

MINERALOGY PTY LTD PROJECT — ENVIRONMENTAL BOND

590. Hon SALLY TALBOT to the Minister for Environment:

I refer the minister to today's article in *The West Australian* titled "Mining boss avoids \$45m EPA bond".

- (1) Was the minister aware of a request to her by Mr Palmer's company, Mineralogy Pty Ltd regarding the environmental bond for the Balmoral South project?
- (2) If so, when did she become aware?
- (3) Did the minister discuss Mr Palmer's request with any other ministers?
- (4) Did the minister discuss Mr Palmer's request with any officers at the office of the Environmental Protection Authority?
- (5) What other action did the minister take in response to Mr Palmer's request?

Hon DONNA FARAGHER replied:

I thank the member for some notice of this question.

- (1)–(2) A letter dated 6 October 2009 from Mineralogy Pty Ltd objecting to the content of EPA report 1340 in relation to the Balmoral South project was received by my office. The letter objected to a recommendation from the EPA that the proposal be the subject of a bond of \$45.5 million in respect of mine closure and rehabilitation.

Mineralogy also lodged an appeal on 19 October under section 100 of the Environmental Protection Act 1986, and attached the 6 October letter as a basis for the appeal. In response to the 6 October letter, I wrote to Mineralogy on 26 October 2009 noting among other things that as the matter was the subject of appeal, the issues raised would be considered through that process. The appeal was investigated by the Office of the Appeals Convenor, which included obtaining further advice from the EPA and the Department of Mines and Petroleum. In his report to me of November 2009, the Appeals Convener noted that both the EPA and the Department of Mines and Petroleum had clarified that the Balmoral project could be subject to performance bonds under the Mining Act 1978, contrary to the advice in EPA report 1340. As a result of this new information, the EPA advised me that a bond under the EPA act should not be necessary. The submission from the DMP was to similar effect. As a result of the above, I allowed Mineralogy's appeal to the extent that a requirement for a bond for mine closure and rehabilitation be considered under the Mining Act consistent with relevant policy and addressing the risks identified by the EPA. In addition, I wrote to the Minister for Mines and Petroleum recommending that a performance bond be considered within the context of the Mining Act, noting the EPA's advice. Consistent with section 45(1) of the EP act I consulted relevant decision-making authorities about whether the proposal should be implemented and the conditions to which the proposal should be subject. This included formal consultation with the Ministers for Mines and Petroleum, State Development, Indigenous Affairs, and Water. I understand that it is the Department of Mines and Petroleum's intention to set and apply this bond once substantial works are set to commence at the project site.

- (3) There were no formal discussions with other ministers outside the formal consultation referred to in answers (1) and (2), which was undertaken on my behalf through the Appeals Convener. However, I am aware that the office of the Minister for Regional Development and Lands did raise the matter with my office through the forwarding of correspondence.
- (4) No.
- (5) See (1) and (2) above.

Earlier today in the debate on the Approvals and Related Reforms (No. 1) (Environment) Bill 2009, which we are dealing with, Hon Sally Talbot implied that "special treatment"—they are the words she used—had been given on this matter. I reject any suggestion that I have been influenced in any way or have given any special treatment on this matter. I deal with all matters in a transparent way, as I have outlined in this response.