

CEMENT WORKS (COCKBURN CEMENT LIMITED) AGREEMENT AMENDMENT BILL 2010

Second Reading

Resumed from 17 June.

MR F.M. LOGAN (Cockburn) [4.18 pm]: Does the Acting Speaker want me to wait for the noise to settle down?

The ACTING SPEAKER (Mr A.P. O’Gorman): Members, we are trying to get the debate underway. If you have to have a discussion, can you go outside, please.

Mr F.M. LOGAN: Thank you, Mr Acting Speaker, for bringing that rabble into line. Oh, it was our rabble!

Mr T.R. Buswell: The metal workers!

Mr F.M. LOGAN: No; they would be noisier!

Mr T.R. Buswell interjected.

Mr F.M. LOGAN: I do not think so, Member for Vasse. Have another look! That is an old story the member keeps trying to put forward.

Mr T.R. Buswell interjected.

The ACTING SPEAKER: Member for Vasse, will you let the member for Cockburn start his speech!

Mr F.M. LOGAN: It is about cement, Member for Vasse. Hopefully we will see some around the member’s feet!

We are debating the Cement Works (Cockburn Cement Limited) Agreement Amendment Bill 2010. Normally the lead speaker for this would be the member for Rockingham but, as members know, he is unwell today. He has asked me to lead off and represent him in the presentation of this bill.

Mr C.J. Barnett: I hope he recovers and he will not be maligned for being ill, as was the Minister for Education. We wish him a full and strong recovery.

Mr F.M. LOGAN: I think that is what the member for Midland was driving at. She did welcome her back and wish her a speedy recovery. I am hoping that the member for Rockingham will return to this hallowed chamber tomorrow because I know that members on the other side love him so much that they just cannot wait for his return.

I am more than happy to speak on this bill because, as the member for Cockburn, the bill relates to a very important company that has massive operations right smack in the middle of my electorate. The bill amends the Cement Works (Cockburn Cement Limited) Agreement Act 1971 to allow Cockburn Cement to dredge calcium carbonate—shell sand—from its existing boundaries that were determined by the current state agreement to the new boundaries that are set out in the explanatory notes to the bill. Maps are attached to the explanatory memorandum titled plan C, Cement Works (Cockburn Cement Limited) Agreement 1971, that show areas A and B. If my memory serves me correctly, area A is defined as the boundaries of the current state agreement and area B on the map goes out way beyond Carnac Island, which are the new areas that Cockburn Cement will be operating on and from as soon as this bill has passed the house and is enacted. According to the agreement that has been reached between the government and Cockburn Cement, area B would allow Cockburn Cement a further 20 years of dredging sand from Cockburn Sound.

The agreement has been a long time coming to this house to be ratified by way of an amendment. Previously, as the Parliamentary Secretary to the Minister for Environment, Hon Judy Edwards, I remember supporting and helping her in a very minor role on the agreement that had been reached between the government and Cockburn Cement. The agreement act allowing the company to dredge within the boundaries that are determined on the map—area A, basically—had come up for renewal. That was in 2001. The negotiations to reach an outcome that would minimise the impact of dredging on seagrasses in Cockburn Sound continued for some period. Many people would remember the quite significant controversy through the 1990s and into the 2000s about the impact of Cockburn Cement’s dredging on seagrasses in Cockburn Sound.

If we look at the map that was attached to the explanatory memorandum, we see two large lines on area A, which are the Fremantle Port Authority sea lanes that allow passage of ships out at sea from beyond Rottneet Island down into Cockburn Sound and the port of Kwinana and the Kwinana industrial area. The sea lanes were completed on the seaward side of area A and have not been completed on the coast side of area A. I think the objective of Cockburn Cement was to widen and deepen those sea lanes, complete the second sea lane—the one closest to the land in area A—and ultimately take out the sand between the two sea lanes that cut through the *Parmelia* sand banks in Cockburn Sound. The objective was to build the two sea lanes so that ships could pass

each other in two separate sea lanes in and out of Cockburn Sound, and take out the sand in between the two sea lanes so that we would end up with a very significant open sea lane cut through those banks. Had Cockburn Cement received approval from the government to do that at the time, there would have been a significant loss of seagrasses in Cockburn Sound because there were still significant seagrasses in shallow waters in those areas between the two sea lanes. Had approval been given to expand that sea lane so that it would be over a mile wide, the loss of seagrasses would have been extensive, as I indicated. The negotiations were about how we could minimise the loss of seagrasses and, in doing so, how we could ensure consistency of supply of calcium carbonate to Cockburn Cement so it could continue its operations of delivering lime and cement to businesses in Western Australia. The outcome was to shift the dredging operations entirely out of area A into area B, but at the same time it ensured that, in dredging area B, it would be only in those areas that did not have excellent mounds of seagrasses. Effectively, Cockburn Cement has to dredge in areas where seagrasses do not exist.

In the Premier's explanation to the house and in the second reading speech—I will ask him about this when he returns to his seat—he said that ministerial statement 599 requires Cockburn Cement to cease dredging in the stage 1 area and relocate to stage 2 of the long-term area by 8 July 2010.

Mr C.J. Barnett: I have just been given a bit of advice. I think you and I were a little confused on the boundaries. The dotted line on the green area of the map is the existing boundary, and those two green areas are areas that will be dredged now. That provides for the next 20 years. The outer area is an area where there will be some exploration activity to try to prove up further resources. Those two green areas, which do not appear to be that large, provide the 20-year resource. I was confused too.

Mr F.M. LOGAN: I thought it was area B.

Mr C.J. Barnett: That is the exploration area. I had the same view as you. We were both wrong.

Mr F.M. LOGAN: I know that the red area is the area under the state agreement act. I was unaware of that. I thought they were to the south. From memory, I thought Cockburn Cement was looking to dredge the areas to the south and west of Carnac Island.

Mr C.J. Barnett: Longer term they might be.

Mr F.M. LOGAN: That may well be the case. I thank the Minister for State Development, the Premier, for clarifying that. I ask him to respond to the question I had that relates to the fourth paragraph of the second reading speech, which states —

Ministerial statement 599 requires Cockburn Cement to cease dredging in the stage 1 area and relocate to stage 2 of the long-term area by 8 July 2010.

Has that occurred, because 8 July has been and gone? Further on in the second reading speech it states that Cockburn Cement cannot go to the stage 2 area until the bill is passed; nevertheless, there is a requirement for it to go to the stage 2 area by 8 July 2010. How will that transition problem be resolved?

As the member for Rockingham indicated, the opposition supports the Cement Works (Cockburn Cement Limited) Agreement Amendment Bill 2010. It is in keeping with the provisions that were agreed to by the previous government in its agreement with Cockburn Cement. There is nothing in the bill to indicate that the agreement has changed or that new provisions have been added.

I will use this opportunity to talk about calcium carbonate and its uses and the fact that Cockburn Cement is a very large operator in the region. As members know I recently made a grievance to the Premier about the impact that dust fallout from Cockburn Cement is having on residents in my electorate. Despite the fact that my grievance highlighted the issue in the media, and despite the Premier expressing commitment to and concern about the issue in his response, it does not seem to have had any impact on the operations of Cockburn Cement and the fallout of lime and cement dust. Things have continued on as they did before I made my grievance. The situation has not gotten worse, but it certainly has not gotten any better. For the record, the Minister for Health has asked my office to advise him and the Department of Health which families are suffering from health issues that they attribute to dust fallout from operations at Cockburn Cement. People of varying ages in 21 households are suffering medical complaints that they strongly attribute to Cockburn Cement. In some of those cases Fremantle Hospital has confirmed that there is a relationship between where those people live, their health complaint and the fallout of dust from Cockburn Cement. The names of those affected have been forwarded to the Minister for Health. Hopefully the public health audit will clarify once and for all whether Cockburn Cement is having an impact on the health of those residents, which is what we believe to be happening. Recently I was contacted by numerous residents about the deaths of their animals. I will learn more about those complaints on Friday. The complaints that I have received so far from various residents in the area relate to the death of sheep—there are some small rural holdings around Cockburn Cement—goats and dogs. Autopsies are now being performed on the sheep and goats. It has already been determined that the dogs died from liver problems. We

Extract from Hansard

[ASSEMBLY - Tuesday, 14 September 2010]

p6512b-6521a

Mr Fran Logan; Mr Chris Tallentire; Ms Adele Carles; Mr Colin Barnett

await the results of the autopsies on the sheep and goats. If there is a correlation between the causes of deaths of all three species of animals, which tend to eat and drink from the ground where the lime and cement dust ends up, we will have a serious issue. That issue will be fed into the public health study and brought to the attention of Cockburn Cement. If it is confirmed that the dust fallout caused the deaths of those animals, I hate to think what is happening to the residents, particularly the young children, who live in the area where dust emissions continue to fall.

I turn now to the use of calcium carbonate from Cockburn Sound, which is the subject of this bill. The bulk of operations at Cockburn Cement relates to product lime. Indeed, it is the biggest lime producer in Australia. It is also a massive producer of cement. In my grievance about this issue—I have highlighted this issue in Parliament on numerous occasions—I explained to the Premier why the cement dust fallout has been getting worse since September–October 2008 and why it has been having an impact on residents in the area, an issue that has been highlighted in the media. If the electrostatic precipitators, the filter systems, are switched off at the same time as something happens in the kiln—the kiln may become too hot or cold or the feed into the kiln may not work properly—the kiln will trip and in doing so automatically trip the electrostatic precipitator or the magnetic filtrations system, which takes the dust out of the flue gas. The kiln is a rotating kiln—Mr Acting Speaker (Mr A.P. O’Gorman), you would know about these things—and it continues to rotate whilst it is slowing. Product remains in the kiln as it is slowing; it is not filtered out. It goes straight through the kiln and up the chimney stack and has an impact on the residents of Cockburn.

During my grievance I suggested to the Premier that it is unusual that the licence conditions of a company such as Cockburn Cement allow it to continue to pollute for an hour and five minutes with no filtration system. In the same week that I made my grievance to the Premier, Alcoa was fined \$500 000 for allowing dust emissions from its plant in Wagerup to fall on nearby residential homes. From my understanding, that dust was fugitive dust from its stacks and from around the plant. I think it is mainly from the red mud ones. That was fugitive dust, yet the conditions placed on Alcoa stipulate that that dust should not leave its property. When it was found that that dust had fallen outside its property, Alcoa was prosecuted by the Department of Environment and Conservation, found guilty and significantly fined. Cockburn Cement has been given a legal condition to allow its dust to travel far and wide. Its licence conditions allow for its dust to travel tens of kilometres. I cannot understand how it has been allowed to get away with that. Everyone has been waiting for the new licence conditions, which came out last week. The Minister for Environment indicated that the licence conditions would hopefully resolve the issue. The draft licence conditions, which should be finalised by the end of the year, indicate that there should be a reduction in particulates from PM10—the particulate dust emissions—from 150 micrograms per cubic metre to 100 micrograms. However, the provision allowing the kiln to continue to run for an hour and five minutes remains. The emission levels, the PM10 particulate emissions and all the chemical emissions—a significant level of chemicals comes out of the stack as well—are listed in the licence conditions as targets; they are not binding conditions. Therefore, nothing in that licence would allow the Department of Environment and Conservation to prosecute and enforce those conditions. They are unenforceable conditions; they are simply targets. Therefore, all the licence conditions are useless because the department could never enforce them.

The issue of odour from the plant came about because Cockburn Cement could not control the dust with its electrostatic precipitators, so it put water injection systems into the flue stacks to inject water to try to make the vapours heavier to bring down the dust. The problem is, of course, that the temperature of the kiln is about 600 to 800 degrees Celsius so as soon as water hits that flue gas, it simply evaporates; therefore, we now have an odour problem. In trying to control the dust, Cockburn Cement has created an odour problem, which I referred to in my grievance. In conversations with the department I have indicated that that odour should not be allowed to travel further than the boundaries of Cockburn Cement’s operations. The Water Corporation on the side of the hill, which is only 500 metres from Cockburn Cement’s operations, has the biggest waste water treatment plant in the whole of Western Australia and it has very strict conditions on odour emissions from its operations. The Water Corporation, as part of its environmental licence conditions, has boundaries set down that odour emissions are not allowed to go beyond. I indicated to the department that it should at least have those types of conditions in place for Cockburn Cement. However, what we have in the draft conditions is really unenforceable weasel words; the draft licence states that unreasonable odours should not go beyond the boundaries of Cockburn Cement and impact on the homes, lives and amenities of people who live around it. We can never enforce the term “unreasonable odours”; it is impossible. What is reasonable to one person might not be reasonable to another. Therefore, the new licence conditions have been structured in such a way as to allow Cockburn Cement to continue doing exactly what it is doing at the moment—that is, dropping lime dust and cement dust all over the residents of the southern suburbs. It is really appalling and I hope that the Minister for State Development will speak to the Minister for Environment about this issue and ask her to go back and look very carefully at those licence conditions. Those licence conditions are unique to Cockburn Cement. Other operators in Western Australia would never be granted licence conditions as flexible and unenforceable as those for Cockburn Cement. Why, is beyond me because the issue can be addressed and it can be fixed; it is not an impossible

situation. It comes down to the investment that Cockburn Cement wishes to make in its plant to ensure the long-term viability of its operations.

This bill deals with the long-term viability of Cockburn Cement and will give it absolute and guaranteed access to 20 years of shell sand from the areas that were highlighted by the minister earlier. Area B, which is represented by the yellow dotted area, is an exploratory area that may well give Cockburn Cement another 25 or 30 years of access to shell sand as it is able to dredge towards Rottne Island. Therefore, Cockburn Cement has the possibility of operating in the area for the next 40 to 50 years manufacturing lime and cement. Why then is Cockburn Cement not bound to install the baghouse filter system that would ensure that it eliminates its odours and all its dust? That would fix it. It is probably a \$60 million investment that Cockburn Cement would make now and, given that it has 40 to 50 years worth of access to shell sand from the area, spread over that period of time, it is a very small investment for a company that has in the six months to July of this calendar year I think turned a \$65 million or \$66 million profit. The licence conditions should require that type of investment by Cockburn Cement. The licence is flexible to do that. The minister makes it very clear that Cockburn Cement should go beyond its current commitment of investing \$23 million in a baghouse filter. Cockburn Cement should expand the baghouse filter to ensure that the four other operating stacks—there are five operating stacks altogether—will also feed in to that baghouse filter system as a licence condition with an acceptable time frame on it, so that the company can actually plan, design and construct it. That way the board, as we know, will know where its product is and that it is going to be there for 40 or 50 years, so it might as well make the investment now because it will be bound to make the investment later when future governments require it to do so. There will not be any fewer people moving into the area; it is one of the fastest-growing areas in metropolitan Perth and in Western Australia.

I understand Cockburn Cement's complaint as a company to say, "We were here first; all these suburbs have come around us." I understand that. It is unfortunate for Cockburn Cement but that is just the way in which a city grows. There is not much that we can do about it. Cockburn Cement does have a buffer zone around it but it is unable to contain its dust and odour emissions within its own boundaries. The buffer zone was structured by the Western Australian Planning Commission and it has been there for a long time, yet Cockburn Cement is unable to contain its emissions within that buffer zone. Cockburn Cement can, if it wishes, abide by the Western Australian Planning Commission's containment zone. It can be a good corporate citizen for Western Australia and bring itself into line with all the other corporations that operate in Western Australia, such as Alcoa, BHP Billiton, Rio Tinto and Wesfarmers, if the government is willing to say to the company that enough is enough and it cannot operate like this any longer; it must install the equipment that stops the emissions and the odours from its premises.

Those are the issues that I highlight once again as part of this debate. The only question that I have on the entire bill is about the timetable for transitioning to the new areas. With that, I commend the bill to the house.

MR C.J. TALLENTIRE (Gosnells) [4.48 pm]: I rise to speak to the Cement Works (Cockburn Cement Limited) Agreement Amendment Bill 2010. The opposition is, as the member for Cockburn said, supporting this bill. However, I will take this opportunity to place on the record some concerns with the health of Cockburn Sound in relation to not only its environmental values but also the values underpinned by environmental qualities—namely, the recreational, social and economic values associated with Cockburn Sound.

The Western Australian community has long recognised that there are concerns with Cockburn Sound. There is a heavy concentration of industrial activity around the sound, which is of course essential; we need to have an industrial strip close to, but not immediately on the doorstep of, the general urban area of Perth. However, putting pressure on an area as environmentally sensitive as Cockburn Sound carries many risks. The number one risk that Cockburn Sound has faced over recent years has been caused by the dredging of the sound for the extraction of calcium carbonate, which is essential to the activities of Cockburn Cement. There was a time when the company was claiming that it had the technology in place to restore seagrass meadows and that it was able to reconstitute areas that were populated by either the *Posidonia* type or *Amphibolis* type of seagrass, but the claim was always open to challenge. Over time the claims of restoration work have been found to be false, because although it may have been technically possible to cultivate areas of the seagrass, the problem was that the area was always going to be too deep in the water for the seagrass to grow once the extraction activity by Cockburn Cement had been completed.

That risk in the area has been recognised. As I understand it, the purpose of this amendment bill is to move the area of extraction of calcium carbonate out into deeper water where there is not this conflict with the seagrass meadows. That then raises a question about the ecosystem type that is being destroyed in the extraction process as it goes into deeper water. I think the information available there is probably a little sparse—indeed, as sparse as the marine desert that may be created at the completion of the extraction activity that will go on over the next 20 or, as the member for Cockburn outlined, perhaps 40 years. There is a concern because one view is that the

Extract from Hansard

[ASSEMBLY - Tuesday, 14 September 2010]

p6512b-6521a

Mr Fran Logan; Mr Chris Tallentire; Ms Adele Carles; Mr Colin Barnett

area has just a sandy bottom and therefore nothing actually exists there. I think those people in the Department of Fisheries who have expertise in marine ecosystems may disagree. There are in fact marine values at stake that could be diminished by the extraction activity.

I believe that we have some of the institutional arrangements in place to continue to monitor the activities of Cockburn Cement in the sound. The latest document produced by the Cockburn Sound Management Council, "The State of Cockburn Sound 2008" report, gave a relatively clean bill of health for the sound as it stands at the moment, suggesting that on most counts and in most parts of the sound, there is reason to feel relatively optimistic about the future. However, I am also hearing arguments from people that there is a need to increase the rate of flushing of water in the sound. There are many reasons for that, not least of which is that 45 gegalitres of Perth's annual water supply is produced from a desalination plant that draws its water from the sound. Maintaining good water quality in the sound is essential for the ongoing successful operations of that desalination plant; therefore, human need helps to drive the maintenance of good environmental qualities in the sound. Of course, so too do the activities of people who enjoy recreational fishing. Making sure that the various recreational fishing activities and the different fisheries that exist in the sound are able to coexist with the activities of Cockburn Cement is also a priority in allowing any potential expansion.

I think that really this bill is about the issue of Cockburn Cement's right to operate and its licence to operate. That can only be given if that company embraces the very highest environmental standards that go beyond that, as well as actually ensures that the management of Cockburn Sound is done in an open and transparent way and that there is adequate funding for any remediation work that needs to take place. Remediation work could well be incredibly substantial, particularly if we are talking about things like opening up the Garden Island causeway and ensuring that there is a large gap and therefore the potential for more water flowthroughs to occur to refresh the water quality of the sound. That sort of work would of course require huge investment. I think that, as Cockburn Cement is one of the major industrial activities that diminish the environmental qualities of the sound, we should expect that Cockburn Cement be required to pay into funds that would be necessary for remediation works in the sound.

It is important to note that the dredging works are going to be in deeper water. That is welcomed, but I would like to touch on the issue of making sure that this company's work stays within the confines of the "State Environmental (Cockburn Sound) Policy 2005". That document sets out certain environmental indicators. I remain to be assured that the company really does embrace and respect the detail of that state environmental policy of 2005, which involves making sure that the company's work does not diminish the ecosystem, health, fishing and aquaculture, recreational fishing, aesthetics and, indeed, the supply of water for industrial and human use. Ensuring the quality of the seafood that is taken from the sound is vital. Much of that seafood is for human consumption. There has to be protection of standards. If Cockburn Cement wants to retain its licence to operate, it has to be seen to be actively ensuring that standards are maintained.

I believe that the terms of this bill provide some reassurance to Western Australians that we will allow an industrial activity to continue but in a way that is perhaps safer than the company's past intended practices. As I think the member for Cockburn indicated, there was once a plan for dredging in areas that had shallower water and it would have posed a much greater environmental threat. I am pleased to see that is not the case this time around, but we need to be vigilant on the health of Cockburn Sound and Cockburn Cement needs to know that the Western Australian community is keeping a very close eye on its activities. Should problems emerge and should we find that a marine desert is being created, environmental values have been lost and there is subsequent loss of recreational activity in the way of fishing, and loss of water quality for other purposes, we should have mechanisms in place that enable us to rein in, and possibly even halt, the activities of Cockburn Cement. There is a need to keep a close eye on the activities of this company, recognising that it is operating in an extremely fragile part of our natural environment and also that it is in very close proximity to a fast-growing corridor of the Perth metropolitan area. There are therefore many reasons for the company to be let known that it is being closely watched and that, should it disappoint us, it will have to be prepared to change its plans, which might have an impact on its profits and be disappointing news for its shareholders. Ultimately, the sovereignty of the people of Western Australia needs to be respected, and it needs to include protection of our natural heritage.

I conclude my remarks by saying that I support the bill, while acknowledging that a lot of attention needs to be paid to the activities of this company in Cockburn Sound.

MS A.S. CARLES (Fremantle) [5.00 pm]: I rise to speak on the Cement Works (Cockburn Cement Limited) Agreement Amendment Bill 2010 and to say that I will not support it. As we have already heard today, this is a company that damages the environment and emits dust and odours across many kilometres of residential Perth, and has done so for decades. We have a once-in-20-year opportunity to say to this company once and for all, "If you want your approvals in place, you need to clean up your act right now".

I find it interesting that this company can just click its fingers and get parliamentary priority. Ironically, we have already had a grievance from the member for Cockburn about this company, and all the local residents were sitting in the gallery. We heard about their children with asthma, blood noses and all sorts of other problems. Parents have said to us that they cannot even let their kids play in their own backyards. They tabled photos; the Premier saw the photos of all the dust. The member for Gosnells says that we need to let the company know we are watching, but it actually does not care. As the member for Cockburn has admitted, since the grievance, nothing has changed and nothing is going to change. We have an opportunity here today to say, “We are not going to give you the next 20 years of dredging until you clean up your emissions act.” That is exactly the power we have today, and it is very unfortunate that we are squandering this once-in-20-year opportunity to stand up for the residents of Cockburn who now have nowhere to go. They do not know how to stop this company, and neither does the member for Cockburn.

Mr F.M. Logan: I know exactly how to stop the company.

Ms A.S. CARLES: How?

Mr F.M. Logan: I’ve put it on the record.

Ms A.S. CARLES: So why will the member not stand against this legislation today?

Mr F.M. Logan: Because we don’t have the numbers, you don’t have the numbers, and this bill is dealing with dredging in Cockburn Sound. I thought you cared about that.

Ms A.S. CARLES: Absolutely.

Mr F.M. Logan: Do you? You haven’t said as much yet.

Ms A.S. CARLES: I am not happy about dredging in Cockburn Sound; I am very concerned about the health of Cockburn Sound.

Mr F.M. Logan: It doesn’t sound like you are. That’s what this bill deals with.

Ms A.S. CARLES: I am incredibly concerned about that. I know exactly what this bill deals with.

Mr F.M. Logan: It doesn’t deal with dust; it deals with dredging.

Ms A.S. CARLES: We can take the opportunity today to stand up for the people of Cockburn who have nowhere else to go on this issue. Their property prices have been devalued and they cannot sell properties in that area. Who wants to live near Cockburn Cement? The member spoke to the parents of all those kids out there the other day at the rally and said that he was worried, and said that he had asked the Premier to help him solve the problem of dust emissions. However, he is sitting here today supporting this legislation. I think that is disgraceful. I bet if those people were in the public gallery today, he would have a different view. As I said, we are squandering a once-in-20-year opportunity.

Mr F.M. Logan: Even if we did, and we got your vote, we wouldn’t win it. I think you’re just wasting your breath wanting to talk about this bill.

Ms A.S. CARLES: What is the point of even being in Parliament then—with that attitude?

Mr F.M. Logan: You’re just wasting your breath.

Ms A.S. CARLES: I say today, before Parliament, that this is a very important issue for the people of Cockburn, Fremantle and the southern districts of Perth. They literally have nowhere else to go on this matter, yet here we are, approving a further 20 years of dredging and dust emissions, and we all know that nothing is going to change for those people. That is why I stand against this legislation today.

MR C.J. BARNETT (Cottesloe — Minister for State Development) [5.03 pm] — in reply: I thank the members for Cockburn, Gosnells and Fremantle for their comments on the Cement Works (Cockburn Cement Limited) Agreement Amendment Bill 2010. Firstly, I reiterate that Cockburn Cement has been operating in Western Australia for a long time—since the 1950s—and is an important industry. It employs around 350 people in Western Australia, it has a turnover of \$230 million and spends about \$150 million on local goods, services and wages. It produces cement, which is obviously vital for the housing and construction industry. It also produces lime, which is essential for mineral processing in this state, in support of the alumina industry, the nickel industry and the gold industry. I think that is understood by members opposite.

This legislation is a variation to the agreement act, and it is required for the company to comply with its environmental licences. This legislation requires that future dredging for shell sand be conducted in deeper water, further out, and in waters where seagrass does not grow. As the member for Cockburn has said, there was

Extract from Hansard

[ASSEMBLY - Tuesday, 14 September 2010]

p6512b-6521a

Mr Fran Logan; Mr Chris Tallentire; Ms Adele Carles; Mr Colin Barnett

a lot of controversy during the 1990s—I was a minister at the time—about the damage that the mining of shell sand was doing to the marine environment through its effect on seagrass. Attempts were made to regrow the seagrass, with limited success; I concede that. As a compromise, the company was allowed, under its licence, to dredge the shipping channels and between the channels. These were areas that had been disturbed in any case when the Fremantle Port Authority had required wider and deeper channels. That bought some time, but did not really solve the problem permanently. The solution is, I think, a good solution, and it is reflected in this amendment to the agreement act. The company will, in future, dredge in areas further out where the water depth is such that there is no seagrass.

Reference was made to dredging in Cockburn Sound. In fact, the company has never dredged in Cockburn Sound; it dredges in Owen Anchorage. I think that is an important point: we are not talking about Cockburn Sound; it is the more open Owen Anchorage area. In answer to the first question raised by the member for Cockburn, under the environmental approvals, the company is now prohibited from operating in area A and is required to go into new areas. The agreement act only refers to dredging in area A; for the company to comply with its environmental approval, it has to go into an area that is not designated under the agreement act. We have therefore had to amend the agreement act to allow the company to operate in this new area where there is not the same environmental impact as before.

I have been advised that there is a transition arrangement. If the member for Cockburn looks at plan C, he will see that between the two shipping channels there is a light brown – fawn area. That is the intermediate area, and the company is currently operating there. The areas that it will go into in the future are the green areas. The member will see that the existing boundary under the agreement act picks up a couple of small parts of those green areas, so the company could move into those. Once this agreement variation is passed, assuming that it will be, the company will presumably conclude its operations in that brown area and move into these green areas, and that will be a sufficient resource for the next 20 years. I think that that is sensible, and there is an environmental benefit. The areas in which seagrass grows will no longer be dredged, so, for that reason alone, I urge members to support this legislation. It will resolve a long-term dispute over seagrass in the area and means that the company's future operations will be in areas of deeper water where seagrass does not grow; therefore, the issue will be resolved. Hopefully seagrass will progressively re-establish itself naturally in some of the areas that have been dredged. That would be to the health of Owen Anchorage and, ultimately, the fish species throughout Cockburn Sound to the south.

The member for Cockburn also made comment about the dust emissions from the Munster plant. They are serious; the member raised the matter in a grievance in this house a couple of weeks ago, and a number of people from his electorate were present in the gallery. I will restate where that situation is at. The Department of Environment and Conservation has reviewed Cockburn Cement's operating licence for its cement and lime manufacturing plant at Munster. A draft licence was opened for public comment on 30 April 2010, and some 50 submissions were received—no doubt many of them from people who were present in the gallery recently. An amended draft licence was released on 30 August 2010, and is now open for a 21-day public comment period, which will close on 20 September. The Department of Health has also gained access to monitoring data undertaken by Cockburn Cement and sampling data undertaken by the Department of Environment and Conservation. This data is now being assessed by toxicologists, and that work is underway. The Department of Health, in conjunction with the Chemistry Centre and the City of Cockburn health officers, also will undertake dust sampling in residential areas close to Cockburn Cement Ltd, and the results of the dust analysis will be forwarded to the Department of Environment and Conservation as soon as they are available. The Department of Health will then review all the information gathered and provide advice to DEC and the City of Cockburn regarding health impacts of the dust and also provide DEC, when relevant, with advice regarding health issues. That work is happening.

As was stated the other day, Cockburn Cement is investing \$23 million to put a heat exchanger and bag filter on kiln 6. I accept what the member for Cockburn has said. No doubt that will reduce the emissions, but there is still the fact of the other four stacks. The member requested that I speak to the Minister for Environment about that. Presuming that I am allowed to speak to the Minister for Environment and that he will not make an issue of it and accuse me of some corrupt activity, I will speak to the Minister for Environment. I think the member has made a fair point. This is a valuable and profitable industry for the state, but this company has a social and environmental responsibility to solve this problem. I think that is a fair position to put forward.

In the meantime, the toxicology work and sampling are being undertaken. I assure members opposite that the government is taking this matter seriously. It is not necessarily an issue of the company's own making, but its production has increased and, of course, residential areas are closer. Nevertheless, it is not restraining those emissions within its buffer zone, and we need to understand that better. I thank most members of this house for

supporting this legislation. Perhaps one member will not support it. I also undertake to take the emissions issue very seriously, and I hope that we can, with some time, resolve that satisfactorily.

Question put and a division taken with the following result —

Ayes (49)

Mr P. Abetz	Ms J.M. Freeman	Mr W.R. Marmion	Mr A.J. Simpson
Mr F.A. Alban	Mr B.J. Grylls	Mr P.T. Miles	Mr T.G. Stephens
Ms L.L. Baker	Dr K.D. Hames	Ms A.R. Mitchell	Mr M.W. Sutherland
Mr C.J. Barnett	Mrs L.M. Harvey	Mr M.P. Murray	Mr C.J. Tallentire
Mr I.C. Blayney	Mr J.N. Hyde	Dr M.D. Nahan	Mr P.C. Tinley
Mr T.R. Buswell	Mr A.P. Jacob	Mr A.P. O’Gorman	Mr T.K. Waldron
Mr G.M. Castrilli	Dr G.G. Jacobs	Mr P. Papalia	Mr P.B. Watson
Mr V.A. Catania	Mr R.F. Johnson	Mr C.C. Porter	Mr M.P. Whitely
Dr E. Constable	Mr W.J. Johnston	Mr J.R. Quigley	Mr B.S. Wyatt
Mr R.H. Cook	Mr J.C. Kobelke	Mr D.T. Redman	Mr D.A. Templeman (<i>Teller</i>)
Mr M.J. Cowper	Mr A. Krsticevic	Mr E.S. Ripper	
Mr J.H.D. Day	Mr F.M. Logan	Mrs M.H. Roberts	
Mr J.M. Francis	Mr J.E. McGrath	Ms R. Saffioti	

Noes (1)

Ms A.S. Carles (*Teller*)

Question thus passed.

Bill read a second time.

Leave granted to proceed forthwith to third reading.

Third Reading

MR C.J. BARNETT (Cottesloe — Minister for State Development) [5.17 pm]: I move —

That the bill be now read a third time.

MR F.M. LOGAN (Cockburn) [5.17 pm]: I rise to comment on two matters during the third reading debate of this bill. First, I bring to the attention of the Premier a concern that I meant to raise during the second reading debate but I did not remember to do so then but I have now. It relates to the commercial fishermen who still use Cockburn Sound and Owen Anchorage. It was brought to my attention the other day that the commercial fishermen are complaining that there is literally no fish life in the area where the Cockburn Cement Ltd dredge has been, even in the areas where there is no seagrass. It is not really surprising. If the top one metre of sand has been taken away through the dredging process, there probably will not be any sea life there until such time as it is naturally rehabilitated.

Mr C.J. Barnett: You’re saying that as the sand builds up over time, and presumably it will.

Mr F.M. Logan: Yes. I just wanted to put that on the record because I said that I would raise that matter during the debate.

The second matter that I want to raise relates to the dredging process. We heard in the member for Fremantle’s contribution to the debate that somehow the opposition should have voted against the bill. She said that the opposition, which in government negotiated the agreement that is encapsulated in the legislation, should have voted against the bill. When we were in government we negotiated the agreement, which is all about protecting the seagrass of the Owen Anchorage, yet the member for Fremantle is calling on us, now that we are in opposition, to vote against the agreement which we reached with Cockburn Cement and which is encapsulated in the bill. I cannot believe the member for Fremantle can stand in this house and ask us basically to go back on negotiations that we have had with Cockburn Cement that resulted in a good environmental outcome. I also cannot believe that she would stand in this place and ask the opposition to vote against a very good environmental outcome. This is an outcome that is protecting the environment of Owen Anchorage. This is an outcome that is protecting the seagrasses. It took years to negotiate that outcome, and the member for Fremantle says, as a Green Independent, that we should vote against it! Has the member lost her mind? Why would we want to do that? Will the member for Fremantle tell her constituents that we should have allowed Cockburn Cement to continue to rape and pillage the seagrasses of Cockburn Sound? That is what would happen if we were successful in rolling this bill. Cockburn Cement would stay in area A, and that is where the seagrasses are. It is allowed to do that under its state agreement act. The member for Fremantle is saying that the dust emissions in my area—which I am dealing with, with the Premier—are somehow wrapped into this debate today. Hopefully the Premier will pick up on what we are saying because at the end of the day it is a political outcome that will resolve the dust emissions. That outcome would be a binding requirement on Cockburn Cement to install backhouse buildings, which I have called upon the government to do to fix the

problem. But somehow the member has wrapped that into this debate today and said we should vote against the bill and thereby allow Cockburn Cement to carry on knocking out seagrasses under area A, which it is allowed to do under the state agreement act. I cannot believe that a member, particularly a member for Fremantle, would say that. The member's electorate covers some of the area we are talking about today, area A, and the federal member for Fremantle and the previous state member for Fremantle campaigned long and hard to try to protect the seagrasses of Owen Anchorage from the production processes of Cockburn Cement. Yet, here we have a member for Fremantle saying, "Don't worry about that. For supposed short-term political gain, let's vote against the bill and undo all the good work in the environment that has been done over the past 10 years." It is incomprehensible that a member for Fremantle, particularly a Green Independent, would stand in this house and say that.

It is for those clear reasons that we support the bill. One reason is that when we were in government we negotiated the agreement that led to the amendment to the cement works legislation that is being dealt with at the moment. Obviously we will support it. Secondly, it is a good outcome. It is a good outcome for Cockburn Cement because it ensures that it has guaranteed supply of product to continue its operations in Cockburn. Obviously, as the member for Cockburn, I want to see the continuation of Cockburn Cement and the employment and economic benefits that it generates for Western Australia.

Ms A.S. Carles: You should have told them that!

Mr F.M. LOGAN: I have told them that. It has been in print, member for Fremantle.

The final thing, of course, is that it produces a very good environmental outcome by binding Cockburn Cement to shift from its current operations under the state agreement act into deeper waters where seagrass is unaffected. I would have thought that the last person in this chamber who would oppose that would be the Green Independent member for Fremantle. Politics is a strange thing; here she is asking us to vote against the bill. I recommend the bill to the house.

MS A.S. CARLES (Fremantle) [5.24 pm]: I certainly seem to have upset the member for Cockburn. I stand by my comments that if the member's residents were in the gallery today, he would not be standing here saying that he supports Cockburn Cement. There is complete hypocrisy in the member's differing views.

We all know that Cockburn Cement needs this licence to keep operating. This will give the company 20 years' access to dredged material. That is what this is all about. Yes, Cockburn Cement wins the day but I have every right to stand here and support the local residents who have come to this Parliament, who are desperate about their kids, who actually take their kids' health very seriously, whose kids have asthma—older people also have asthma—and whose kids have nosebleeds. I hear that; I know what they are saying.

Mr F.M. Logan: You know that because I come in here and tell you!

Ms A.S. CARLES: So why don't you care about them today?

Mr F.M. Logan: You are a show pony —

Ms A.S. CARLES: I am not; I am here to stand up for the local residents. Member for Cockburn, if I do not stand up for them today, there is not one person in this Parliament who will.

Mr F.M. Logan: Stop being such a show pony!

Ms A.S. CARLES: The member is just embarrassed because he will have to turn around and explain to his constituents tomorrow why he supported this legislation. The member for Cockburn is all very cosy with the government today! My God, why would it have been so hard to say to this company—which has had decades and decades in which to operate and which we know will flout the law when it comes to emissions and the environment—"Clean up your act and then we will come back to this Parliament when we are satisfied that you're going to contain the emissions and that the residents are happy to live there"? How hard would that be? Yes, it is going to cost that company money; of course it will. That is the price it needs to pay if it wants to keep operating for the next 20 years. I am certainly not ashamed to say that. The member for Cockburn should be ashamed that he has let his residents down today.

Question put and a division taken with the following result —

Extract from *Hansard*
[ASSEMBLY - Tuesday, 14 September 2010]
p6512b-6521a

Mr Fran Logan; Mr Chris Tallentire; Ms Adele Carles; Mr Colin Barnett

Ayes (47)

Mr P. Abetz
Mr F.A. Alban
Ms L.L. Baker
Mr C.J. Barnett
Mr T.R. Buswell
Mr G.M. Castrilli
Dr E. Constable
Mr R.H. Cook
Mr M.J. Cowper
Mr J.H.D. Day
Mr J.M. Francis
Ms J.M. Freeman

Mr B.J. Grylls
Dr K.D. Hames
Mrs L.M. Harvey
Mr J.N. Hyde
Mr A.P. Jacob
Dr G.G. Jacobs
Mr R.F. Johnson
Mr W.J. Johnston
Mr J.C. Kobelke
Mr A. Krsticevic
Mr F.M. Logan
Mr J.E. McGrath

Mr W.R. Marmion
Mr P.T. Miles
Ms A.R. Mitchell
Mr M.P. Murray
Dr M.D. Nahan
Mr A.P. O’Gorman
Mr P. Papalia
Mr C.C. Porter
Mr J.R. Quigley
Mr D.T. Redman
Mr E.S. Ripper
Mrs M.H. Roberts

Ms R. Saffioti
Mr A.J. Simpson
Mr T.G. Stephens
Mr M.W. Sutherland
Mr C.J. Tallentire
Mr P.C. Tinley
Mr T.K. Waldron
Mr P.B. Watson
Mr M.P. Whitely
Mr B.S. Wyatt
Mr D.A. Templeman (*Teller*)

Noes (1)

Ms A.S. Carles (*Teller*)

Question thus passed.

Bill read a third time and transmitted to the Council.