

# Official report suggests little action on Sydney's water crisis

Carol Diviak  
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Sydney will host next year's Olympic Games without any resolution of the water contamination crisis that last year forced its more than three million residents to boil their water for nearly three months. In the meantime, Sydneysiders have no guarantee of safe water either.

That is the end-result of an inquiry appointed by the New South Wales state Labor government led by Premier Bob Carr. The inquiry's final report presented by Peter McClellan QC registers the high level of public concern caused by the discovery of high levels of potentially fatal cryptosporidium and giardia micro-organisms in the city's water supply, but seeks to give the impression that this concern was an over-reaction.

During the recent state election campaign neither the ruling Labor Party nor the Liberal-National Party opposition so much as mentioned the water crisis, even though it created immense distress, particularly to medical staff and patients in hospitals and nursing homes, pregnant women and children, those with HIV or other immunity deficiencies, and the general public.

For the government or the opposition to discuss the subject would be to raise the role that both the major parties played in the semi-privatisation of Sydney Water and how the drive for profit has compromised the delivery of clean drinking water.

McClellan's first claim is that, based on reports from the government's Health Department, it is unlikely that anyone suffered illness by ingesting the two pathogens. This is to ignore numerous anecdotal reports of marked increases in diarrhea and other stomach upsets reported to doctors, and the many irate letters to newspapers refuting the claims that people were not becoming ill during the boil water alerts.

Moreover, McClellan's conclusion contains a major contradiction. While he declares that there is no ongoing danger to public health, he recommends that the Health Department should advise immuno-compromised people to continue to boil all tap water before use. This raises the obvious question: why is this precautionary regime needed, if the water supply is safe?

Secondly, McClellan asserts there is a continuing scientific uncertainty about the relationship between cryptosporidium and giardia in the water supply and illness. Yet in 1993 in Milwaukee, cryptosporidium killed approximately 100 people and infected 403,000.

The report states that it is inappropriate to set any mandatory health standards for levels of the two organisms, considering the limitations of technology and scientific knowledge in this area. Then, in a revealing comment, McClellan argues that a cost-benefit analysis should be developed before a mandatory standard is imposed. Thus, public health is to be weighed up against cost, or to put it another way, the impact on profit.

Even before his report was written, the government had anticipated such an outcome. It scrapped the system of issuing boil water alerts when certain levels of contamination are found. Instead, a committee of scientists and government officials will now only issue alerts if they are convinced that actual illness is being caused by the water supply.

McClellan casts doubt on the validity of water testing results obtained from Sydney Water's laboratory during last year's crisis, suggesting that they were to blame for undue alarm. The results were checked in Britain, the United States and France, confirming some results and questioning others. There is no dispute, however, that contamination was recorded.

Thirdly, the report recommends no upgrading of the water filtration plants with new technology capable of removing cryptosporidium and giardia.

In his executive summary concerning the Prospect treatment plant, McClellan makes the following revealing statement about the tendering process for the plant in the early 1990s: "The process of selection was concerned more with obtaining the lowest price rather than ensuring the highest technology."

He recalls that prior to work commencing on the plant, environmental scientists produced two reports. One, prepared by Dr. Primrose Hutton, raised concerns at the

levels of cryptosporidium and giardia in the water catchment area. The other reviewed the existing published information on the two pathogens.

The Hutton report was finished by October 1992 but was not made available to the Environmental Management Unit, which was responsible for preparing an environmental evaluation of the treatment plant project, until 1993.

The state Environmental Planning and Assessment Act 1979 required the project's environmental consequences to be assessed before work began. But Sydney Water undertook the design and tender stage before publishing the Environmental Impact Statement.

McClellan says the issue has to be seen in context. The project was not likely to be halted after a preferred tender had been chosen. By this time, the preliminary contractual arrangements imposed time and cost pressures.

Underpinning McClellan's position is the acceptance that profit requirements dominate. Environmental laws had been broken, but that was acceptable in the light of financial considerations.

As a result of this process, no requirement was imposed on Australian Water Services, the successful tenderer, to ensure a safe water supply, or even to eliminate cryptosporidium or giardia, despite the known health dangers.

An ozonation plant, at a cost of \$300 million, or a membrane filtration plant, costing up to \$600 million, could achieve almost complete (99.9 percent) removal or inactivation of the pathogens. According to McClellan, expenditure of this magnitude is not justified. He fails to say that in the last financial year Sydney Water was expected to provide the state government with a dividend of \$280 million. Even the most expensive filtration methods could be paid for in less than three years.

McClellan's main recommendation, adopted by the government with fanfare, is the creation of a "Sydney Catchment Authority," responsible for monitoring pollution in the water catchment region. His report identified the catchment region as a significant source of cryptosporidium and giardia. Previous governments have investigated this region and the authorities were quite aware of its environmental degradation by local councils and land developers.

In the outer reaches of the catchment, water quality is threatened by discharges from town sewerage plants, unsewered residential developments, mining operations, chemical and fertilizer runoff, silt from forestry operations and land clearing, and livestock, which is allowed to graze near and roam into streams.

In the inner catchment, housing and hobby farms have mushroomed. In the Wollondilly shire, for instance, the population has risen from 7000 to 35,000 in the last decade.

Fifteen townships in the shire have no sewerage, including The Oaks and Oakdale. Residents of these villages complain that every time it rains heavily, sewage from septic tanks overflows into Werriberri Creek, which runs into Warragamba dam.

McClellan's recommendations are couched in vague language. There is no discussion about how these circumstances are to be tackled. The report speaks about "appropriate" powers and "adequate" resources. Only 40 new jobs are to be created and another 110 people are to be transferred from Sydney Water. Yet 4,000 jobs were destroyed with the corporatisation of Sydney Water, including those of many of the rangers previously employed to patrol the hilly catchment region to watch for pollution sources and detect hunters, anglers and feral animals.

The report makes no in-depth examination of the underlying reasons for the water crisis. There is only cursory mention of the commercial exploitation of the catchment, the running down of maintenance of the pipeline system, the inadequacy of the filtration plants and the drive for profit.

Under the legislation creating Sydney Water, the company was given three principal objectives: to be a successful business; to protect the environment; and to protect public health by supplying safe drinking water to its customers. These objectives are said to be equal in importance, but they are incompatible.

Sydney Water was corporatised precisely for the purpose of turning it into a money-making concern, and that determines its every action. As if to underscore that fact, the company last week announced a retrospective price rise. Householders are to pay an average of \$3 more per quarter, with the price per kilolitre (1,000 litres) increased from 80 to 85 cents from the first meter reading after April 1. The rise had been delayed since last year when the water emergency forced the company into a price freeze.

Overall, the report makes it clear that, despite the grave health dangers revealed in July-September last year, there will be no official challenge to the requirements of corporate profit. Nowhere does McClellan even recommend that the sole concern of Sydney Water should be the supply of clean drinking water.



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