

LD OPERATIONS — MARGARET RIVER COALMINE

Grievance

MS A.S. CARLES (Fremantle) [9.56 am]: I rise to present a grievance about the controversial proposal by LD Operations to operate an underground coalmine only 15 kilometres from Margaret River. I welcome all the locals from Margaret River today who are in the gallery to show their support and to send a very clear signal —

[Interruption from the gallery.]

The SPEAKER: While I also welcome you to the Legislative Assembly of Western Australia, and you are always most welcome in here, you are unfortunately unable to make any contribution whatsoever; but, once again, welcome.

Ms A.S. CARLES: When I think of Margaret River, I think of pristine surf beaches, vineyards, boutique industries, organic food, tourism, agriculture and native forest. All of this bundles into the Margaret River brand, which the local people have lovingly created over decades and are now being forced to defend. I do not think that anyone in this house associates a coalmine with the Margaret River brand, yet strangely, LD Operations thinks it can open a coalmine there.

There is a lot at stake here; what is clear is that this company intends to proceed, despite overwhelming opposition to this coalmine. In an article in *The West Australian* of Tuesday, 7 September, the general manager of LD Operations was quoted as saying —

“Similar to all other project developments in WA, we expect the Vasse coal project to be scrutinised by the Government under the same threshold requirements to meet each stage of project approval,”

In other words, LD Operations is seeking to pursue its legal right to mine coal in Vasse. Yes, it has the legal right to pursue approval, but there are political decisions that will have to operate alongside these technical approvals to make this mine site work. The state government will have to be on side with LD Operations to make it work. The Bunbury port will need to be upgraded, presumably at taxpayers’ expense. There will need to be a road constructed through state forest, and there will be massive increases in heavy vehicle usage on local roads, all to the detriment of local people. I understand that this mine will generate one truck movement every nine minutes.

I seek the Premier’s personal assurance that his government will not facilitate the taxpayer-funded infrastructure needed to support this coalmine. I urge him to spell this out to the proponent, so that it gets the message loud and clear: this mine is not welcome in the region and the pursuance of approvals will be a waste of time and money for it.

While we are talking about legal rights, who will compensate the affected landowners—the local businesses that fall within the mine precinct? This mine will be situated at a distance of 15 kilometres down Osmington Road from Margaret River, and every farm along that road has already been devalued by this proposal. How can they sell now, even if they wanted to? Compensation arguments cut both ways here. If this mine goes ahead, it will truly be the thin end of the wedge. Is the Premier aware that there are as many as 10 mining leases between Dunsborough and Augusta? If this one proceeds, how will he reasonably stop the others? The south west could become a coal province instead of the beautiful tourism region that it is now. Coalmining is clearly incompatible with the land uses, lifestyles and existing industries in the region. For example, Margaret River wine is of world-class standard. Is the Premier aware that Cullen Wines of Margaret River has this week won an award in London for producing the world’s best chardonnay? Cullen Wines chardonnay beat hundreds of chardonnays from around the world, including France and Italy, in the most fiercely contested categories. Winemaker Vanya Cullen said that while 2007 was a great vintage, the wine also reflected the biodynamic techniques used since 2004. What an achievement! I do not think such accolades would be possible if the grapes grown in the region were affected by contaminated groundwater, which is a serious risk from this proposed mine.

Underground coalmining is fraught with risks of environmental impacts. I could go on and on but I am limited by time. The greatest risk is contamination of the Leederville aquifer by toxic heavy metals liberated by acid mine drainage from the coal seam or hypersaline discharge. Once an aquifer is contaminated, it cannot be remediated; the aquifer is permanently damaged and will, in turn, ruin the crops it is used on and possibly harm the humans and animals who use water drawn from it. This may also cause negative impacts on underground water supplies that our farmers rely on and contribute to Margaret River itself drying up.

How many projects in WA have we seen approved by the Environmental Protection Authority with strict conditions and world’s best practice claims only to pollute and contaminate the air and water around us? The answer is plenty. We can take our pick from Cockburn Cement, Alcoa’s Wagerup refinery, the brickworks at Midland, acid contamination at the Beenup mine or lead contamination in Esperance. We do not need EPA assurances. We can look to New South Wales where BHP subsidiaries operate an underground coalmine. The mine was recently identified by independent researchers at the University of Western Sydney as a source of

hypersaline water waste contamination into the Georges River. The plume of saline groundwater travelled 15 kilometres before damaging the river and its ecosystems. I note that that is the distance of this proposed mine from our precious Margaret River. There are all sorts of other negative impacts that we can look to New South Wales for. A 2007 scientific report stated —

Widespread cracking and draining of river and creek beds and underground aquifers, cliff falls, the draining of rare swamps, fish kills, methane gas bubbling to the surface, iron oxide pollution and the release of wastewater into river systems continue to occur across four coal mining regions of New South Wales as a result of longwall mining.

I turn to the human face of this issue. The people who will be directly affected by the mine are those who live in close proximity to the site and whose businesses will be negatively affected. I had the privilege of speaking to many of them last Sunday. They are living with uncertainty and stress. Some said they are considering selling as they do not want to live near a mine. Others wonder if they should move on from their businesses now. None of them wants to take this action but they are fearful of what they stand to lose.

I call on the Premier to act quickly and decisively to restore certainty and confidence for local people. Why should they live in the shadow of this proposal? I was very heartened to hear the Premier's comments that he may be considering legislation along the same lines as that covering part of the Swan Valley. I urge the Premier to draft this legislation as a matter of urgency so that the mining sharks that are circling around Margaret River will leave that place alone and leave that region as the beautiful tourist destination that it is. I believe that the Premier will look back and see this as a defining moment. I urge him to step up to the plate and stand up for the people in the South West.

MR C.J. BARNETT (Cottesloe — Premier) [10.04 am]: I thank the member for Fremantle for that grievance and for the issues she has raised about a proposal for an underground coalmine in the Margaret River region. The member began her comments by referring to the standing of Margaret River as a wine-producing and tourist destination, both here and clearly internationally. That is the case. Going back 10 or 20 years, if people travelled overseas and said they were from Western Australia, people would say, "Western Australia—Swan River or Kings Park."

Mr T.G. Stephens: Or Broome.

Mr C.J. BARNETT: Invariably, today if people say they are from Western Australia —

Mr T.G. Stephens: They talk about the pristine Kimberley coastline.

The DEPUTY SPEAKER: Member for Pilbara!

Mr C.J. BARNETT: I am trying to treat this topic seriously. It is a serious issue.

Several members interjected.

Mr C.J. BARNETT: I would have thought that the Labor Party would have been more respectful towards the people of Margaret River who have come to Parliament today. It is a serious issue raised by a member of Parliament about a matter that is clearly causing —

Mr M.P. Murray: It is transparent and contrived.

Mr P. Papalia interjected.

The DEPUTY SPEAKER: Member for Warnbro!

Mr C.J. BARNETT: It is impossible for me to speak if members of the Labor Party continue to interject. If they do not take the issue of Margaret River and the environment seriously, I ask them to please leave the chamber. I take the grievance seriously and I am very much aware of the stress that it is causing people living in the area, many of whom have been long-time residents and landowners in the vicinity.

Margaret River has certainly gained for itself —

Mr T.G. Stephens: What about 40 000 years of traditional ownership?

The DEPUTY SPEAKER: Member for Pilbara!

Mr C.J. BARNETT: Margaret River has gained for itself this state and this nation a worldwide reputation for the premium wines it produces and for the attractiveness of the area. I do not think anyone would ever doubt that.

The proposed mining development by LD Operations is, as the member for Fremantle said, on a site 15 kilometres to the north east of the Margaret River township. It is on private land. That is significant. The company gained mining tenements back in the 1980s, so it has held them for a long, long time. Some of those

are about to lapse. The company has now started talking to local people and promoting its proposed mine. While that so-called consultation process undertaken by the company is causing a lot of angst—I understand that very well—that is part of what the company needs to do to prepare necessary documentation if it is to trigger an environmental approvals process. To the best of my understanding, the proponent is planning to refer its proposal to the Environmental Protection Authority for assessment under the Environmental Protection Act 1986. It will probably submit some documentation to the EPA in the next month or so. The approvals process through the EPA has several parts. It will obviously relate to transport, water issues and local government approvals. Any mining plan will also require approval through the Department of Mines and Petroleum. While there has been public debate and discussion and some consultation, the formal process of trying to seek approval for this mine is yet to begin. I think that needs to be stressed. When LD Operations submits its documentation, the EPA will determine the level of assessment that will apply to this project.

Mr E.S. Ripper: So you'll let it go through the processes, will you?

Mr C.J. BARNETT: I am trying to answer the member's question. The EPA will determine the level of assessment. I anticipate that it will be a very high standard of assessment given the sensitivity of the area. It may also attract the commonwealth Environment Protection and Biodiversity Conservation Act 1999 should there be a relevant trigger, presumably relating to biodiversity. I say again that the proponent has an entitlement to pursue approval for its coalmine. The government is not at all enthusiastic about the prospect of a coalmine in the Margaret River area. However, we are not about to take away the right of a company to enter a proposal and let it go through an assessment process.

The importance of the area cannot be overstated. The area's economy from wine and tourism is something like \$750 million. While the past couple of years have been a fairly flat time for wine producers, there is still a lot of long-term potential growth and it is a critical part of our tourism industry. Some wine producers have approached me—I know they have talked to local members as well—and there has been some discussion for some time in the area about perhaps having some special planning guidelines or even special legislation.

Mr T.G. Stephens interjected.

Mr C.J. BARNETT: I wish the Labor Party would take this issue seriously.

Mr M.P. Murray: You're a hypocrite.

Mr C.J. BARNETT: I am described as a hypocrite for responding to a serious concern by people in the gallery and members about the environment of Margaret River. If that makes me a hypocrite, members can call me a hypocrite. I actually think it is an important issue. The Liberal–National government will treat it seriously, unlike the Labor Party, which is displaying a flippant attitude.

There have been suggestions that special planning legislation should be put in place to preserve the integrity of the wine-growing region of Margaret River. Indeed, in the 1990s, the previous National–Liberal government put in place legislation to preserve the Swan Valley for similar reasons. I believe that legislation has been broadly successful. While the current debate is very much about this mining proposal, some of the concerns of wine producers in the area relate to the encroachment of housing through urban subdivision and the breaking up of viable blocks into one-acre subdivisions for small hobby farms, which could compromise the viability of the future wine-growing industry. It is also very much an issue of soil types. I do not pretend to know a great deal about viticulture, but I was shown a map the other day by one wine producer, who pointed out where the particular high-quality production soils are in the Margaret River area.

The DEPUTY SPEAKER: Time is up, Premier.

Mr C.J. BARNETT: It will go through a process but, as a government, we will look at legislation.