

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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**NORTH WEST GAS DEVELOPMENT (WOODSIDE) AGREEMENT AMENDMENT BILL 2019**

*Second Reading*

Resumed from an earlier stage of the sitting.

**HON ROBIN CHAPPLE (Mining and Pastoral)** [5.08 pm]: In the lead-up to the Burrup and Maitland Industrial Estates Agreement, one of the problems we find with the Dampier Archipelago and Burrup Peninsula is that whereas most other major industrial complexes, such as the Kwinana industrial strip and others, have what we call a strategic assessment, the Burrup has never been assessed on whether it would be suitable for industry. In that regard, when the “Burrup Peninsula Draft Land Use and Management Plan” was put forward, the matter was referred to the Environmental Protection Authority for assessment. The Environmental Protection Authority called in that proposal to be fully assessed. There was much involved in that over a number of years. The upshot was that after a fairly large court case that ran from 1994 to 1995, the court found that a draft land use management plan could not be assessed by the EPA; only a management plan could be assessed by the EPA. The word “draft” was the problem. It is now a court case, *Chapple v Steedman*, which is taught in most universities when it comes to environmental law. Unfortunately, we did not have the money to take the case to the federal arena and we lost on the grounds of the word “draft”. The court’s decision was interesting because it said that the moment there is a plan, it should be assessed. Unfortunately, that never happened. I want to identify again the power of the Department of Resources Development, as it was then, which is now the Department of Jobs, Tourism, Science and Innovation, and has also been the Department of State Development and various things. In this rather telling email to Dr Ray Steedman, then head of the EPA, it states —

Ray,

Attached is an unsigned draft of a letter which I propose to send for you to advise your fellow EPA members. You will note that we intend to appeal to the Minister against the PER level of assessment on the draft Burrup Plan, for reasons that are set out in the letter. I would like the Authority to be fully aware, however, that we wish to proceed in cooperation with the EPA to provide Cabinet with well informed advice on the Final Plan when it is developed by the Burrup Board and submitted to Cabinet.

I would also emphasise that, in making this appeal, we have no wish to embarrass you, Bernie Bent or the Authority members. Rather, we believe the route we are recommending will save wasted effort, complicated appeals and condition setting, and potential subsequent political embarrassment for your Minister (and ours). In short, a formal assessment just cannot work for a proposal like this and we are doing everyone a favour by asking the Minister to return the proposal to the EPA to review its decision.

It was really interesting that when I took action against the EPA for a rescission of the assessment, the EPA sought not to challenge my taking it to court. It was only at the eleventh hour that DRD, as it then was, stepped in and became party to the action and defended the state against my action. The EPA thought that action was correct. The email continues —

This will only work, however, if the EPA sees fit to advise the Minister that it now does not wish to formally assess the proposal, but rather wishes to provide Ministers with advice. I would appreciate the opportunity to discuss my draft letter with you in this light, as soon as possible.

I should warn you that this avenue of appeal to the Minister has (to my knowledge) never been used before —

This is DRD warning the EPA —

we have always been brainwashed into believing an appeal can only go to a higher level of assessment. The fact remains that the Minister cannot direct the EPA (nor can the EPA now choose) to go to a lower level of assessment. Instead, the EPA can only tell the Minister it now does not believe a formal assessment is warranted at all, —

This is over the largest rock art assemblage anywhere in the world, for industrial purposes —

and EPA will instead provide advice. You may wish to seek your own advice from Crown Law on this.

The only alternative was to seek a declaration that the EPA acted ultra vires its Act in determining a formal level of assessment in this instance. Such an avenue could only be pursued through the Supreme Court, not through the Minister, the wording of the Act is vague and the cost and uncertainty and potential embarrassment is not worth contemplating.

This is one agency to another —

This will have been a useful learning —

*Point of Order*

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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**Hon ALANNAH MacTIERNAN:** I realise the long service of the member and that he has a great deal of history that he wants to impart. I think we have been very patient but this exercise in going through matters that are pretty much unrelated to this legislation has to be considered. We ask, Mr Acting President, if you could encourage the member to focus more clearly on the issues raised by the bill.

**The ACTING PRESIDENT (Hon Dr Steve Thomas):** Do you want to speak to the point of order, honourable member?

**Hon Robin Chapple:** No.

**The ACTING PRESIDENT:** I was listening fairly carefully to the member. In my view, I was giving the member some leeway to direct his address back to the issues at hand. The discussion about the rock art is pertinent to the debate. On the discussion about the court cases in which the member was a part of history, it is far more difficult to draw a line between that—although the member might want to make a point about the jurisdiction of this state—and the performance of various departments. I ask him to very quickly shift his attention back to the deliberative topic.

*Debate Resumed*

**Hon ROBIN CHAPPLE:** Thank you, Mr Acting President. I take your advice and I take the points made by the minister. The point we are raising consistently here is that we oppose this legislation and many aspects have led us to this point. I am trying to show that how we get here today is based very much on what has gone before. Having taken that point, I will be succinct in dealing with this matter.

**The ACTING PRESIDENT:** Thank you.

**Hon ROBIN CHAPPLE:** Out of that, the EPA put out a statement, which I was going to quote from, but I will deal with it in greater detail at a later stage. The EPA was intent on having an environmental management plan for that area but was forced under threat by DRD, as it was in those days, to withdraw its assessment. It did so on 10 July 1994 via a news release. Taking on board what the Acting President has said, in essence, the EPA said that once there is a plan, it will be assessed. That has never occurred. To this day, there has been no assessment of the suitability of the Burrup Peninsula, West Intercourse Island, the Dampier Archipelago or any of those as being suitable for industry. With this legislation, we will continue a process in a place that has never had an environmental assessment and one that is globally recognised as the most significant rock art site anywhere in the world. That is why we oppose this legislation. Taking on board what the Acting President has said, I think I have identified clearly why we are in the pickle we are in today. We also need to be aware that this extension of the North West Shelf joint venture's use of facilities for third party gas, in this case Woodside gas from Browse Basin, will significantly impact on not only the environment and rock art of the region, but also the region's health. The Urban Impact project pointed out —

There is no overarching public health responsibility between polluting industries, DWER and Department of Health ... in the Burrup Peninsula. This is a significant omission of responsibility according to the **Section 34: General Public Health Duty, of the Public Health Act of WA 1916.**

Again, I am mindful of what the Acting President said, we need to be very aware that the NOx emissions coming from the expanded proposal and the downstream use of gas by Perdaman and Wesfarmers, which are contracted proposals, will have a significant impact on not only the rock art but also the region's health. I received documents today but, unfortunately, I have not been able to identify them. *Copernicus*, the European satellite that was launched in 2017, has now identified that the areas of Onslow and Karratha are suffering significantly high levels of nitrous oxide. At a future time, I will be able to advise the house what those impacts are likely to mean for the residents of Dampier, Karratha and Onslow. The pollution level is over all those areas and is consistent. For many years, I have queried why the Bureau of Meteorology website shows that it is always raining over Karratha. It did not matter what time of year it was.

**Hon Alannah MacTiernan:** Same as Port Hedland. Port Hedland is even more like that.

**Hon ROBIN CHAPPLE:** I dispute that, minister. When we look at Varanus Island and Karratha, it is always raining over those two sites. I wondered why that was, and now I know why—it is because the high levels of nitrous oxide in the atmosphere are being recorded by the BOM site as rain clouds. The documents that I have will show that. I have to download the data and work out the impacts, but I will explain that at some time in the future. But that is a major health impact that exists already; it is a health impact that has been identified in Woodside's own documents. Woodside has identified that its PM<sub>2.5</sub> and PM<sub>10</sub> emissions are exacerbated by the PM<sub>10</sub> and PM<sub>2.5</sub> that is coming out of the facilities managed by Rio Tinto in the iron ore area of East Intercourse Island.

Going back in time, in about 2006 I had a meeting with Erica Smyth at which Woodside identified that its benzene, toluene and xylene levels over the town of Karratha were too high. I think Woodside spent about \$15 million putting in scrubbers to deal with those BTX emissions, which had the corollary of reducing its CO<sub>2</sub> emissions at the same time. But Woodside was concerned that its emissions were having a health impact on the residents of Karratha.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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There are many aspects that I want to talk about in relation to this development. One of the most important aspects, beyond that of the rock art and its existence into the future, are the emissions from carbon dioxide equivalent, sulphur dioxide, nitrous oxide and nitrous oxide equivalent from that area and the effect that is having on climate change.

In this year's Climate Change Performance Index, Australia is ranked fifty-sixth. Australia, with an overall very low rating, remains under the bottom five performers of countries that continue to have low ratings. We know that the CO<sub>2</sub> equivalent figures per capita make us one of the highest polluters in the world; but, having said that, the data shows that that CO<sub>2</sub> in Western Australia is coming predominantly from the Pilbara region and, largely, the North West Shelf. An extension of this proposal—an extension of 50 years—for this development on the Burrup to bring the Browse gas down will only exacerbate Australia's situation. I hope that in the Committee of the Whole Stage we will be able to establish how the state will deal with the control data of either the ALP or the current federal government's emissions into the future. Here we are signing an agreement, under the notion of a state agreement act, that will allow Woodside to continue to pollute without recourse, unless there is mutual agreement between the state and Woodside that Woodside do something about its emissions. Hypothetically, I know we are not allowed to go down that path, but unless a future Labor or coalition government determines that we have a major problem in Western Australia, we will not meet our Paris commitments, and then we will need to reduce our emissions. Can a state agreement act, at some stage in the future, be modified unilaterally by a government to minimise Woodside's emission levels? My understanding of the state agreements act is that it has to be a mutual decision. What we are doing here is putting in place an agreement bill that will tie this state and allow Woodside to continue to pollute unabated for the next 50 years. As far as we are concerned, 50 years is far too long. We know that most European countries and others are going for zero emissions in half that time. We are operating in a manner that is thumbing our nose at the rest of the world. I personally find that quite reprehensible.

Many documents that have been released recently show that CH<sub>4</sub> has greater anthropogenic fossil than CH<sub>4</sub> emissions. A paper produced on 27 May 2019, after peer review—I note the point about peer review; I will keep on talking about that—authored by Hmiel states —

Atmospheric methane (CH<sub>4</sub>), is a potent greenhouse gas, and its mole fraction (that is the amount of a constituents contained in the mixture) has more than doubled since the preindustrial era. Fossil fuel extraction and use are among the largest anthropogenic sources of CH<sub>4</sub> emissions, but the precise magnitude of these contributions is a subject of debate.

Carbon-14, a radioactive isotope of carbon, is a way to measure this. It is the first time someone has come up with this notion of how to measure methane in the atmosphere and now they are saying that this is the component that we missed. We know that there is leakage of about 2.5 per cent methane in the natural gas piped down from the Browse to the Woodside–North West Shelf joint venture. We have always thought that methane was a really big component, but now we actually have data to show that it is in fact far greater than was ever previously considered. We are talking about geological emissions of less than 15.4 teragrams of CH<sub>4</sub> per year by the end of the Pleistocene era, which was about 11 600 years ago. We now know that methane emissions at that time were around 1.6 teragrams per year, with a maximum of 5.4 teragrams. The results indicate that anthropogenic fossil CH<sub>4</sub> emissions are underestimated by 38 to 58 teragrams of CH<sub>4</sub> per year, or about 25 to 40 per cent more than was previously thought. With the Woodside North West Shelf joint venture expansion, we are committing ourselves to a further 25 to 40 per cent increase in anthropogenic CH<sub>4</sub> emissions. That is 60 per cent higher than the previous estimates. This data keeps coming before us.

There is commentary that liquefied natural gas is a transition fuel. It is only a transition fuel for the fossil fuel industry; it is not a transition fuel for society. Jeroen van der Veer, back in 2003 or whenever it was, quite clearly indicated that we had to have a plan, and we have no plan. This is about carrying on in the exact same way as we did when we started developing the North West Shelf joint venture. There are now many other documents coming to light to show that we have passed the climate tipping point. In that regard, I think I will leave it to others to deal with those matters.

Some members may know of Dorothy Dellaway, who was a fairly prominent Western Australian author and poet. She recently passed away, and I was asked to read at her funeral a poem she wrote about the Burrup Peninsula. With your indulgence, Mr Acting President, I would like to read her poem.

**The ACTING PRESIDENT:** I hope it is not an epic!

**Hon ROBIN CHAPPLE:** It is quite short; it is not a long one —

A red road leads into a place of petroglyphs  
far older than Stonehenge or Egyptian pyramid.  
Trekking through steep-sided gorges topped  
by barren rocky ridges, eyes adjust - trace vestiges

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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of a vanished people.

No connecting voice can guide our path.

It is guesswork by necessity and with the best intentions.

And if there was a voice swept in from the winds of history  
it would simply say “The name you call us by is not our name.”

So what is seen in this sad universe  
ripples through our senses, brings our souls to a standstill.

Silence at this moment is the most appropriate truth.

There is a sense of a parallel presence  
as we climb to come face to face  
with carvings of thylacine, long extinct  
mammals & reptiles, standing stones and on high  
rock surface - the intricate panel of “Climbing Men.”  
The name you call us by is not our name.

A haunting primeval face stares across a gully like wise guardian.  
The name you call us by is not our name.

No need to search: everywhere in every direction  
patinated images swarm - motifs of macropods, emu,  
Mayan-like geometric patterns, animated scurrying creatures,  
then fish & turtle bearing witness to shifts in ice-age,  
for what was once held as inland - now gained a seashore.

In an age of pure air and rounded day  
did Yaburrara sculptors sing while they pecked at rock  
with pointed stone? Did they wander among precincts  
of older petroglyphs to search for guidance  
before they stood before their own bare stone?

Small wonder neighbouring Ngaluma people renamed  
this archipelago as Puratha (sad place) after frenzied atrocities of eighteen-sixty-eight: every last  
man, woman and child wiped from the face of this earth. No  
surviving  
soul to save the language, pass on stories, make that firm commitment between now and then.

There is an ache in the rock of these archaic galleries,  
a drone of mourning in brooding ridges: extermination  
creates its own echoes.

Other nodes of presence - of desecration, encroach along the  
Burrup.

Corporate frontier-mentality has better choices to make, other  
places to be: they lock their truth in spin, push their own  
shuffled icons  
- silver enclaves, domes, high wire boundaries. A fiery plume  
of nitric & sulphuric acid rides the wind, eats the earth.

Ancient petroglyphs - precious record of secular life –  
will dissolve and vanish like the people who made them.

But will the sea  
summons its uncompromising tides  
to cover the coast below us  
as a place of atonement?

**The ACTING PRESIDENT:** Honourable member, I suggest you provide a copy of that to Hansard, and then return directly to the substance of the bill before the house.

**Hon ROBIN CHAPPLE:** Thank you.

The point of reading that in is that over the last 12 years a large number of people, including many eminent people from around the world, have visited Burrup Peninsula within the Dampier Archipelago. These include the curator of the Egyptian Museum and a former artistic cultural attaché to Australia. It is just one of the most amazing places.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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I now give notice that I want to refer this bill to a committee. I will move that motion in a moment, but I want to give the rationale for referring the bill to a committee. On 30 May 2001, Hon Kim Chance moved to amend standing order 230, as it was then. He moved —

That Standing Order No 230 is amended —

- (a) in paragraph (a) by deleting the words “shall be adjourned” and substituting “stands adjourned without question put”;
- (b) by inserting after paragraph (c) the following paragraph —
  - (ca) A bill that has a schedule containing the text of an agreement to which the State is a party that, upon its enactment, would ratify and give statutory effect to that agreement stands referred to the *Environment and Public Affairs Committee* when debate is adjourned under paragraph (a);
- (c) in paragraph (d) by deleting the words “*Constitutional Affairs Committee*” and substituting the words “*Legislation Committee*”.

I will read from Hon Kim Chance’s rationale for this motion. This comes from the Council *Hansard* extract of Wednesday, 30 May 2001, and states —

The principal effect of the motion is to introduce—by compulsory reference to the Legislation Committee together with other issues that are dealt with normally by standing order 230(c)—for the perusal of the committee for the specified number of days, in this case 30 days, bills which contain the text of an agreement to which the state is a party and which upon the Bill’s enactment could ratify and give statutory effect to that agreement. In other words, it includes in that scope state agreement Acts.

The Government’s decision —

That is the Labor Party’s decision of 2001 —

to introduce this motion is not based on any thought, or the holding out of any hope, that a state agreement Act is an Act of such nature as can be amended by the House. A state agreement Act is a contract expressed in the form of a statute and it cannot be amended. Indeed, it has been argued in this place many times in the past that a state agreement Act does not need to be brought before the Parliament. A state agreement Act is a contract which can be formed by the Government and does not necessarily need the force of law to bring it into place.

Interestingly, state agreement Acts are subject to a clear definition. I forget who provided the definition; I think it was a staffer giving evidence during estimates committee hearings. However, the definition provides that a state agreement Act is an instrument of legislation that can provide a legal means of doing things that, without its existence, would be illegal. For example, a state agreement Act can override the Environmental Protection Act, and it does. Our state agreement Acts provide that foreign owners of tree plantations can do things that could not be done otherwise because of the existence of the Environmental Protection Act. That means that, generally, foreign-owned blue gum plantation companies that operate under state agreement Acts have an inherent advantage over Australian-owned plantation companies that do not operate under those Acts and, therefore, are not protected from the effect of the Environmental Protection Act. That is one small example of how a state agreement Act can authorise things to be done that would, other than for the existence of the act, be unlawful.

I am sure Hon Christine Sharp —

Who was a former colleague of mine —

will raise a number of other reasons, but that fact alone is probably enough to justify this legislative change to allow state agreement Acts and similar instruments to be subject to the scrutiny of a standing committee of this place, in the same way that uniform legislation is scrutinised. It is a powerful instrument, and one that can override all other laws.

In response, Hon George Cash stated —

The Opposition supports this amendment. It understands that the amendment will provide a more efficient process to settle the question when a speech of the minister or member in charge is concluded. It is as simple as that; it is nothing more than an efficiency measure.

Basically, it was supported by all parties, but, unfortunately, due to prorogation, it never came on for a vote, which was the nature of the annual prorogation we used to have in those days. When it came back on later—I turn to the *Daily Notice Paper* from 14 August 2002 and the establishment the following year—the amendment was there but

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

---

it was missing the component referred to as paragraph (ca). The standing order was amended after prorogation but without the inclusion of paragraph (ca), which had been agreed to by everybody in this chamber. In that regard, it is pertinent that I seek to move to discharge the bill and refer it to committee.

*Discharge of Order and Referral to Standing Committee on Uniform Legislation and Statutes Review — Motion*

**HON ROBIN CHAPPLE (Mining and Pastoral)** [5.44 pm] — without notice: I move —

- (1) That the North West Gas Development (Woodside) Agreement Amendment Bill 2019 be discharged and referred to the Standing Committee on Uniform Legislation and Statutes Review for consideration and report by no later than 28 March 2020; and

This is important —

- (2) That the committee has the power to inquire into and report on the content of the yet to be disclosed community development plan and the local participation plan established as part of the North West Gas Development (Woodside) Agreement Amendment Bill 2019.

**HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development)** [5.47 pm]:

I say very clearly that we will not support this motion for referral to the Standing Committee on Uniform Legislation and Statutes Review for a variety of reasons. First of all, it is not at all clear that the Standing Committee on Uniform Legislation and Statutes Review has the jurisdiction to receive such a referral. I understand that another piece of parliamentary history that was set out for us tonight shows that there might have been a time when it was contemplated that the standing orders governing the Standing Committee on Uniform Legislation and Statutes Review be changed, but as the member himself acknowledged, that did not happen. I am not even sure whether it is possible for such a referral to be made to the Standing Committee on Uniform Legislation and Statutes Review, but, regardless of that, we do not believe that this legislation warrants it, primarily because the bill is very limited in its scope: it simply seeks to allow the existing Karratha gas plant, as its current supply of gas from the North West Shelf winds down, to take gas from other sources, be it Browse, Brederode, Waitsia or Scarborough, so that it can process gas in that area.

As has been wrongly suggested by the mover of the motion, Hon Robin Chapple, and a number of his colleagues, this in no way pre-empt the approval of any of those projects. The environmental assessment and the hurdles that Browse, Scarborough or, indeed, any other onshore project would have to hurdle are not in any way affected by this. This is simply providing some certainty that, should these environmental approvals be obtained by the company, this existing gas plant would be able to process that gas.

I do not believe that there is sufficient complexity in this legislation to warrant this being sent to a committee for an independent review. I think it is very much based on a misconception of the agreement that underlies this bill. I note that there is a time provision in here that there is a cut-off date of 30 March 2020. It says that if this agreement has not been ratified by Parliament then, unless the parties to the agreement agree otherwise, the agreement terminates. That is not fatal; we could, of course, come to another agreement. But I think the essence of this is such that there has been a complete miscomprehension of the nature of this project—sorry, not the nature of the project; the nature of the approvals inherent within this legislation. They are of such a nature that the process of examination that members will be able to go through as part of the Committee of the Whole will be more than adequate to satisfy themselves of the four corners and implications of the legislation. It is not a bill of such complexity as perhaps the original Woodside agreement, which involved taking paid contracts that had the building of new infrastructure inherent in them. This legislation does not have the building of new infrastructure inherent in it; it is about a plant that actually exists here and now. The legislation is simply to allow that, should other proposals receive environmental approval at some time, they can use that existing facility. As I have said, any of the objections, complexities or needs to understand can be adequately dealt with here in the Committee of the Whole. We are not seeking to truncate debate and discussion of those things. I am not sure whether we can get some clarification, but I am not sure whether it is competent for the Standing Committee on Uniform Legislation and Statutes Review to be considering such legislation; in any event, it is not necessary because of the nature of the legislation.

**The ACTING PRESIDENT (Hon Dr Steve Thomas):** Before I give the call to the Leader of the Opposition, I will just inform members that under schedule 1 of the standing orders, standing order 6.3(d) states that the functions of the committee are to, amongst other things, consider and report on any matter referred by the Council. I think that we should restrict debate to whether the matter should be referred to the committee rather than could be referred to the committee.

**HON PETER COLLIER (North Metropolitan — Leader of the Opposition)** [5.53 pm]: Thank you, Mr Acting President. That makes me more confused.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boyde; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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**The ACTING PRESIDENT:** Basically, it means that anything can be referred.

**Hon PETER COLLIER:** I am not disputing your words at all; I just cannot work out why it would be going to the uniform committee. Anyway, that is not the point in issue.

I say at the outset that I respect Hon Robin Chapple for a number of reasons. He is a man of conviction to what he believes in, and his opposition to state agreements has been long held. I have sat on the other side of the chamber in this place and been privy to his comments on this. Having said that, before I make a few short comments, are there two versions of the motion? I have one that says “report no later than 28 March.”

**The ACTING PRESIDENT:** That is correct.

**Hon PETER COLLIER:** Does the member want the committee to report in two weeks?

**Hon Robin Chapple:** Yes. I am mindful that the government wants to get this thing through.

**Hon PETER COLLIER:** Okay. If it was referred to committee, I think that the committee would have to meet 24/7 for the next two weeks. Anyway, that is irrelevant. I think the minister articulated very well why this should not be referred to committee. It is a state agreement, and it is an existing state agreement with Woodside. I say to the honourable member, with all due respect, what he is asking us to do is to potentially shift the goalposts after the game has started. The conditions of the state agreement are well known. We are seeking an extension to the state agreement. If we had issues with the existing state agreement, as the minister said, my recommendation would be that the best way to deal with that would be to forensically assess it during Committee of the Whole, but I do not think it is necessary to send it off to another committee for assessment. This is an existing state agreement with Woodside. Yes, we have capacity there. I notice that there is reference in the second part to inquiry into the content of the disclosed community development plan and the local participation plan. We can do this through other means rather than referral to committee.

The Liberal Party acknowledges the state agreement. We think it is for the benefit of the state as a whole, which is why we have always supported it, and so we will not be supporting the motion to refer.

**HON JACQUI BOYDELL (Mining and Pastoral) [5.56 pm]:** The National Party’s position on state agreements has been long held. Parliament should never be concerned with reviewing and scrutinising a state agreement. I think that is appropriate. Perhaps it is timely in this case, given it is an extension, although I understand it is for a current state agreement with current infrastructure and other things in place. I think some scrutiny of the local participation and community development plans is something that the people of Karratha in particular would probably consider a good thing for a committee to undertake. It is potentially a new area to have these things as part of state agreements, so I agree with the principle. My issue is that I cannot understand a referral to uniform legislation as the appropriate committee to properly undertake a review, and in such a short time frame. Firstly, I do not know how the committee could actually come together to do that with any sort of meaning so that the government could utilise that report in any way —

**Hon Alannah MacTiernan:** Member, can I just explain something, too. The community development and local participation plans will not be developed unless the agreement goes ahead.

**Hon JACQUI BOYDELL:** Yes, I know.

**Hon Alannah MacTiernan:** We could not really have an examination of what they were until such time as we actually had an agreement, because they come in after the agreement.

**Hon JACQUI BOYDELL:** Yes, I understand that, but I think that if the right committee with the right time frame had an opportunity to look at the appropriateness and the importance of having those things in a state agreement, that would be worthwhile, because it could consider from a committee sense the long-term benefits of having these things in a state agreement. That is the angle that I consider would be worth a committee inquiry. It is those two areas in particular; not so much the participation or community development plans associated with this bill, but the ongoing importance of ensuring through state agreements that this is something that the industry should be taking up.

**Hon Robin Chapple:** Would the member like to move an amendment?

**Hon JACQUI BOYDELL:** Whilst I agree in principle, I do not think that what the member is setting out to potentially achieve can be achieved within that time frame, and I do not feel that the uniform legislation committee would be the appropriate committee. I reluctantly suggest that the National Party will not support this motion to refer.

**HON MICHAEL MISCHIN (North Metropolitan — Deputy Leader of the Opposition) [5.59 pm]:** I want to make a couple of comments on this. I think it is an important matter. Just so that it is not misconstrued, I am not reflecting Liberal Party policy on this; nor have I discussed what I am about to say with my colleagues in the Black Hand Gang or in the party room. It is simply an observation as to the nature of the type of legislation we are dealing with and the desirability of some examination by a committee to be able to better inform this house of the

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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implications of what has been agreed by the state. I say this as a parliamentarian rather than as a member of the opposition Liberal Party.

If we get back down to basics, this is a contract entered into between the state and certain proponents for an enterprise that is going to involve a vast amount of investment on their part and no return.

*Sitting suspended from 6.00 to 7.30 pm*

**Hon MICHAEL MISCHIN:** Before the break, I was observing that we are dealing with contractual agreements between the state of Western Australia and proponents of vast projects involving an enormous amount of investment on their part. They extend over great periods but provide no return on their investment until they start digging holes in the ground or producing the gas that the project relies upon. They involve the exploitation of a natural resource that will bring them some return in due course but not for a considerable time. One can understand the desire of these proponents to have these agreements—these contracts—elevated to the status of a law of the state of Western Australia. One can understand the desire of Western Australia to have these sorts of arrangements formalised with that status. Whether that is the best or only way of going about these things is a moot point in this case. It is the way we have been doing it. It is what is being done in this case. This bill seeks to make a variation to a contract that has been elevated to the status of a law of the state of Western Australia, and enforceable as such.

However, having regard to that, given that we are elevating contracts to that level and that these contracts can be of quite some complexity and can commit the state to a course of action over a considerable time, it is proper that Parliament have the opportunity to understand these contracts. This is a case in point. This may be a fairly simple variation in the scheme of things, but let us look at what it will do. It is based on an agreement made on 27 November 1979. It has since been varied by an agreement on 15 September 1982, another on 3 July 1985, another on 23 November 1994, another on 29 May 1996, another on 30 May 2002 and another on 20 November 2014. We do not have that agreement before us. We do not have the benefit of a blue bill arrangement showing the amendments that have been passed over time or even what the status of that contract is now—what it looks like, let alone what it will look like after these amendments have been ratified.

These particular amendments may not be of great moment but some might be. One of the problems is that although we entrust the state of Western Australia's contractual arrangements to be negotiated by the government of the day, at the end of the day this Parliament has the responsibility of ratifying that agreement. By way of analogy, it may very well be that intergovernmental agreements are negotiated on our behalf by ministers of the Crown. However, the ratification of those agreements and their transformation into uniform schemes of legislation across jurisdictions is something this Parliament has to consider. In those cases, under Legislative Council standing orders, those sorts of matters can be automatically referred to the Standing Committee on Uniform Legislation and Statutes Review. That committee on our behalf can then consider questions of parliamentary sovereignty and the like. It can do the work that members may not be well equipped to do. It can obtain access to records that it may need to see and the agreements that underlie that legislation and report within a certain time limit. It is not part of that committee's remit to look at the policy of that legislation but simply to look at the question of parliamentary sovereignty. I therefore have some sympathy for the idea that Hon Robin Chapple is promoting; that is, a similar scheme be established by this house—we cannot rely on the other place to do those things properly, I suggest—to look at state agreements put forward and negotiated by the government or that are being varied to consider what they do and what the ramifications of a state agreement or its variation may be. It can be reported back to this house within a narrow time frame, not necessarily looking at the policy—that is a matter for government and for debate—but to be able to say on a technical basis how it will affect our sovereignty, what it will commit the state of Western Australia to and whether there are any flaws or other features that may have been overlooked by the government or that members would like to be satisfied of before they give it their imprimatur. I am not suggesting that the Standing Committee on Uniform Legislation and Statutes Review do that. It may be that we establish a discrete committee that deals with these things. I do not expect it will operate very often, but it would have the ability to gain some expertise in dealing with these state agreements and variations and to report back in a timely fashion. If the house is moved to have the committee do a little more than that narrow remit, that can be dealt with as well from time to time.

As I say, I have sympathy for the idea. However, I cannot support this motion for a number of reasons. Firstly, I do not think the Standing Committee on Uniform Legislation and Statutes Review is the proper committee to deal with this matter. As has been pointed out, in clause 6.3(d) of schedule 1 of the standing orders, the Standing Committee on Uniform Legislation and Statutes Review has specified functions, one of which is as broad as “to consider and report on any matter referred by the Council”. But its primary function, apart from reviewing the status of the statute book, is to look at questions of parliamentary sovereignty and how that might be affected by us passing legislation that gives effect to schemes of uniform legislation or intergovernmental agreements; that is its expertise, not



Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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analysing contracts. Secondly, the committee has its own workload, and, as chair of that committee, I can say that we are currently charged with the Work Health and Safety Bill 2019. We have scheduled some meetings to deal with that, and we have sought certain information from the relevant minister in respect of that. We are working to a tight 45-day time frame for that bill. Who knows what other bills may be referred to us in the meanwhile? In respect of this bill, we certainly would not be able to practically complete the task that we are being called upon to do within two weeks, particularly not with what is proposed in paragraph (2) of the motion. I note it is not an instruction from this house to do so, but it empowers the committee to do so, and presumably leaves it to its discretion, nevertheless. It reads —

... the power to inquire into and report on the content of the yet to be disclosed community development plan and the local participation plan established as part of the North West Gas Development (Woodside) Agreement Amendment Bill 2019.

These are things that have not been disclosed. With respect to Hon Alannah MacTiernan, as minister, it is not a case of these things being developed after there is an agreement settled; there is an agreement. The agreement is the one that is contained as a schedule to this bill. What we are doing is ratifying that agreement by the very terms of the bill, and elevating it into a matter of law. Therefore, there is an agreement. Presumably, some work is being done on these things.

**Hon Alannah MacTiernan:** The agreement has within it a clause that if it is not ratified, the agreement ceases to exist.

**Hon MICHAEL MISCHIN:** That may be right —

**Hon Alannah MacTiernan:** Therefore, you don't do those other things until the ratification process occurs.

**Hon MICHAEL MISCHIN:** That may be right, but that is not the way I understood it. The minister was saying that there was no agreement at this stage. There is an agreement.

**Hon Alannah MacTiernan:** Well, there's an agreement. The agreement has a ratification.

**Hon MICHAEL MISCHIN:** That is what we are doing here, which is ratifying it by way —

**Hon Alannah MacTiernan:** Yes. But it doesn't come into effect until it's ratified.

**Hon MICHAEL MISCHIN:** Okay.

The point of it is that that work is yet to be done. It is prospective. Even if some of it has been done, any committee that is charged with looking at this bill, within the terms of what Hon Robin Chapple proposes, is not going to get very far because it will not be able to properly consider a local participation plan or a community development plan if they are nascent and have not been finalised or are in any way near progressed to maturity. Therefore, for those reasons, I will not be supporting what is being proposed.

Another factor is that it is changing the ground rules as to how this Parliament deals with these particular bills almost at the end of the process. We would need to set up a formalised process in which everyone knew how it would operate, in the same way as we do with uniform legislation. We know that if we bring in a uniform legislation bill, it goes to a committee. It is looked at in particular ways. The government can prepare for it. This house can be prepared for it, and those who are seeking the benefit of that bill or are relying on its passage know what to expect. Sadly, this is a bill that we are told has some time criticality to it. It has been languishing for a while. We are now dealing with it. But what is being proposed is to put it off for some indefinite period, because I do not accept that 28 March is practical, and it is changing the ground rules for all those who are depending on this bill and have assumed that this bill will come to a final passage or rejection by this house at this time.

Therefore, for those reasons, I cannot support what is proposed. But I have to say that two decades ago, the indication that there was some broad cross-party acceptance of the desirability of analysis in this fashion has merit, and I think it is something worthy of being pursued so that Parliament and the people of Western Australia can be better informed about what is being entered into on a contractual basis and elevated to a law of the state on their behalf.

**HON DIANE EVERS (South West) [7.45 pm]:** I understand that we are looking at Hon Robin Chapple's motion to send the North West Gas Development (Woodside) Agreement Amendment Bill 2019 to a committee, so I will keep my words to that and keep my contribution to the substantive debate until after that.

This bill is very significant. It commits the state to an agreement to go forward for another 25 years, from 2034 to 2059. We seem to be rushing it through when it still has merit up until 2034, so there is no pressure on this. However, here we are trying to extend it to 2059, which is well past the time of our aspirational target of becoming carbon neutral. The year 2059 is a long way off, and if we are trying to aim for carbon neutrality by 2050, putting in place something that will continue to extract gas up through that time makes no sense at all. In addition, events

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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have changed since this agreement began last year. The price of oil, which was around \$US50 a barrel for most of last year, is currently at \$US34 a barrel. Gas prices are falling similarly. With these things known at this time, there has to be some question about whether this project is going to be running until 2059. But I will not go too far into that at this point because it is more for the substantive debate.

I also point out that Woodside's share price is falling considerably, so what will be the state of Woodside in 2059, which is nearly 40 years from now? Its share price was \$US46 in 2011 and since then it has been falling steadily; yesterday, it was at \$US21.54. It is not as though it has fallen with the rest of the market in the last few days. What will its standing be in 2059 if it continues to invest in gas? Woodside's share price has fallen 54 per cent in the last 10 years. This should send us a signal that what it is doing is no longer what the people are demanding. In fact, it has gone out looking for other partners for the Pluto train 2 project, and it is interesting that the partner that has come forward is the one that operates the pipeline, because, of course, without the project, it does not have the work to install the pipeline. We have a number of different organisations coming together to create this project. However, the minister's second reading speech mentions that the North West Shelf joint venture's existing gas reserves are declining, and we know that. Hon Robin Chapple talked about the same thing, which is why this agreement is opening Woodside up to find gas from other places that it can put through the process at its plant.

Again, it just begs the question: where is the future in this industry? People are saying that they do not want it any more. It is no longer a transition fuel. It will be spewing out carbon dioxide and other gases that we are trying to contain, and we even have aspirational targets to be carbon neutral by 2050, yet we are still doing this. What I see is that by 2059 this could be a white elephant—a stranded asset. There will be a lot of equipment out there to perform a function that we will no longer need. The company may have gone on to other things by then. It might have put this development into one company and gone bankrupt just like a lot of mining companies have done in the past. What would be the obligations on the state if that were to happen? Would we just leave it as it is and hope that the infrastructure did not break down, and allow the gas to escape as uncontrolled emissions? They are the things that we should look at. Extending this agreement for another 25 years from 2034 to 2059 is beyond most of our lifetimes, and we would be leaving other people with this problem.

These state agreements that have been set up for some decades had a purpose originally, but this one makes no sense. We are saying that we will give the company this agreement to do something that really, in all respects, we will not need it to do. The minister has said that the project will not go ahead if it does not get the approvals, but we have already given the company an agreement that if it meets all these conditions, everything will be fine. I have very little faith in our processes or in the ability of the Environmental Protection Authority to say that we have to accept the precautionary principle in this case and look at the scope 3 emissions. Woodside will come back and say that everything is fine and that by using this gas as a transition fuel the countries that we sell it to will not be burning coal and so we will be saving all those emissions. That is not true and Woodside has not been able to back that up. We just have to accept that those emissions will be happening as long as we are burning fossil fuels, and that is not fair to the future.

**The ACTING PRESIDENT:** Member, I bring you back to the debate.

**Hon DIANE EVERS:** I am coming back to the motion right now. You brought me back at just the right time, Mr Acting President.

This motion to send the bill to the Standing Committee on Uniform Legislation and Statutes Review states that the committee is to have particular reference to the community development plan and the local participation plan. I have to say that I am very pleased that those statements are going into this amendment. It beggars belief that they were not put in the bill in 1979. Here we are finally saying, "By the way, we want you to look after the community, too." I think those sorts of statements were in many of our state agreements to make sure that the companies that were investing up north and taking our resources and giving us a pittance through the royalties system were to provide community infrastructure, but did they do it? In some cases, they did a bit. Did we press them to stick to it and do everything that they were supposed to do? No. We have gone for fly in, fly out arrangements big time, and those communities do not have the workers up there. To include these amendments to say that we want to work with Woodside and its partners to have a community development plan and local participation plan is excellent. I am really pleased to see that because they are necessary and we need them in there. But in the other house when members asked for the plans, they were told by the government, "Sorry, but, no; we cannot give them to you. We don't want to lay them on the table. We don't want that to be known. Just believe us. When they're written, they'll be fine and everything will be okay. There's nothing to see here." That is not good enough. I recognise that no committee has looked at a state agreement in the past but that does not mean that we cannot start to look into them now. It seems to me that these are significant issues that we are trying to put through Parliament. Should this project become unviable and be shut down, it will possibly be up to the state to do something about the after-effects if those companies have locked us into and tied us up to significant obligations, agreements and responsibilities. Like the holes in the ground from the mines that we have not yet addressed and fixed up and made safe, what will happen

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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to the infrastructure of this project that is out in the ocean? What will happen when it is wound up when the gas is gone and the company has shirked its responsibilities and moved on? It will come back to us, plain and simple. That needs to be addressed.

I would like to see this bill go to a committee. I know there has been some talk about which committee it should go to. It has been suggested that it be referred to the Standing Committee on Uniform Legislation and Statutes Review. As I said, I am not certain whether that is the right committee to send it to, but it seems like it could be. That committee looks at and reviews quite a number of things. I get the idea that giving the committee two weeks to report is not long enough. That makes sense. Hon Michael Mischin spoke about how busy the committee is right now, as I know many committees are. Maybe we could extend the time. That is something we could do. As the Minister for Regional Development said, although it is written into this agreement that it has to be done by 31 March “or else”, the “or else” is just “or else we do it at a later date”. We can change that and start over again and pick up where we left off. I do not see any need for the committee to have to respond by 28 March. I would be happy to amend it to another time.

*Amendment to Motion*

**Hon DIANE EVERS:** I move —

To delete in paragraph (1) “28 March 2020” and substitute —

23 June 2020

**HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development)** [7.58 pm]: We will not support that amendment because we think that would make the position worse. Picking up on Hon Michael Mischin’s comments and reflecting on some of the comments made earlier by other members, in principle the idea that a state agreement, particularly a new state agreement, should go through a parliamentary process of scrutiny is not one that I find repugnant and I can understand that there would be a case for us to do that, just as we do with uniform legislation to make sure that we are fully apprised of all the consequences. I acknowledge Hon Michael Mischin’s point in addition to that that if we were to set up that process, it would need to be done properly. We cannot decide halfway through a process to introduce a whole new scheme for considering state agreements and their ratification. That would need to be done seriously and properly, and I would not discourage any member from putting forward a process that reflected the one that Hon Robin Chapple told us occurred some time ago. That is probably not a bad idea. As Hon Michael Mischin has said, we cannot really move the goalposts halfway through the process.

**Hon Peter Collier:** I said that.

**Hon ALANNAH MacTIERNAN:** Hon Peter Collier and Hon Michael Mischin both made the excellent point that we cannot change that process halfway through.

This amendment to the state agreement is much simpler than one would believe is the case after listening to the commentary by Hon Robin Chapple and his Greens colleagues, who say that this is simply about extending the period of operation for the Karratha gas plant and allowing gas that is not from within the original state agreement area to be imported into that gas plant. It not about increasing capacity; it is about recognising. There is no great conspiracy in this; it was always known from the outset that the supply of gas would diminish at some point and we would need an additional plant.

Part of the amendment to the amendment refers to these community development plans and local participation plans. I will talk about those in full when I provide my reply to the second reading. Those plans will not be developed until this agreement is ratified. Establishing a parliamentary committee at this point to consider those plans does not make sense because they will not come into being until we have this process of ratification, which then ensures that the agreement endures beyond 31 March 2020. I urge my colleagues not to accept this amendment. I do not think it deals with the fundamental flaws of the original amendment.

**HON PETER COLLIER (North Metropolitan — Leader of the Opposition)** [8.02 pm]: Now I am really confused. Call me old-fashioned but I like to think that there could be some logic in some of these arguments. We now have a situation in which the mover of the referral motion is surely going to vote against the amendment. I raised this point during my contribution. I spoke about the short time frame of the reporting date of 28 March. By way of interjection, Hon Robin Chapple said that he wanted a short time frame for the turnaround for the government. That is exactly what he said. Now someone from his own party is moving an amendment to something that he disagrees with.

**Hon Diane Evers:** That was under the impression that it had to be done by 31 March.

**Hon PETER COLLIER:** That is the point that I made. I will not waste any time on the amendment to the amendment. The Liberal Party will not be supporting the amendment to the amendment.

**Extract from *Hansard***  
[COUNCIL — Tuesday, 10 March 2020]  
p1023a-1044a

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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**HON ROBIN CHAPPLE (Mining and Pastoral)** [8.03 pm]: I would be delighted to support the amendment moved by my colleague. The justification is that I was trying to do the government a favour by making it a short time frame. Quite clearly, others in this chamber thought the short time frame was too short. I am delighted to support my colleague's amendment.

*Division*

Amendment put and a division taken, the Acting President (Hon Dr Steve Thomas) casting his vote with the noes, with the following result —

Ayes (4)

Hon Robin Chapple	Hon Tim Clifford	Hon Diane Evers	Hon Alison Xamon ( <i>Teller</i> )
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Noes (27)

Hon Ken Baston	Hon Sue Ellery	Hon Rick Mazza	Hon Matthew Swinbourn
Hon Jacqui Boydell	Hon Donna Faragher	Hon Michael Mischin	Hon Dr Sally Talbot
Hon Jim Chown	Hon Adele Farina	Hon Simon O'Brien	Hon Dr Steve Thomas
Hon Alanna Clohesy	Hon Nick Goiran	Hon Robin Scott	Hon Colin Tincknell
Hon Peter Collier	Hon Laurie Graham	Hon Tjorn Sibma	Hon Darren West
Hon Stephen Dawson	Hon Colin Holt	Hon Charles Smith	Hon Pierre Yang ( <i>Teller</i> )
Hon Colin de Grussa	Hon Alannah MacTiernan	Hon Aaron Stonehouse	

Amendment thus negatived.

*Motion Resumed*

**HON ROBIN SCOTT (Mining and Pastoral)** [8.08 pm]: On behalf of One Nation, we will not be supporting the motion moved by Hon Robin Chapple. The reason is that the North West Shelf Gas Project supplies gas to Australia and the rest of the world, and the rest of the world needs the gas. Lots of jobs will be created. These gas companies need the confidence to go ahead and spend billions of dollars. Anyone who believes that we will not be burning fossil fuels 50 years from now is of the misunderstanding that we will either have to harness the power of the garden fairies or we will need to go nuclear. The gas industries in Australia and the overseas gas companies have the support of One Nation, and we want these projects to go ahead. Putting the bill to another committee will just delay this.

*Division*

Question put and a division taken, the Acting President (Hon Dr Steve Thomas) casting his vote with the noes, with the following result —

Ayes (4)

Hon Robin Chapple	Hon Tim Clifford	Hon Diane Evers	Hon Alison Xamon ( <i>Teller</i> )
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Noes (27)

Hon Ken Baston	Hon Sue Ellery	Hon Rick Mazza	Hon Matthew Swinbourn
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Hon Alanna Clohesy	Hon Nick Goiran	Hon Robin Scott	Hon Colin Tincknell
Hon Peter Collier	Hon Laurie Graham	Hon Tjorn Sibma	Hon Darren West
Hon Stephen Dawson	Hon Colin Holt	Hon Charles Smith	Hon Pierre Yang ( <i>Teller</i> )
Hon Colin de Grussa	Hon Alannah MacTiernan	Hon Aaron Stonehouse	

Question thus negatived.

*Second Reading Resumed*

**HON DIANE EVERS (South West)** [8.14 pm]: As I suggested before, I did want to speak to the North West Gas Development (Woodside) Agreement Amendment Bill 2019. It is quite important to me and to a number of other people in the community that we seriously consider the sort of bill that will take this agreement out for 25 years from 2034 to 2059 and put obligations on the state to ensure that Woodside and the partners can continue to extract gas, pipe it onshore and process it there. We heard Hon Robin Chapple tell us about the Burrup Peninsula and the rock art that is being damaged by the pollution that is currently occurring there, yet we seem to be sitting back and thinking that that is all right. The oldest rock art in the world is being damaged to the point at which it may not be recognisable, yet we are saying that that is okay. We are not putting in place anything to make sure that that does not happen. Yes, they will try to protect it in some way, as Hon Robin Chapple has suggested—maybe by covering it in plastic or building sheds around it. When we are talking about hundreds of thousands of these artworks, we know that that will not be the case,

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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so why are we trying to lock in an agreement that we will be tied to for the next 40 years? We say that it is for the provision of gas, because we will be using energy in 2050. We say that it is for the provision of employment, because we will need to have people employed. Whether we will be using gas, nuclear energy, as Hon Robin Scott suggested, or something else is yet to be seen, but if we continue to use fossil fuels at the rate that we are using them, we may not be using anything at all. Climate change is coming on, and everybody in this place seems to recognise that it is happening, but we have not got to the point at which people can say that humans are responsible for it. We will get there—it has taken only 50 years to get to this point. Unfortunately, we will have to respond much more quickly than that.

I intend to still be here in 2050 and I do not think that we will be using fossil fuels at anywhere near the level we are now. We know that renewables are becoming cheaper every year. We know that the technology for extracting different types of renewable energy is getting better every year. We know that the technology for making batteries is getting better every year. There is so much that is happening, yet many people in this place prefer to keep their heads stuck in the sand, and that just does not make sense. Maybe I am going too far by suggesting that people here are sticking their heads in the sand, because I do not think that is the case. I think a lot of people here know full well what I am saying. They understand it; they recognise it. Something else is driving us to stay the same. Something else is driving us to not take action. I cannot say that I understand what drives other people, but I do see irrational decisions being made every day in this chamber.

I say that, no, we should not pass this bill to extend the state agreement for the north west gas development, and I will try to do anything I can do to see that that does not happen. It makes no sense to lock this in. It makes no sense to plan for our future and for our children's future that is not going to be as comfortable as we have had it. We know that that is changing, and burning gas is one of the reasons for that. In addition to the scope 3 emissions from burning this gas in the other countries that are demanding energy supplies, there are also the emissions that occur throughout the process and the emissions that occur during the transport of it through the infrastructure. There are emissions of all sorts. There are not only greenhouse gas emissions, CO<sub>2</sub> and CO<sub>2</sub> equivalents, but also some that are quite poisonous and toxic. We are just letting these go with very little regard for the environment. That is just not acceptable. It is unbelievable that we would allow those sorts of things to happen.

As I said earlier, although I did not go into too much detail, the price of oil is falling. The price of oil has gone up and down, but it is becoming more down than up. The price of oil is now back to the level it was at in 2003. Although a lot of people around the world are still burning fossil fuels, there are more people who are saying that something has to change and are willing to change. We can even see this with the mining companies. It is reported in the news that one after another are using renewable energy to run their plants. Gee, that is pretty interesting. Why would they do that if nuclear was so much cheaper, or if coal, gas or oil was going to fix all their problems and save them a penny?

**Hon Robin Scott:** They would say that it is cheaper and cleaner.

**Hon DIANE EVERS:** They are actually going to renewable energy for two reasons: it is becoming much more viable and cheaper, and it is also cleaner. I thank Hon Robin Scott for his interjection, as he is right; renewable energy is cleaner. We need it to be cleaner, because we are messing up our atmosphere. By doing that, we are shortening the lives of the people who live here, and that is not acceptable. Why are we doing this? We could talk about donations, as Hon Robin Chapple introduced. It gets reported; it is in the news—Woodside provides another donation to Labor, to the Liberals, to the Nationals or whatever. It is in the news. We talk about it and then we forget and move on. We think, "That's okay, because they provide jobs", but it is not okay that those businesses provide money to the political parties that then make decisions that benefit those companies. If we stood back and watched somebody else doing this, we would say that it is not on, that it does not seem right, and that we will end up with some bad decisions, but we do not take a step back; we are right in the middle of it, accepting the money and then feeling like, "Okay, I guess I should just go along with it." I can say this because I am in the Greens and we do not accept corporate donations.

**Hon Alannah MacTiernan:** You accepted the biggest corporate donation in Australian history! You had the biggest corporate donation in Australian history.

**Hon DIANE EVERS:** I would like to go on from this point and talk about —

Several members interjected.

**Hon Robin Chapple:** Unfortunately, I have already had my contribution so I cannot respond to the member, but I would love to be able to do so.

**Hon DIANE EVERS:** I would love to as well, but I am not going to because this is not the time for it.

Several members interjected.

**Hon DIANE EVERS:** We did nothing in response to getting that. We did not do anything for the corporation—for the person. It was not a corporation —

Several members interjected.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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**The DEPUTY PRESIDENT:** Order! When I say “order”, it means people will come to order and be quiet. Thank you. I have noted that the Minister for Agriculture and Food will be seeking the call in a minute and I will make sure she gets it if she still wants it, but for now we are listening to Hon Diane Evers on the question that the bill be read a second time.

**Hon DIANE EVERS:** I will just address that last interjection by saying that it was a personal donation and it did not bind us to any sort of agreement or suggest that we would do anything.

Several members interjected.

**The DEPUTY PRESIDENT:** Order! Members, Hon Diane Evers is making her speech to the Chair. Please allow her to do so, so that Hansard can record her contribution for posterity.

**Hon DIANE EVERS:** I may get back to where I was, but I would like to move on to the other point—the idea that we need energy and all of that. That is great; I have handled that.

This industry, like so many others, talks about employment—all the jobs we are going to get. Over and over we hear fantastic suggestions about how many jobs will be created. There are some, but those numbers are always overstated. For example, Adani Australia started out by saying there would be 15 000 jobs and ended up by saying that it would be about 250. I do not remember what the number of jobs for this project is going to be, but we can bet that it will not use too much labour other than for the construction of it. It will use lots of labour, lots of materials and lots of energy to construct the necessary facilities, but after that, it is not like there are people like Snow White and the seven dwarfs going in there and digging up the coal by hand or anything.

**Hon Robin Scott:** They would never get a job in a gas plant.

**Hon DIANE EVERS:** Exactly; that is right. There are just not that many jobs in a gas plant that will keep so many people employed that we will be able to say that it is worth destroying our atmosphere because we will get a few jobs. That is not the aim. That just does not add up. If we weigh up the costs and benefits of this, fine, we will get a few jobs and some royalties, but the costs are going to be great. I look forward to bringing to this house at some point in the future details of what we have already spent on addressing the impacts of climate change. We are already paying out lots and lots of money to address the impacts of climate change. It is not a matter of how much it will cost in the future to address it, but how much it has already cost us and how much it will cost us this year and next year. That is what we should really be thinking about, because it is happening now and we are already using a significant part of our budget to address those costs. Again, yes, there will be a few jobs, but I just do not think the number justifies the cost and what we will lose by doing this.

I also spoke about the fall in Woodside’s share price. I like to have some facts and figures in front of me, so I have a graph that shows Woodside’s share price from early 2011 to 2020. Back then, it was up as high as \$46, it had another peak of around \$42, another peak of around \$38 and recently it was up to \$35, but it is now \$21. That is pretty significant. I would not mind tabling this graph if I could.

Leave granted. [See paper [3659](#).]

**Hon DIANE EVERS:** It is important to know who we are dealing with. A number of partners are involved in this project and some are struggling. As I said, it is recognised with Woodside’s Pluto Train 2 project that it is not only looking for other partners, but also holding off on filing its final investment decision. The final investment decision was supposed to be in place in late 2020. That has changed—Woodside said it was not quite ready for that final investment decision and will wait until halfway through 2021. It has now just reported that it will wait until the end of 2021. That is still a year and a half away and it still has plenty of time to delay it even further. We know that Woodside is starting to weigh up these things as well. It knows that renewable energy is becoming cheaper and that things are changing. It realises that some of its partners have clean energy statements and are trying to manage their own emissions. What is really odd about that is that Woodside put in a submission on the state’s climate policy in which, according to an article in *The West Australian* —

The WA gas giant called on the Government to “take a clear and visible leadership role” that charts a path to reducing emissions in State assets.

Here we have Woodside, the company that will be spewing out all the carbon dioxide and CO<sub>2</sub> equivalent, telling the government to take a stand and do something about this.

**Hon Alannah MacTiernan:** It’s a bit like your friend from Shell that your colleague was quoting extensively.

**Hon DIANE EVERS:** I do not remember.

**Hon Alannah MacTiernan** interjected.

**Hon DIANE EVERS:** Okay. There we go. There is the thing. A lot of companies realise that change is coming, and they are ready. But they want to have a level playing field. They want to have it the same for everyone. They are looking for the government to introduce these things, and we sit in here, but we are just not getting the message.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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Woodside put the message in. It wrote its own submission to the government's state climate policy, and it is asking for action. That is good to hear. But why are we still saying that Woodside can go ahead and plan to extract gas up until 2059? I just do not understand that. As I was saying, Woodside is saying, "Do something. We want some action. We would like to have a level playing field. Tell us to clean this stuff up", and we are not doing much of anything.

The final investment decision has now been held off again. Maybe things are not looking as viable as Woodside once thought they were. As the minister said, Woodside has gone out looking for someone to buy into its Pluto Train 2 plant. The response is from APA Group. APA Group is the one that manages the pipeline. I imagine there are many people in here who understand that on large projects, we want everybody to work together to get the final product. But does it not look nice when the project owners are some of the ones who will be not only building some of the equipment, but also actually commissioning it and running and operating it? It makes a lot of sense. It spreads that risk. Woodside knows that there is risk, and it does not want to have so much of it, so it is going to spread around that risk to other companies that can see some sort of a benefit. That is just a possibility. It has only been since February. But things are in flux. Things are changing. That is another good reason that we do not need to pass this bill so soon. The existing agreement is valid until 2034. We still have not had the final say about what Woodside is up to. Woodside still has not done the plans that we talked about in debate on the earlier motion today to refer this bill to a committee.

I will now get back to my notes. I did want to say a bit more about state agreements. They did have their place. Back when we did the first couple, WA was a pretty small place, and I guess the companies that were coming in here needed some assurance that we would still be there and manage the whole process. I do not think those agreements were really that good at the time, because we did not do a very good deal for the state. I think that has been the case for most state agreements since that time, too. It seems like maybe the companies' lawyers or negotiators are a bit better than the state ones, so we end up with agreements that leave us with responsibilities and obligations for not so much in return.

We have discussed the royalties on and on. It just does not make a lot of sense. We are not as good as Norway, which was mentioned earlier today. Norway has been able to set up its future fund. We should be able to do that. We have natural assets that we are allowing corporations to profit from. We could be getting more from that. That would make sense. That would benefit the state. It would get back to the whole donation thing. I do not even think it is just a donation; I think there is more to it. I do not know what it is. I do not know what drives the major parties to stick to the status quo and do what everyone else has done and make sure that the wealthiest corporates in the country are looked after. It just does not make any sense. I know they have a lot more pull through the media, and they make us look pretty bad if we do not do what they want. Advertising can be pretty bad. We just have to look at the super profits tax.

**Hon Alannah MacTiernan:** You need to look at our more than 100-year history and at how we have actually changed the fundamentals of the distribution of wealth within this country —

**Hon DIANE EVERS:** I just think we could do a lot better. What we have here is others telling us how to do it. In terms of distributing wealth, it is not being spread around as much as we might think. There are a lot of people who are really doing it tough. They do not need to be in that situation. We are a wealthy country. The idea that we have homeless people just does not make any sense, given the wealth that this state has. But that is who we are, because of successive decisions and agreements that leave us always on the back foot.

As I was saying, too, with Woodside and this project, the fact is that we are looking 40 years into the future. I want to get back to that issue of what will happen when the project winds up. What will happen should Woodside and its partners decide that this is not viable any longer? What will be the responsibility on the state then to look after the infrastructure that has been put in place and the potential for significant damage if anything were to happen to that infrastructure? That is where I find the problem. We like to think that this project will go on forever and in another 10 or 20 years we will make another amendment to extend it for another 10 or 20 years. But that is not how the world is going. Most people have understood that fossil fuels are causing climate change and that we need to stop burning fossil fuels, draw down that carbon, and reverse climate change, unless we intend to move to cooler regions and have a lot fewer people and a lot less food and make do with extreme weather events on a much larger scale, with more fires and more cyclones. That is not my choice. If people think that we are leading to something better by going in that direction, I disagree significantly and completely.

I go back to the minister's second reading speech. The minister said —

The North West Shelf joint venture's existing gas reserves are declining. In addition, spare processing capacity is expected to become available at the Karratha gas plant from around 2021. In order to sustain the Karratha gas plant at full capacity after 2021, the North West Shelf joint venture will need to process gas

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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from outside the area covered by the state agreement. The state agreement contains provisions that allow for the tolling of third party gas at the Karratha gas plant.

Okay. The infrastructure is already in existence, and Woodside wants us to change this agreement. It has said, “Wait a second. We’ve got this infrastructure, and we still want to keep putting gas through it, and we don’t have enough anymore, and we’ve got to get some more, and we have to make sure we can get enough into the future as well.” The government said, “Okay, we will do that”, rather than look at the fact that Woodside has taken out all that gas and it has been burnt, it has been burnt and it has caused a lot of CO<sub>2</sub>. Really, what this is doing is propping up Woodside’s infrastructure. Woodside made its decision based on the gas that it was given at that time, and now there is no more, and it is saying that it has to find more. That demand for more does not make any sense, because other options are available. We do not have to use gas as a transition fuel, nor do we have to go to nuclear power and nor do we have to continue to burn coal and oil. We have an opportunity to change that. Other countries are figuring this out. Australia is just a bit delayed. I am looking for change. If there is any way in which we can stop this project from going ahead, I think it would be a good thing to do. It would be a good thing to stop it. It would be a good thing to ensure that not all that fossil fuel is burnt.

The idea is that this agreement is being changed to allow gas to come from other areas. The minister goes on to say that this will entail the processing of gas from third party fields located off the north west coast of WA. It is interesting what will happen, given that the government was not able to say that it will ban or stop or not allow any fracking onshore. Now that the government has said that can be done in certain cases, what is to stop Woodside from saying it is not going to do the project offshore—because one of them is like a 900-kilometre pipeline—and maybe it will find a way to get it onshore, and then what will we do? Will we say, ‘We have already said you can build the plant, so we now have to ensure that you can get the gas from somewhere else’? It just raises a few questions for me that makes it just that bit more uncomfortable. Here we go ahead for another 25 years for a project that is already running out of gas, and by extending the project, knowing that the proponents will need to find more gas in a global environment of falling oil and gas prices and increasing costs, we just have to ask where they will expect to find that. Should they still be burning gas there in 2059? Maybe we will have instituted a few drawdown possibilities then so we are taking the pollutants out of the air as quickly as we put them there. It is possible. Maybe then they will be looking for more gas to put through there. Is that all we are going to do? Are we just going to keep extracting and burning it? I do not know.

We have heard that the Environmental Protection Authority assessment is still outstanding, and we know that the EPA likes to use the precautionary principle. We know the risks associated with this project, knowing that climate change is happening faster and faster and we are feeling the effects of it. What are the chances of the EPA saying that this project is not any good? We saw what happened when it tried to say that we needed carbon offsets. It was less than 24 hours before the authority was told it had to review the decision. I do not think that our EPA has the power to really do that, which is why late last year I suggested that we needed an environmental court or tribunal. We have to have something with some teeth that can tell us when we are making a bad mistake or when we are doing something that we will not be remembered proudly for by our children or grandchildren. Rather, people will ask: What were they thinking? Why did they do that? Did they not listen to science? No, I guess not. All told, scientists are finding that nearly half of all the methane in our air is attributable to human activity, and that is from oil and gas. We often hear that we should all eat no animals because of the methane produced by cattle, yet now scientists are saying that it is not coming so much from cattle, but from oil and gas. But like so many other issues, when the corporates do not want to deal with something, they put it back on the individual. They say it is their problem. It is just like back in the 1950s when people were told, “Don’t be a litterbug. Pick the rubbish up yourself; it’s your problem.” When we realised we were using too much electricity and it was a problem, people were told to turn off their lights and that it was up to them to do something. People are told to have shorter showers because our industrial or agricultural systems are using so much water. They put it back on the individual. People are told, “Stop eating meat, because that cow that you ate was burping some methane and you’re the problem.” So it is individuals. Like all these issues, we have got to go back to the source of it—the corporates that are spewing this out. Of course, it does not fit into our model. The capitalistic model says to look at the finances. When decisions are made purely based on finance, what do we get? We get a lot of bad decisions. They might make somebody rich, but we get a lot of bad decisions and end up with a lot of waste and damage. We need to put the human factor in those decisions, and that is really what we are here for. When a corporate is making a decision based on facts about where it is going to make its money, it is not looking at it from the point of view of how it is going to work for the community and it is not looking at it from the point of view of whether this is what people want or what might be good for them or the planet, because those financial decisions stop it from doing that. The corporate has to do the best for its shareholders, as we know, and that has always been taken to mean providing them with the most money. There are more decisions to be made, and that is why I believe we have governments. We represent people and the needs of the people, not the needs of corporates to make their owners wealthy. Again, that seems



Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boyde; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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to be a misapprehension on my side, because we are saying it is all a financial decision, but it is not; it is a human decision. That is where I would like to go with this.

It is interesting, I was just chatting about the cattle and the methane, and I want to point out that there is the possibility of another 20 000 dairy cows to be raised up north by a Chinese company that has just come in. It was just in the news recently, and I mention this because of the methane, noting that when that happens in the barn-type system, an indoor system, there is a lot more. It is just something we need to think about along with all the other emissions that will result from this bill we are discussing now. But there is hope. The CSIRO is just about to release a prospectus looking for investors to commercialise a red seaweed as a food additive that will solve that problem with the cattle. How are we going to solve it with the gas and oil? I do not know; it is not even being looked at.

This is a \$30 billion project. That is great. I am glad that \$30 billion is being invested into our state and our community. The project is going to employ lots of people. It is probably going to import a lot of equipment too. I like the idea of buying local. I think it makes a lot of sense. If we have to have an agreement, it makes sense to put it in there. As I said earlier, I do not understand why it was not put in considerably well back at the time when this was being done. I still have hope. Maybe I can talk for long enough that Woodside will decide not to do this, but I do not think that is a possibility!

I have a couple of other points before I wind up. I understand that the government and the opposition are eyeing the royalties from this project and the cash it will give to the state. This government, or another, over the time of this agreement will think, “We are achieving something because we have \$30 billion going into the economy. Yay, us!” But what is the cost of dealing with the climate change from that extra six billion tonnes of carbon pollution over the lifetime of this project? That is equal to 11 times the annual emissions of all of Australia. Wow! There we go—six billion tonnes. We talk about 400 parts per million, but we have to get a long way down from that if we want to start reversing climate change. But we are getting some costs, we are getting some money invested and we are getting a few employees as well. As I said earlier, we are not thinking, because we are spending on infrastructure already, such as seawalls. We are repairing bridges after floods. We are spending on roads that have melted in heatwaves. I was driving on one of these roads down south. Somebody had come out because the road was just melting. It was so hot. It was just a couple of months back. Somebody else had spread sand on the road. Half an hour later I heard that there had been a fatal accident there. I have no idea whether the accident was associated, but it was at the point at which I had seen the road melting from the heat. This is not the way things normally go, and yet here we are watching it happen one time after another.

In addition, healthcare costs are already going up. There is this coronavirus. Viruses spread much more easily in warmer temperatures, and we are getting warmer temperatures, so this may just be something to get used to. We are going to have more viruses. Dengue fever and malaria are making their way down from the north because the temperatures are warming. That is another reason that we should be looking at carbon emissions from this project and saying that six billion tonnes of carbon is too much.

I turn to water expenditure. As we heard in question time today, a tenth town has now been declared water deficient. Again, we have got to do something; we cannot just sit here and say that we will just cart water. Is it going to be okay when we are carting water to 100 towns? When do we stop?

Royalties from this CO<sub>2</sub> and methane-spewing facility will not cover the cost to repair the effects of climate change. They will not cover the increasing costs of health care associated with climate change and they will not cover the costs of basic services for all people of WA. It is a losing proposition, and I think we can find better. I do not think this is something we have to rely on. I think more can be done, and I hope that is where we get to with this.

I would like to spend a bit of time on two amendments that are included in this state agreement and that I am quite pleased to see—the community development plan and the local participation plan. They are great ideas. The community development plan is to give people living in the Pilbara region, both Indigenous and non-Indigenous, more opportunities for training and employment. That is very good. It is supposed to provide assistance with skills development and training and to look at local procurement of goods. It is really looking at trying to do something well. The North West Gas Development (Woodside) Agreement Amendment Bill even states —

During the currency of this Agreement, the Joint Venturers shall implement the plan provided to the Minister under this clause.

That is great and it is timely. If the parties want to change it, they can amend it and make a new plan.

I have some questions about this plan. It does not refer to collaboration with the community or empowering the community to say what it expects from it. We have talked about consultation and community engagement: “Come along, we’ll give you a cup of tea and tell you what we will do.” Great; done. That is not what we are expecting from this. My guess is that as far as I know this government, it will expect a bit more out of that. There will be more than consultation by just chatting to people, seeing what they want and telling them what

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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the government will do anyway. I would like to see collaboration in which the government works with people and they come up with ideas together and implement them and make them work. They can even be empowered by being able to say what they want and the government saying that it will try to do it. That is what we need to see.

I think Hon Robin Chapple was onto something when he suggested this needs to be looked at. I believe that in the other house the Nationals asked many questions about these two plans. I am very interested to hear more about them. The Nationals asked for the plans to be tabled but were told that they could not be. I do not understand why they cannot be tabled. How can the plans for how companies will interact with the community be private? The community needs to know first off. What is happening with that and the local participation plan? They make a lot of sense; I am really pleased to see them there, but I do not see any mention of collaboration with the community to come up with these plans. Again, it is the top-down approach. Five or six big corporates will probably go into the communities and, after taking a plan off the shelf from somewhere else, will say, "This is how we do it; this is what we will do to implement these plans." They will tell the government about all the wonderful stuff they have done and how they came up with a great idea that the community will love. The government will say, "Great, thanks; that is exactly what we were looking for. We're happy with it, go ahead." But that does not involve the community. Maybe it will not be what the community needs or wants.

As I said, I would prefer that this did not go ahead. I would prefer it to fall over as soon as possible, and that the parties find that renewables are cheaper, easier, cleaner and better. Given that Woodside's final investment decision will not be out until the end of 2021, things will change by then. We will see what the share price and the prices of oil and gas are. Maybe that will be the reason it will stop. It will not be because this Parliament says that it is the wrong thing; it will be because world events take over. World events are coming along faster than we can deal with them, suggesting to us that this is not the way to go. We will follow and bemoan the fact that we will not be getting the royalties we thought we would. We will still pay for all the impacts of climate change, because we have to change it and it will take some time before we can reverse it. We put ourselves in this position. The idea is that we have a more equitable social standing, but the impact of climate change will hit everyone. It will probably hit the poor a lot more than it will hit those who have the wealth to keep a roof over their head and go to a part of the country that is more hospitable. We will see.

I agree with the Nationals in the other place that we should know what the community development plan and the local participation plan are for and how they will be developed. We should be able to see them and tell whether the community has been involved with them. With that, I would like to move a motion without notice to establish a select committee on the North West Gas Development (Woodside) Agreement Amendment Bill. If I read it out, that will be the end of it, so I will describe it first. I am saying that I will move it. The idea is that we create a select committee to look into this bill. I understood earlier that the Standing Committee on Uniform Legislation and Statutes Review would be the right committee.

**Hon Sue Ellery:** Seriously?

**Hon DIANE EVERS:** I am serious, yes.

**Hon Sue Ellery:** Do you talk to each other?

**Hon DIANE EVERS:** I heard some suggestions that the Standing Committee on Uniform Legislation and Statutes Review was not the right committee to look at this. If that is the case, we need a committee that can look at it.

**Hon Peter Collier:** A select committee is a different thing altogether, though.

**Hon DIANE EVERS:** Given no committee has looked at a state agreement act, this is a new position. We have to look at it somehow. These state agreements should not be passed without Parliament being able to request information, inquire into the process and find out more. I will suggest that the committee look at the local participation plan and the community development plan, consist of five members and report on 23 June.

*Referral to Select Committee — Motion*

**HON DIANE EVERS (South West) [8.57 pm] — without notice:** I move —

- (1) A Select Committee into the North West Gas Development (Woodside) Agreement Amendment Bill 2019 be established.
- (2) The select committee is to inquire into the North West Gas Development (Woodside) Agreement Amendment Bill 2019 with particular reference to —
  - (a) the community development plan referenced in the bill and the manner in which the joint venturers will develop the draft plan, including community collaboration; and

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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- (b) the local participation plan referenced in the bill and the manner in which the joint venturers will develop the plan, including local industry collaboration.
- (3) The select committee shall consist of five members.
- (4) The select committee is to report by no later than 23 June 2020.

**HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development)** [8.58 pm]: For the reasons we have articulated in response to earlier motions to establish a committee, it will not be any surprise that we do not support this motion. Although we understand the principle that, in most cases, with complex state agreements there may well be an argument to look at having some mechanism to ensure that members are fully able to understand the ramifications of the process, we think that is something that should be done quite separately from an arrangement when we are halfway through a process, particularly as we have said over and over again that this is not particularly complex legislation. It does not approve any new projects. Existing infrastructure will start winding down its functionality early in the next couple of years. This bill will enable it to access gas from outside the agreed area. As we have explained before, the community participation plans and the development plan will not come into play and will not be developed until there is an agreement, and there will not be an agreement until the bill is ratified. I think it would be a considerable breach of faith with the companies to take on this process. As I said, this is not a complex piece of legislation; it is well able to be understood. There have been many opportunities for briefings and there will be an opportunity to examine these matters during the Committee of the Whole stage. In our view, given the nature of this agreement, which is quite a simple and non-complex amendment, it would be completely over the top to send the bill to a select committee. I suggest that members who are concerned about this consider resurrecting the earlier debate when we looked at what would be an appropriate mechanism for examining state agreements in the future. To change the course midway through this process for a bill that is not difficult to understand, does not present a great deal of complexity and cannot be properly interrogated during the normal parliamentary process would be most unwise and counterproductive for our state.

**HON JACQUI BOYDELL (Mining and Pastoral)** [9.02 pm]: As I said at the outset when Hon Robin Chapple moved the original motion to refer the bill to a committee, I agree in principle with the comments of Hon Alannah MacTiernan and Hon Michael Mischin, who is on urgent parliamentary business, that there is a big broader picture to look at. I feel that after three attempts to refer this bill to a committee, the Greens are clutching at straws. This is not when we should start to talk about reviewing whether state agreements are a sovereign risk issue. That is what the Greens are doing by undertaking this process tonight. In my view, they have utilised the debate to clutch at straws to delay the passage of this bill. I can understand, in principle, some of the things that the Greens are talking about. However, the Greens have not approached this in an organised way and it is impossible to support what they are trying to do. The Nationals WA will not support this motion to refer the bill to a select committee. I hope that we can move forward.

*Division*

Question put and a division taken, the Acting President (Hon Matthew Swinbourn) casting his vote with the noes, with the following result —

Ayes (4)

Hon Robin Chapple	Hon Tim Clifford	Hon Diane Evers	Hon Alison Xamon ( <i>Teller</i> )
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Noes (27)

Hon Ken Baston	Hon Sue Ellery	Hon Rick Mazza	Hon Matthew Swinbourn
Hon Jacqui Boydell	Hon Donna Faragher	Hon Michael Mischin	Hon Dr Sally Talbot
Hon Jim Chown	Hon Adele Farina	Hon Simon O'Brien	Hon Dr Steve Thomas
Hon Alanna Clohesy	Hon Nick Goiran	Hon Robin Scott	Hon Colin Tincknell
Hon Peter Collier	Hon Laurie Graham	Hon Tjorn Sibma	Hon Darren West
Hon Stephen Dawson	Hon Colin Holt	Hon Charles Smith	Hon Pierre Yang ( <i>Teller</i> )
Hon Colin de Grussa	Hon Alannah MacTiernan	Hon Aaron Stonehouse	

Question thus negatived.

*Second Reading Resumed*

**HON COLIN TINCKNELL (South West)** [9.08 pm]: I will be brief. Often we hear in this place that the use of renewable energy is growing and the use of fossil fuels is declining. The fact is that fossil fuels are being burned more and more around the world every day. Their use is growing rapidly. Nuclear power is growing rapidly around the world. Yes, some countries have said no, but more and more have said yes and more and more nuclear power stations are being built. The fact is that there are more people in the world today. Certainly, there are more than when this state agreement first came about. I am in favour of renewable energy use growing and think that would

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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be very good for the world. Hon Alannah MacTiernan spoke about what energy production has done for the world over the last 100 years, and especially the last 30 or 40 years. People in China, India, Bangladesh, many other Asian countries and also other countries around the world have been lifted out of poverty. That is because of the need for energy. Yes, we want a cleaner, better environment in which to live. However, when I hear these endless discussions about climate change and renewables, we are not told about the people in this world who do not have water and energy, and they are crying out for it. Their governments will continue to supply them with energy, water and basic needs.

Although the state agreements in Western Australia are not perfect, it was a different environment 30 or 40 years ago. If we look at the biggest port that delivers the most product value-wise in the world, Port Hedland, along with Newman and Karratha, we see that it possibly would not exist today without state agreements being entered into in the early days. I am not saying that state agreements are perfect. The company is renegotiating with the state government because it wants an extension to its state agreement. It recognises that there will be a decline from the mid-2020s. The government may not have been great at negotiating state agreements years ago, but now it is negotiating a community development plan at new clause 11A and a local participation plan at new clause 11B. Local development, engagement, participation and jobs are part of this new negotiation. As I said before, state agreements have been very good for this state. Other than the sheep in the old days, we could just about say that in the last 30 or 40 years, our state has been built off the back of these state agreements. We need to be mindful of that.

The other thing I want to mention is the certainty and security for these companies that have state agreements or that are hoping to get a state agreement. Whether we negotiate further state agreements in the future is for another discussion. As Hon Jacqui Boydell mentioned, I think my friends to my left went about it the wrong way. We are not here to discuss that today; we are here to discuss the amendment to the state agreement.

There are countries that are considering new gas projects—the United States of America, Canada, Russia, Qatar and Mozambique. Woodside, Shell, Chevron and all these companies have a choice. They operate in places such as Australia and Canada because of certainty and security and because we have a stable government. When we say that we are going to do something, we do it, whereas many other countries cannot rely on that. The security of an agreement or a deal is not there for them. The companies possibly pay a higher price here because our standards are higher. We insist on social responsibility. We insist on those things because that is the standard for this country. They have a higher price to pay but they get security and certainty. If this amendment does not go through and we do not have state agreements in the future, we could say goodbye to most of those companies. That would affect many people who are employed by those companies, all those royalties that go towards homeless people and hospitals and all the other securities and wonderful things we have in our society that come from these agreements and royalties.

It is important that this amendment goes through, that the government continues to negotiate a great deal with Woodside, and that it continues to improve on the state agreement, because today our standards are higher than they were. When we consider what we accept or need from our partners in business, the values have changed. I know Woodside very well and I have seen the way it communicates and consults with local groups; it is of a high standard. Not every company can say that. Woodside has a very good record in this area. We will certainly be supporting this amendment to the agreement. We would like to think that Woodside will provide security to Western Australians with more jobs, the royalties will continue to grow and prosper this state of ours and great organisations such as Woodside and other companies around the world can come and deal in Western Australia knowing that there is certainty and security and this Parliament will not have knee-jerk reactions to agreements. We will be supporting this bill.

**HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development)** [9.16 pm] — in reply: I thank everyone who has participated in this debate. I thank those members who have supported the North West Gas Development (Woodside) Agreement Amendment Bill 2019. I will go through some of the comments because questions were asked and explanations were sought on a variety of matters, to which I am more than happy to provide responses.

I also thank those members who have risen to express their view in opposition to the bill. As those members would understand, we on this side of government do not come at this legislation, this project or these concepts without a great deal of regard for climate change. I make the point that I think the way in which this debate has been led by many has been quite misleading, because this bill does two quite simple things. It recognises that the Karratha gas plant, which was the subject of the state agreement entered into many decades ago, will soon start seeing a depletion of the gas supply that was created in that state agreement. At the time the state agreement was established, gas could be taken only from within the state agreement area. The more recent gas developments—Pluto, Scarborough and Browse—are not subject to state agreements. This proposition recognises that we have the infrastructure in place, and that infrastructure will no longer be fully supported for the gas that comes from the North West Shelf project. If we want to see that gas plant continue, we need to allow it to access other supplies.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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Our friends from the Greens say that that is a bad thing because we should be effectively stopping producing gas that we need now so this gas plant can start to wind down from 2021, or certainly from 2026.

We are absolutely committed to real action on climate change. The idea of us stopping producing gas in around 2026 is really quite nonsensical. Even the greatest optimist, such as myself, about the capability of hydrogen as a storage mechanism to make renewables dispatchable power recognises that we are not going to get there by 2026. It is going to take many, many more years to develop this technology, but it will be done. Hon Robin Chapple cited a chairman from Shell. Shell has not stopped. Shell recognises this stuff, but it has not stopped producing LNG from its plant, the name of which escapes me.

**Hon Robin Chapple:** Jeroen van der Veer.

**Hon ALANNAH MacTIERNAN:** No; sorry—the floating platform.

**Hon Stephen Dawson:** Prelude.

**Hon ALANNAH MacTIERNAN:** Prelude. It is not inconsistent with the acceptance of the proposition that we will need to move away from all fossil fuels and become more creative and invest more in this new technology. It is not inconsistent with that proposition to say that we will need gas in the system at one level or another for the next 40 to 50 years. Certainly, we do not want to have to start winding down the Karratha gas plant in 2026. Because some pretty challenging things were said by members in this place about the motivation of the Labor Party, I will take this opportunity to reflect on a few inconsistencies in this regard from our friends from the Greens. I have just been reading all the debates about the gas hub in the Kimberley. I think the gas hub in the Kimberley would have been a really bad idea, so I was very pleased when it did not proceed. In these debates, the argument that was mounted in this house by our friends from the Greens was not that we should not be developing Browse. That was never the argument. The argument was that we should find some other way of processing it, not that we did not want to disturb the landscape, the heritage, the dinosaur prints and the songlines on the Kimberley coast. They were not arguing that. They were getting everyone to believe that they supported the idea of developing Browse. A decision was made, quite rightfully, that they would walk away from the ill-conceived idea of the Kimberley gas hub and they looked at a floating platform. I am talking about Environs Kimberley, which was happy about it. It praised Gary Gray, who was the then federal resources minister, and said, “Good on you, Gary, for allowing the floating platform.” They also brought up people from the Karratha chamber of commerce who said that it should not happen in the Kimberley; it should happen in Karratha. Now the argument has changed, but they led everyone to believe that they were not opposed to Browse.

**Hon Diane Evers:** The world has changed.

**Hon ALANNAH MacTIERNAN:** The world has changed; I do take that point. I take the point that we need to absolutely act with expedition. However, I also take the point that, in that process, we need to bring people with us; we need to bring the community with us. We do not want to do what Bob Brown and co did in Queensland, which created such a reaction that the Greens lost people. We are trying to bring people with us. We are trying to get people to understand that this has to happen, but we have to be realistic in the meantime. People are going to need to be employed. I do not even mind people from Extinction Rebellion gluing themselves to things. We have to continue to remind ourselves and understand that this is a short-term solution. This is one that we are going to have to start investing in. It is not just the member’s Dutch mate from Shell who has been saying these sorts of things. Companies like Woodside seriously understand that they need to do two things. They need to very seriously offset their carbon emissions, and they are engaged in a whole raft of offset programs. We have to hold them to account. We have to keep pushing companies like Woodside to do more and more. It has purchased carbon offsets and properties and has engaged in an increasingly more serious effort in forestation.

**Hon Diane Evers:** Maybe we should legislate for it.

**Hon ALANNAH MacTIERNAN:** I would not rule us out of doing that at some time, but this particular agreement does not give this company any God-given right to access Browse or to develop Browse, Scarborough or any other project. The environmental approval process is quite separate. If only we had a price on carbon. If only in 2009 we did not have a political party that thought more about how it positioned itself, but a political party that was thinking, “Here we go —

Several members interjected.

**Hon ALANNAH MacTIERNAN:** You do go on. Accept your culpability in this, member! We could have had a price on carbon.

Several members interjected.

**The ACTING PRESIDENT (Hon Matthew Swinbourn):** Order, members! Minister, your speech is to be relevant to the bill.

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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**Hon ALANNAH MacTIERNAN:** It is highly relevant to the bill.

**The ACTING PRESIDENT:** Minister, the second reading reply needs to be relevant to the bill. Other members could assist the minister by not interjecting when she is making her contribution.

**Hon ALANNAH MacTIERNAN:** Thank you, Mr Acting President.

Those issues are very serious. Companies like Woodside, Shell and others are increasingly understanding that there needs to be real change, and their investments in, for example, hydrogen are increasing all the time. I am happy for as much pressure from anyone in this place to be placed on those companies to keep them on that path of righteousness, but it is not the right thing for us to start closing down our gas capability in the Burrup over the next five years. Members asked why the Labor Party wants to support this sort of thing. We want to support it because the fundamental story is that the creation of well-paid jobs gives Australian people the opportunity to shape their own destiny to create a place in the sun. We accept that climate change is an absolutely critical issue and there will be no quality of life without us addressing that. That is why we are committing to the target of net zero emissions by 2050, why we are driving a climate change policy, why we are driving a move to hydrogen, why we have introduced carbon farming and why we are seriously committed to this. But we have to take the people—the community—with us.

I will just spend some time addressing some of the other issues that were raised. Hon Peter Collier sought some clarification of the commercial terms of the new water agreement. I think Hon Jacqui Boydell might have raised a similar issue and wanted to understand the terms of the new water agreement compared with the original one. Obviously, when the state agreement was negotiated in 1981, the state was very keen to get that project up and assumed responsibility for the capital costs for infrastructure. It effectively subsidised that infrastructure to some extent, in a way that it would not subsidise it today. This current variation modernises those water arrangements, so we will now have a water supply agreement that will sit outside the state agreement. It is a fully corporate arrangement and one that is not subject to an implicit subsidy. The agreement is consistent with the Water Corporation's major consumers framework, which applies to major customers and has built within it not only cost recovery but also a rate of return on capital. That water supply agreement will commence on the date on which the state agreement variation is ratified and will terminate in 2041. Under this agreement, the joint venture will pay both for the consumption of water, to recover the operational and maintenance costs, and a capacity charge, to recover the cost of infrastructure based on the location and peak demand. It is a positive outcome for the state; the state does better from that.

Hon Jacqui Boydell expressed interest in and questioned the community development plan and the local participation plan. As I said in earlier parts of this debate, those plans will be required to be developed once the agreement is ratified. The community development plan has to be developed within two months of that agreement. The final plan is to be submitted to the state agreement minister within three months of the ratification. The North West Shelf joint venture will report annually to the state agreement minister on the implementation of the plan. We understand that Woodside, as the operator of the North West Shelf agreement, has committed to publishing a summary of the development plans and of its reports against the delivery of the community development outcomes under the plan. However, because it does affect so many small communities, Woodside is concerned that if it were to release the full detail, there might be commercial aspects that are sensitive to some of those communities. Summaries of the plan and its reports will be published.

Woodside will be required to prepare a local participation plan for onshore operations within three months of the variation being ratified. Again, it will publish summaries of that local participation plan. The local participation plan is designed to show the local content of these projects, so Woodside has to publicly report. It is already doing quite well. In 2018, Woodside spent \$3.9 billion on local content and services across its operations, with 84 per cent of that spend in Western Australia, which was significant. That was 84 per cent of \$3.9 billion. Since we came to government with a very clear focus on local jobs, Woodside has established a local jobs portal to ensure that Karratha locals are given the best possible chance of finding work on all Woodside projects in the Pilbara. This agreement has been written in such a way that Woodside will be required to conform with any new legislation that we put in place, such as when our jobs bill comes into play, which will impose targets on resource projects to meet the local content rule. I think those matters were also canvassed by Hon Robin Scott.

I have addressed the issues raised by Hon Tim Clifford, Hon Alison Xamon, Hon Robin Chapple and Hon Diane Evers. These amendments do not in any way, shape or form produce approvals for any of those new gas projects to which those members appear to take exception. That process will be quite separate. They are currently going through both the state Environmental Protection Authority process and the commonwealth's environmental process. It is also important to understand that the safeguard mechanism, such that it is in federal legislation, is in play. The obligations under that legislation can impose significant offset requirements on projects of the type that might use the Karratha gas plant into the future. I would not in any way want to trivialise the need for us to ensure that carbon reduction responsibilities are imposed on these major projects or to in any way suggest that that is not something that we need to drive very hard, because we do. However, this particular agreement is simply about allowing the existing

**Extract from *Hansard***  
[COUNCIL — Tuesday, 10 March 2020]  
p1023a-1044a

Hon Robin Chapple; Hon Alannah MacTiernan; Acting President; Hon Peter Collier; Hon Jacqui Boydell; Hon Michael Mischin; Hon Diane Evers; Hon Robin Scott; Hon Colin Tincknell

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infrastructure of the Karratha gas plant to be used in the future by projects that are yet to be approved, including the Scarborough, Browse and Waitsia projects as the ones that are most immediately likely to go ahead. Should they be approved and should a commercial decision be made to proceed with those projects, they will be able to use that facility.

Again, I think it has been a very interesting debate. I thank all members for their contributions and I commend the bill to the house.

*Division*

Question put and a division taken, the Acting President (Hon Matthew Swinbourn) casting his vote with the ayes, with the following result —

Ayes (27)

Hon Ken Baston	Hon Sue Ellery	Hon Rick Mazza	Hon Matthew Swinbourn
Hon Jacqui Boydell	Hon Donna Faragher	Hon Michael Mischin	Hon Dr Sally Talbot
Hon Jim Chown	Hon Adele Farina	Hon Simon O'Brien	Hon Dr Steve Thomas
Hon Alanna Clohesy	Hon Nick Goiran	Hon Robin Scott	Hon Colin Tincknell
Hon Peter Collier	Hon Laurie Graham	Hon Tjorn Sibma	Hon Darren West
Hon Stephen Dawson	Hon Colin Holt	Hon Charles Smith	Hon Pierre Yang ( <i>Teller</i> )
Hon Colin de Grussa	Hon Alannah MacTiernan	Hon Aaron Stonehouse	

Noes (4)

Hon Robin Chapple	Hon Tim Clifford	Hon Diane Evers	Hon Alison Xamon ( <i>Teller</i> )
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Question thus passed.

Bill read a second time.