

A. Full responses from entities

As mandated in Section 64 of the Auditor-General Act 2009, the Queensland Audit Office gave a copy of this report with a request for comments to the:

- Premier and Minister for Trade
- Treasurer and Minister for Investment
- Minister for Regional Development and Manufacturing and Minister for Water
- Director-General, Department of the Premier and Cabinet
- Under Treasurer, Queensland Treasury
- Director-General, Department of Regional Development, Manufacturing and Water
- Chief executive officers for
 - Seqwater
 - Sunwater
 - Urban Utilities
 - Unitywater
 - Mount Isa Water Board
 - Gladstone Area Water Board
 - Queensland Competition Authority

This appendix contains their detailed responses to our audit recommendations that we received.



Comments received from Acting Director-General, Department of Regional Development, Manufacturing and Water



Department of
Regional Development,
Manufacturing and Water

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Comments received from Acting Under Treasurer, Queensland Treasury



Our Ref: 05896-2020

Queensland Treasury

Mr Brendan Worrall
Auditor-General of Queensland
Queensland Audit Office
PO Box 15396
CITY EAST QLD 4002

Email: qao@qao.qld.gov.au

Dear Mr Worrall

Thank you for providing the Queensland Audit Office (QAO) draft Water 2020 Report (the Report) summarising the audit results of six entities in Queensland's water sector.

A key objective for the Queensland Government is ensuring that these enterprises operate as efficiently as possible and can work to support Government's commitments to the economy and community, including in relation to dam safety, irrigation and prices.

I note that the QAO provided unmodified audit opinions of the 2019-20 financial statements for all but one of Queensland's water entities, and that the qualification of that audit opinion related to a specific set of circumstances.

I also note the QAO's observations regarding future challenges for the sector, including Queensland's recent experience of extreme weather conditions, with 41 councils drought declared. In particular, the Report acknowledges the impact of prolonged drought on water storage levels, operational costs, and the need for capital investment in water security projects. While these challenges have contributed to lower financial returns for these entities in 2019-20, ongoing support provided to the water sector by the Queensland Government remains crucial to help sustain our economic recovery.

The performance, sustainability and internal control environments of State water entities will continue to be monitored to ensure continued improvement, prudent investment and the delivery of water services.

Thank you for the opportunity to review and respond on the Report. If you require any further information, please contact Ms Bridget Smith, A/Director, Commercial Group, Queensland Treasury, on _____ or _____ who will be pleased to assist.

Yours sincerely


Graham Fraine
Acting Under Treasurer

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