inadequate because the biological survey of the catchment and its surrounds is incomplete and the impact of the proposal on flora and fauna is underestimated.

39. The Wilderness Society concludes that the assessment of the effects on tourism and wilderness recreation is erroneous. Nowhere does the report attempt to place the values of the area in a national or international perspective.

40. Tour operators and the Strahan Council are concerned that the project will have an adverse effect on the tourism in the area. Of particular concern is the possible harmful effect on the riverside vegetation along the lower reaches of the Gordon River.

41. From letters and articles in the press and correspondence received by the Committee it is apparent that there is considerable support for the hydro-electric scheme as proposed by the H.E.C. The Association for the Protection of Rural Australia, for example, believes it is a conservation crime not to use the national resource of water power whenever it is available and that the use of coal, oil or gas fired power stations should be avoided if water power is available. The Association believes that the benefits from the proposal far outweigh any disadvantage. The Association does not accept that the Gordon and Franklin Rivers are unique and believes that the area has less recreational value than many other areas of Tasmania.

42. The Association concludes that water storage for hydro-electric power will actually make wild places more accessible, better tended and cared for and more truly beautiful.

5 Tasmanian Government assessment

Co-ordination Committee on Future Power Development

43. The Co-ordination Committee on Future Power Development was established at the direction of the Premier to co-ordinate consideration of the report from the Hydro-Electric Commission. The Co-ordination Committee comprised the Director of Energy, the Director-General of Lands, the Director of Environment Control and the Development Officer of the Department of Planning and Development. Views were sought from government departments and authorities, the conservation movement and other interested bodies.

44. The Co-ordination Committee recommended that the next stage of power development in Tasmania should proceed with the construction of a 200 MW coal fired power station. It further recommended that the next stage of power development be hydro-electric in preference to further thermal stations and preferred the Gordon above Olga Scheme as the most appropriate development.

45. The Gordon above Olga Scheme is located on the Gordon River about 2 kilometers above the junction of the Olga River. The scheme comprises a rock-filled dam and a power station with an average energy output of 119 MW. The scheme would mean that the Franklin River would not be flooded.

Tasmanian Government decision

46. The Tasmanian Government rejected the recommendation relating to the thermal power station on 11 July 1980 and considered it essential that further hydro-electric development proceed. The Government considered that the most appropriate scheme is the damming of the Gordon River above its junction with the Olga River.

47. As part of its decision the Government has directed the Hydro-Electric Commission to undertake as a matter of urgency preliminary investigations in relation to the development of the water power potential of the King, Henty-Anthony, Arthur, Huon, Upper Meander and Upper Gordon Rivers.

48. As a matter of policy the Government does not favour the flooding of the Franklin River and believes that a wild river national park should be proclaimed to include the catchment area of the Franklin River. The Government's decision is at Appendix 4.

49. The Tasmanian Government's decision has yet to be approved by the Tasmanian Parliament.

6 Conclusions

50. The Committee has not had the time nor has it the resources to examine in detail the complex considerations such as wilderness and conservation values, employment, alternative proposals, future energy requirements and industrial development. Accordingly, the Committee makes no recommendations supporting or opposing further hydro-electric developments in South West Tasmania.

51. The Committee believes that many areas of Australia should be preserved in their natural state for the enjoyment of future generations. Any decision to alter areas as significant as South West Tasmania should only be taken after an extensive examination of the alternatives and only when the decision makers are satisfied that there are no feasible and prudent alternatives. It is the Committee's view that this detailed examination has not been undertaken.

52. As outlined earlier in the report, sections of the conservation movement have asked for a Federal Government inquiry into the proposed scheme on the grounds that South West Tasmania is important, not only to Tasmania, but to Australia as a whole. Various State and Commonwealth authorities have recognised the national and international value of the region.

53. The Committee, in its report on legislative and administrative arrangements relating to environmental protection, commented that there will be issues of national importance which warrant Commonwealth involvement. Proposals likely to have an impact on South West Tasmania are undoubtedly environmental matters of national concern and warrant Commonwealth involvement.

54. The Commonwealth is already involved in the region in a number of ways. It provides funds for the South West Tasmania Resources Survey and is committed to assisting the Tasmanian Government in the establishment of parks and reserves. Further, the region has been listed in the Register of the National Estate. In addition, borrowing for the proposal will require the approval of the Australian Loan Council of which the Commonwealth is a member.

55. The Committee notes that the proposal has been examined by the Co-ordinating Committee on Future Power Development and the Tasmanian Government has proposed a hydro-electric development which will leave the Franklin River undammed.

56. Notwithstanding this review and the Tasmanian Government decision the Committee believes that only by a Federal inquiry will national considerations and all the alternatives be fully examined.

57. Mechanisms for this full examination may exist at the Federal level through the public inquiry provisions of the *Environment Protection (Impact of Proposals) Act 1974*. Accordingly, the Committee recommends that:

the Commonwealth Government seek advice as to whether the *Environment Protection (Impact of Proposals) Act 1974* applies to the proposed hydro-electric developments in South West Tasmania; and

if there are proposals as defined under the Act, it be invoked.

58. The Committee supports the continuing Commonwealth financial involvement in the South West Tasmania Resources Survey, the listing of the region in the Register of the National Estate and believes that requests by the Tasmanian Government for assistance in establishing national parks in the South West region should be treated sympathetically by the Commonwealth Government.

August 1980

J. C. HODGES
Chairman

Appendix 1

Dissent by Mr J. F. Cotter, M.P.

Pursuant to clause 17 of the Committee's Resolution of Appointment I add this dissent to the Committee's report.

I am strongly opposed to the Committee's recommendation relating to a Federal inquiry under the Environment Protection (Impact of Proposals) Act. There are two main reasons for my opposition. First, I am not convinced that there is a direct Commonwealth involvement in the hydro-electric proposals. Secondly, the Tasmanian Government has reached its decision only after an inquiry by the Co-ordination Committee on Future Power Development to which conservation organisations and others were given the opportunity to present their views. For the Commonwealth to become involved at this stage would imply that Tasmanians through their elected representatives are not competent to manage their own affairs.

The call for a Federal Government inquiry came from conservation organisations which were not happy with the Tasmanian Government's decision. Dissatisfaction by a section of the community with a decision of an elected State Government is in itself no justification for Commonwealth intervention.

The Committee's report fails to fully acknowledge the significant compromise made by the Tasmanian Government in establishing a wild rivers national park in the Franklin River catchment. The report also fails to acknowledge the significant announcements made by the Tasmanian Government in relation to energy conservation matters in Tasmania.

While I firmly believe that many areas of Australia should be preserved in their natural state for the enjoyment of future generations, economic and social considerations may necessitate man-made changes to some areas of natural beauty.

Finally, it is my view that the Committee's two-day inspection and its limited discussions were insufficient to reach any decision at all relating to South West Tasmania, particularly a decision calling for a Commonwealth inquiry.

August 1980

J. F. COTTER

Appendix 2

References

- Association for Protection of Rural Australia, Letter to Committee dated 1 May 1980.
- Gee, H. and Fenton, J. (eds), *The South West Book*, Australian Conservation Foundation, 1979.
- Harwood, C. E. and Hartley, M. J., *An Energy Efficient Future for Tasmania*, Tasmanian Conservation Trust.
- Hydro-Electric Commission, *Report on the Gordon River Power Development Stage Two*, 1979.
- Senate Debates*, 10 May 1979, p. 1810.
- South West Advisory Committee, *Report*, 1978.
- South West Tasmania Resources Survey, Various Papers, Steering Committee South West Tasmania Resources Survey.
- Tasmanian National Parks and Wildlife Service, *Proposal for a Wild River National Park*, 1979.
- Tasmanian National Parks and Wildlife Service, *Submission to the Power Development Co-ordinating Committee*, 1980.
- Tasmanian Wilderness Society, *Wilderness and the Gordon River Power Development Stage Two*.
- Tasmanian Wilderness Society, *Submission to the Power Development Co-ordinating Committee*, 1980.

Appendix 3

The eleven major rivers of Tasmania

River	Present condition	Long term average flow (Cusecs)(a)
Gordon	dammed	5500 (above Franklin River Junction)
Pieman (and tributaries)	dams under construction, also polluted by mining effluent	5300
Derwent	numerous dams and polluted	4500
Franklin	undisturbed	3500 (below Jane River Junction)
Huon	dammed, past and present logging and agriculture on middle and lower reaches	3200
Forth	dammed, past and present logging and agriculture	2500
South Esk	dammed, past and present logging and agriculture	2400
Arthur	past and present logging, polluted	2000
Mersey	numerous dams, past and present logging and agriculture	1500
Davey	undisturbed	1500
King	polluted by mining effluent, past logging	1300

(a) These figures are approximate only.

Source: Tasmanian National Parks and Wildlife Service.

Appendix 4

Tasmanian Government Energy Conservation Strategy

General objective

The Government is concerned to develop a detailed energy conservation strategy as a matter of urgency. The objective of this strategy will be to promote and facilitate the wise and efficient use of energy in Tasmania and, in particular, reduce dependence on petroleum products which are the subject of continuing price escalation and of uncertainties with respect to the reliability of supply. The Government also has regard to the fact that any success achieved in electricity savings—either in the residential, commercial or industrial sectors—would permit increased supply of electricity to socially and economically desirable industrial development.

It is against this background that the following initiatives are proposed:

1. In the residential sector, the Hydro-Electric Commission has been directed to prepare, as a matter of urgency, a detailed program for encouraging insulation in private homes. It is envisaged that this program will involve private sector funding with billing through the Commission. The Commission would collaborate closely with private contractors in the development and operation of this facility.

The Commission will also expand its advisory service with a view to providing expert advice on all forms of energy use, space heating and insulation.

The Housing Department will be directed to facilitate and promote conservation-oriented designs for public housing and other dwellings.

The Government will also arrange for an urgent review of all building codes with a view to ensuring that the codes are consistent with Government's concern to promote energy conservation in this sector.

2. In relation to industry, the Government will encourage the insulation of commercial and industrial premises where practicable. It will instigate urgent consultations with relevant industries to explore the scope for expanded cogeneration of electricity (i.e. multiple use of fuel source). In this context, Government will be exploring the extent to which load may be freed to provide energy for new industries or those existing industries seeking increments of electricity. Government's urgent enquiries in relation to cogeneration will also involve judgments being made about the extent to which Government support might accelerate the adoption of this approach by industry.

Government has also asked the Hydro-Electric Commission to accelerate its investigations in relation to the provision of an energy management and auditing service to industry and the provision of consultancy advice—together with seminars, the preparation of appropriate literature etc.—for small and medium size industries.

3. Government will undertake, also as a matter of urgency, a major study of the end use of energy in Government buildings with a view to determining the appropriate policy instruments to be introduced so as to effect savings in this area. The study, which may require the use of outside consultants, would relate not only to Government office buildings but also to such special purpose buildings as schools and hospitals.

New Government buildings will also be designed against strict criteria relating to the efficient use of energy.

4. The results of Government's studies in respect of public sector buildings will also be relevant to many commercial buildings. In addition, an examination will be made of the extent to which incentives may be required to encourage the adoption of energy-efficient techniques and practices in respect of commercial buildings.
5. It will be understood that the transport sector is a major user of petroleum products but that many of the relevant policy instruments in this area are controlled by the Commonwealth Government. However, an urgent examination will be undertaken with a view to determining the policies which the State Government might appropriately introduce to reduce dependence on imported petroleum products in the local transport sector.

Coal development

That, with a view to facilitating conversion from oil to coal in industry and, wherever possible and appropriate, from electricity to coal, the Department of Mines be directed to report on its ability to further accelerate the program for determining available coal resources. In tandem with the accelerated coal investigations program, urgent discussions will be held with industry on the matter of energy conversion and, particularly in the forest products processing industries, the scope for expanded cogeneration in industry.

These urgent investigations and activities will be undertaken under the umbrella of the Energy Advisory Council and involve, in particular, the Department of Mines, the Department of Industrial Development, the Hydro-Electric Commission and the Directorate of Energy.

Review of electricity pricing policy

The Government has directed that an urgent review be undertaken in relation to electricity pricing policy. The review is to be undertaken by the Directorate of Energy in collaboration with the Hydro-Electric Commission, the Department of Industrial Development and the Treasury. Government has further directed that the review should have particular regard to the following considerations:

- (a) the importance of facilitating a higher level of industrial development within the State, particularly that which is resource based and, as far as possible, labour intensive;
- (b) the importance of ensuring optimum resource allocation, in terms of both energy and other resources; and
- (c) the importance of not interfering with existing firm contractual arrangements for electricity.

Next power development

The Government considered it essential that it proceed immediately with further hydro-electric development.

To this end, Government has concluded—after considering all the factors involved—that the most appropriate scheme to proceed with forthwith is the damming of the Gordon River above its junction with the Olga River, as contained in the report of the Hydro-Electric Commission.

The adoption of this initiative will ensure continuity of the employment of Hydro-Electric Commission employees.

This is stated against the background of accelerated development of the Pieman Scheme.

Further hydro-electric schemes

That the Hydro-Electric Commission be directed to undertake as a matter of urgency all necessary preliminary investigations in relation to the development of the water power potential of the King (single stage), Henty–Anthony, Arthur, Huon, Upper Meander, Upper Gordon and any other potential schemes so as to permit Government to be able to make an informed judgment, as soon as necessary and appropriate, concerning the next hydro-electric development.

Franklin River conservation

As a matter of policy the Government does not favour the flooding of the Franklin River but, rather, in keeping with its policy of conservation of the south-west wilderness, sees it as essential to preserve this unique area.

The Government will therefore seek, through the co-ordination of appropriate Ministers, the establishment of a Wild River National Park to include the catchment area of the Franklin River.

The Government will also include in the South-west National Park that section known as the Davey River Conservation Area—again, as a reflection of its commitment to conservation of the south-west.

Conversion of Bell Bay Thermal Station

On the basis of an interim report from the Hydro-Electric Commission, the Government has approved the conversion of the Bell Bay Thermal Power Station from oil firing to coal firing.

The program of conversion will be developed in detail by the Hydro-Electric Commission and undertaken in accordance with power demand requirements.

Related policy activity

The Government will proceed, as a matter of urgency, with the preparation of a white paper of comprehensive energy guidelines.

The Government will also develop a white paper of comprehensive industrial development strategy.

Source: Tasmanian Premier's Department.