GOVERNMENT’S ENVIRONMENT POLICIES

Motion

HON JOHN FISCHER (Mining and Pastoral) [2.01 pm]: I move without notice -

That this House calls on the Government to clearly outline its policies on the environment.

I move this motion to not only receive a clearer and more definitive understanding of the Government’s vision on sustainable environmental issues, but also determine the Government’s strategies to secure sustainable fuel resources for Western Australia and to diminish our reliance on non-renewable fuels.

For some time now we have been bombarded with threats of oil shortages and have been conditioned to accept that this is an international problem over which we have no control. We have been led to believe that there is little our Governments can do about it and therefore there is no point apportioning blame to them. However, I reject this argument completely. If ever there was an issue crying out for a government initiative, it is most definitely the liquid fuel crisis.

I refer to Dr M. King Hubbert who, in 1951, predicted that United States’ oil production would peak by around 1970. It actually occurred in 1973, and production has been downhill since then. What is commonly known as Hubbert’s curve was his prediction that oil production would peak about now. Oil is unlikely to become cheaper in the long term. The world is using this resource at rate of around 42 billion barrels per annum yet approximately only 10 billion barrels per year are found using new research methods. I have no doubt that more oil would be found if more incentives for exploration were offered. There is no doubt that Iran has more oil reserves. The eastern part of that country has hardly been explored at all. The United States and Australia have potentially large oil reserves that are locked up in national parks and in world heritage areas. I recall that in the 1980s Peter Walsh, the former federal Minister for Finance, said that these areas were sacred sites and would never be explored until the middle class ran out of oil. I happen to believe that that time is now fast approaching.

A school of geological thought believes that Antarctica may be a future source of oil. This may be so, but it would be neither easy nor cheap to access it and it will not compensate for the dramatic and rapid rise in the demand for fuel in India, China and Russia. Recently I read that if the current rate of industrial expansion in China continued, in 10 years it would consume the entire yearly output of Saudi Arabia’s oil production. Of course, the Chinese will not allow themselves to be held to ransom and are now becoming world leaders in ethanol production, using genetically modified corn as its major base product. I will talk more about that later.

Of more immediate concern is the research being undertaken by Dr Allen Campbell, who is based in Switzerland. He provides a European rather than an American perspective on the issue. He has produced convincing evidence that the Arabian oil reserves have been overstated by as much as 75 per cent. That means that an oil crisis is much closer than we anticipate. Recently I issued a press release that is germane to this issue. It has been well received by the mining industry and is endorsed by senior officers of the Department of Industry and Resources who have seen it. The media release was issued on Monday, 19 October and was headed “Biodiesel will save lives in the mining industry without raising operating costs”. It states -

... while he totally supported the electrification of the Mines and the introduction of Monorail technology, this system was most applicable to new mines as it needed to be incorporated in the initial design stage. There would be some scope for retro fitting, and even more for new extensions to existing mines. In the existing mines that are dependent upon diesel, something has to be done about the occupational health and safety factors associated with diesel fumes. The carcinogenic and other health problems caused by conventional diesel fuel were well known; this problem could be overcome by the use of Biodiesel.

“While I know that companies are serious about health and safety in the mining industry; operating costs always have to be considered,” Mr. Fischer said, “There will be no overall cost impact from using Biodiesel and there would in fact be cost benefits as ventilation demands will be reduced and other health risks such as diesel dermatitis would be eliminated.”

It continues to say that the Western Australia company -

... “Arfuels,” which is a subsidiary of Amadeus Oil will be in production next year, manufacturing a Biodiesel that meets all the most stringent European standards. Production will initially be limited by the availability of animal fat and used cooking oil to about 450,000 tons per annum. This can be rapidly expanded when oil from seed oil crops is available beyond the human consumption level.
Hon Paddy Embry: Is it not correct that biodiesel can be used without any modification to the present diesel engines? Would it not have the same climatic conditions everywhere? Tallow, which is a by-product of animals. There is, therefore, a huge range of plants that can be grown in Western Australia. I said at the time legislation was implemented, and I have not changed my mind, that the State Government made a big mistake. In fact, I believe the Government stuck its head in the sand when it legislated against allowing genetically modified crops to be grown over the whole State of Western Australia. I can appreciate that southern food growers growing canola and other consumption crops might have some argument, but to allow the Greens (WA) and other environmental misfits to dictate a total ban was irresponsible.

Members may ask: what is biodiesel? Technically it is a vegetable oil methyl ester made by chemically altering naturally occurring fats and oils in a process known as transesterification. I do not intend to go more fully into the process of transesterification at this stage. Suffice it to say that biodiesel is an economically viable, ecologically sound alternative to petrodiesel and has the potential to take a significant share of the Australian petrodiesel market, which is currently approximately 11 650 000 litres. Biodiesel is a unique alternative to petroleum diesel, as it can be produced from a broad range of feedstock, including unwanted by-products such as tallow and waste cooking oils from restaurants. Numerous plants produce oil in quantities large enough to make them relevant to biodiesel production. To name a few, these include corn, cashew, oat, palm, lupin, rubber seed, soya bean, cotton, hemp, castor bean, jojoba, pecan, coffee, oil palm, hazelnut, pumpkin seed, safflower, rice, sunflower, peanut, macadamia, brazil nut, avocado, macuba palm and tallow, which is a by-product of animals. There is, therefore, a huge range of plants that can be grown in variable climatic conditions.

Hon Paddy Embry: Is it not correct that biodiesel can be used without any modification to the present diesel motors used?

Hon JOHN FISCHER: Absolutely. As I said, its greatest attributes are that it is not a dangerous fuel to cart around because its combustibility is very high and it does not produce carcinogenic exhaust fumes in underground mining. I believe that in 20 years there will be the same problem with carcinogenic exhaust fumes in underground mining as there is now with mesothelioma from asbestos. I think we should do something about that very quickly.

There is a huge potential for a biodiesel manufacturing industry in the west Kimberley. The production of biodiesel from cottonseed oil grown around Broome and Derby would have had enormous economic and environmental benefits for the State of Western Australia. I said at the time legislation was implemented, and I have not changed my mind, that the State Government made a big mistake. In fact, I believe the Government stuck its head in the sand when it legislated against allowing genetically modified crops to be grown over the whole State of Western Australia. I can appreciate that southern food growers growing canola and other consumption crops might have some argument, but to allow the Greens (WA) and other environmental misfits to dictate a total ban was irresponsible.
Hon Dee Margetts: You mean the majority in your electorate that does not want GMs? Are you calling the
majority of your electorate misfits?

Hon JOHN FISCHER: Be quiet! Hon Dee Margetts is like a hollow drum. It is nowhere near a majority of the
electorate.

Hon Dee Margetts: Yes, it is in your electorate.

Hon JOHN FISCHER: We will find out shortly and I look forward to the result.

As I said, to allow the Greens and other environmental misfits to dictate a total ban was irresponsible. I believe
the Government has shown itself to be weak and pliable in its dealings with the Greens, which were in the name
of non-existent preferences and at the expense of the vast majority of Western Australian taxpayers. Clive
Brown has identified the Greens as holding up $17 billion worth of development, most of which is in the Mining
and Pastoral Region. The incredible thing is that less than two weeks after its dealings, there was a complete
capitulation against the feasibility study into the cotton industry in the west Kimberley. As I said, an offshoot of
that industry could well have been a biodiesel plant in Derby that would have created jobs in a safe and
sustainable environment.

Hon Paddy Embry: And in a town that urgently needs an injection to remain there.

Hon JOHN FISCHER: Absolutely. Unfortunately, many members do not look that far down the line.

It has also been noted that African palm oil could well be a major crop in the east Kimberley. The projections
are that in years to come biodiesel from that crop could well supply the total current petrodiesel requirement of
Western Australia. As I said, biodiesel is non-toxic.

Hon Ken Travers: How many farms have converted to diesel?

Hon JOHN FISCHER: I gave the figures before on that. If the feasibility study on that full project on cotton
went ahead -

Hon Ken Travers: No, to run completely in Western Australia.

Hon JOHN FISCHER: Is Hon Ken Travers talking about African palm oil? There have been tests on that oil. I
am not sure whether Malaysian palm oil, which I have seen a lot of, would grow well in the west Kimberley. A
lot of research must be done on that. African palm oil is slightly different and has a higher production rate. The
figures that I have seen indicate that in the irrigated area - I can only take it as a total - it would produce the
equivalent of the petrodiesel requirements of Western Australia.

Hon Ken Travers: What is the source for that?

Hon JOHN FISCHER: I will give the member all my sources. I have a number that I will mention before I
finish. Aquatic toxicity is deemed to be insignificant. It degrades at about four times faster than petroleum
diesel and it has a higher flashpoint than petroleum diesel. The ozone forming potential of the specified
hydrocarbon emissions were measured at 67 per cent less than that of diesel fuel, and exhaust emissions of sulfur
oxides and sulfates in biodiesel were essentially eliminated in comparison with petroleum diesel. The
Commonwealth Scientific and Industrial Research Organisation report on exhaust pipe emissions concluded that
exhaust emissions from biodiesel, when compared with petroleum diesel, had 96 per cent lower total
hydrocarbon, 45 per cent lower carbon monoxide, 13 per cent more oxides of nitrogen and 28 per cent less
particulate matter. The net health benefit of these reduced emissions is that biodiesel provides a 90 per cent
reduction in cancer risk.

Robert Passey, a masters student at Murdoch University, stated in his case study that he presented to the State
sustainability strategy that the social benefits would include employment and development in rural areas during
the growth of crops and in the manufacture and operation of biodiesel plants. The city’s lower pollution levels
would improve the quality of life and reduce health care costs. Economic benefits would include, in addition to
employment, decreased reliance on external oil supplies and therefore improved national balance of payments
and increased total energy supplies.

In conclusion he stated that geologically derived oil, as we are all aware, is a finite resource. Its use produces
greenhouse gases. Biodiesel is one alternative that is renewable and has significantly reduced greenhouse gases.
Currently biodiesel is commercially produced in Germany, Italy, Austria, the Czech Republic, Malaysia and the
United States. Its production is most advanced in the United States and Europe, which currently produce two
billion and one billion litres of biodiesel a year respectively. We are therefore not at the forefront of research.
Europe and the United States are well and truly in front of us.
A Bill was recently passed in the United States ensuring that all heavy transporting companies source two per cent of their fuel from biodiesel. A number of bus and truck companies are trialling B20, which is a 20 per cent blend of biodiesel and petrodiesel. The United States Army requires new tanks and trucks to be compatible with biodiesel. In 2001 a United States Department of Agriculture study concluded that an increase of 195 million to 260 million gallons of biodiesel by 2010 was feasible. The predominantly soy-based diesel in the United States due to a surplus of soy oil would also boost the total cash crop earnings by $US5.2 billion, with an average net income increase for farmers of $US300 million per year. The use of biodiesel is most advanced in Europe. B100 or pure biodiesel is now widely available in Germany, Italy and Austria. In Germany over 1 000 outlets have biodiesel that is cheaper than standard diesel.

Hon Paddy Embry: Is it subsidised to achieve that?

Hon JOHN FISCHER: I think it no longer is in Germany or France. France is currently the largest user of biodiesel in the world. It has a minimum mix of five per cent in all the diesel that is sold. B50, which is a 50-50 mix, is becoming very common. In Europe and the United States some diesel car manufacturers have extended their warranties to cover biodiesel. Unfortunately, in Australia - this is another subject I will go a little deeper into in a minute - the use of biodiesel in diesel engines voids the warranty, despite the fact that biodiesel made to appropriate standards is not harmful to modern diesel engines and has in fact been shown to have benefits, such as enhanced lubrication. Although in Australia only a very small percentage of cars use diesel, overseas the percentage is much greater, and it is certainly increasing at a very strong rate. In 1990 about three per cent of British cars were diesel; today the figure is 20 per cent. The use in other European countries is equally high at 28 per cent in France and 39 per cent in Belgium. For that information I thank Robert Passey from Murdoch University.

Another biofuel that could be produced in Western Australia is ethanol. Ethanol is produced in Australia by the fermentation of molasses and wheat by-products. It is a renewable energy source that may be added to petrol as an octane enhancer and has some very definite air quality benefits. Testing has confirmed that the use of ethanol blends may reduce emissions of carbon monoxide, hydrocarbons, particulates and some carcinogens such as benzene and toluene, and in some circumstances the greenhouse gas carbon dioxide. Ethanol has been used for many decades. In fact, when Henry Ford first designed his model T, it was his expectation that ethanol from renewable biological materials would be a major automotive fuel.

Ethanol is virtually pure alcohol. It is made from a variety of biomass feedstocks. The sugar-based feedstock is mainly from molasses, sugarcane juice, sugar beet or Jerusalem artichokes, from starchy products or cereals, such as corn, wheat, maize and potatoes, and from cellulose sources, mainly waste or biomass such as wood, straw or plant material left over from logging, or other plant waste. Ethanol, like biodiesel, is made from materials that can be replenished year after year, making ethanol a renewable energy resource. The United States, Brazil, Canada, South Africa, India, China, Spain, France, Belgium and Indonesia all use blended ethanol in their petroleum fuel. Ethanol is used mainly as a blending ingredient. However, many Brazilians fuel their cars with pure ethanol.

Some of the factors of ethanol are that it burns with 30 per cent less energy than petrol, but the extra oxygen it carries makes an ethanol-petrol blend deliver more energy to an engine than petrol would by itself. A CSIRO study identified that E10, which is 10 per cent ethanol, delivers approximately 97 per cent of the power of standard unleaded fuel. Ethanol effectively adds more oxygen to the fuel combustion process, to produce a cleaner, faster burn. It burns 100 per cent to water and CO₂ and it leaves no residue or deposits. Many high powered engines use E2 unleaded because it keeps the engines cooler. A 10 per cent ethanol blend in cars is completely safe. It has been approved for use in new cars by most manufacturers. There is no difference in how ethanol blended fuels interact with the car. Ethanol is more likely to clean up old deposits in the engine. The use of it would certainly improve the nation’s balance of trade and gross domestic product.

There has been frequent bad publicity in Australia regarding ethanol damage in cars. However, one commonwealth government review on the impacts of a 20 per cent blend found conflicting information on this. A new government study into this is under way and will be reporting, hopefully, early in the new year. However, in contrast to Australia, where a campaign of fear has discouraged the use of ethanol in fuel, other countries are switching to ethanol as more environmentally and people friendly than the current fuel additives. In the last federal budget the Government put an excise on ethanol - it was previously exempt - to be paid to the ethanol industry as an incentive. However, this assistance phases out over such a short period that it gives little real hope for an industry to develop in any manner. Brazil and India are the world’s largest ethanol producers. Brazil produces ethanol from home-grown sugarcane, using an efficient process that makes it cheaper than petrol. The country is expected to produce 12.6 billion litres from the 2003-04 cane harvest, most of which will be consumed in the domestic market. Brazil has a mandatory 25 per cent ethanol content in petrol, and 40 per cent of the cars in Brazil run on pure ethanol. Unfortunately our federal Government has shown no interest in
mandating ethanol in fuel, which would be the best way of value adding for cane and securing our sugar industry. This is despite the Brazilian consulate’s continuing campaign for Australia to become Brazil’s co-supplier to Japan of engine grade ethanol. The Japanese have made it clear that they will not become major buyers of ethanol for engine fuel until there is more than one major international supplier. However, large-scale production of ethanol in Australia is unlikely until it is mandated in domestic fuel. I will read an article from News Weekly, written by Pat Byrne, and headed “Ethanol - behind the disinformation”. It reads -

Media stories have created a public perception that ethanol is damaging to car engines.

Last December, the Sydney Morning Herald ran a story about a motorist who paid $746.90 in repairs to a damaged engine due to cheaper petrol being laced with ethanol.

Subsequently, the mechanic who repaired the car told the paper’s Paul Sheehan that the car he’d referred to was “damaged by petrol contaminated by kerosene” over a year earlier.

The mechanic, Neil Streeting, said that he had unwittingly become involved in a “political set-up”. He’d been contacted by a Labor MP’s office, then an hour later by a Sydney Morning Herald journalist.

The paper has since corrected the report but this story, and others, have taken on a life of their own.

Sheehan revealed how another story in Sydney’s Daily Telegraph about ethanol damaging engines was also untrue. The fuel was subsequently tested and no ethanol was present.

But this did not stop Federal Labor leaders using the issue to attack ethanol, with repeated reference to Manildra, the ethanol producer that is also a Liberal party donor. This was Labor’s real target.

Party politics aside, oil politics have taken over the anti-ethanol campaign. If the Federal government were to mandate say 10% ethanol in fuel, then the oil companies would lose 10% of the fuel market to ethanol producers.

Now oil companies are posting signs on fuel pumps saying “our fuel contains no ethanol,” as if ethanol is bad for engines, and implicitly bad for human health.

Yet nothing could be further from the truth.

In the US, Mobil has produced a brochure headed “Why is Ethanol good for your car?”

It says, “Ethanol is safe to use in any type of engine.” Contrary to Australian auto producers claiming that ethanol in petrol could invalidate car warranties, Mobil says, “Ethanol is an abundant new source of energy for the future that also helps conserve natural petroleum resources. Ethanol is covered under warranty by every automaker that sells cars in the United States.

“It’s safe to use in your car, truck, motorcycle or any other engine. In fact, many automakers actually recommend reformulated gasolines like those that contain ethanol.

... Compare this statement to the Australian Financial Review editorial (September 16, 2002) bagging ethanol, in which it claimed that “ethanol delivers a third less energy than petrol, so motorists would have to buy more and pay more for it.”

Quite obviously the oil company campaign has had its effect in Australia, because we seem to be going nowhere with the production of ethanol, which would help our agricultural industries dramatically. Ethanol production from plant material or biomass taps into the huge amount of solar energy fixed by plants on earth each year. Like all forms of bio-energy, the carbon dioxide released during the use of ethanol is approximately equivalent to the uptake of carbon dioxide from the atmosphere during the growth of sugarcane, wheat or other source crops. It is the most widely used alternative non-fossil fuel in the world. Considering the environmentally friendly characteristics of ethanol blended petroleum as an automotive fuel, the pricing of ethanol needs to be viewed not only in terms of financial cost benefit analysis but also in terms of an economic cost benefit analysis. Australia’s domestic oil reserves are anticipated to be exhausted within 10 to 15 years, but it does not really matter if it is 20 to 25 years because petroleum is a finite resource. It can be used only once and then it is exhausted. Ethanol is renewable and it is an ideal alternative.

I believe the way forward is clear but we must begin to act now. I call upon the State Government to reverse its decision not to promote the feasibility study for growing cotton in the west Kimberley, and allow it to proceed to the trial stage. My office has spoken to John Logan from Western Agricultural Industries, and he is very interested in the cottonseed to biodiesel concept. Apart from the obvious economic benefits, there are enormous environmental benefits and reducing our dependence on Middle East oil is an obvious plus. As I said earlier, electrifying our mines will be a great energy saver as well as having health and safety benefits. The federal
Once again, I find it incredible that this Government seems to move to appease the Greens (WA) by introducing the world that it is a safe product to use and one that may well be the future answer to petrochemicals. It is extremely unfortunate that the federal Government has not taken a stronger line as I mentioned previously, the health aspects of these two forms - biodiesel and ethanol - far outweigh any detriment they might have. It is extremely unfortunate that the federal Government has not taken a stronger line on the influence of oil companies to turn people off using ethanol when it is quite apparent from other areas in the world that it is a safe product to use and one that may well be the future answer to petrochemicals.

In preparing some of the statistics for my speech, I have included research from the National Biodiesel Board, Robert Passey, Pat Byrne’s article in News Weekly, Kirsten Aiken from Landline, the Australian Biodiesel Consultancy, the Biodiesel Association of Australia and the British Association for Bio Fuels and Oils.

As I mentioned previously, the health aspects of these two forms - biodiesel and ethanol - far outweigh any detriment they might have. It is extremely unfortunate that the federal Government has not taken a stronger line on the influence of oil companies to turn people off using ethanol when it is quite apparent from other areas in the world that it is a safe product to use and one that may well be the future answer to petrochemicals.

Once again, I find it incredible that this Government seems to move to appease the Greens (WA) by introducing this ridiculous legislation, which appears to be an attempt at political vote catching. If the Labor Government looked at its statistics, it would find that not one of the seats held by the Labor Government in either state or federal Australian politics is a direct result of preferences from the Greens. However, every seat that the Greens hold is a direct result of preferences from the Labor Party. The Labor Party is making a big mistake in its environmental policies, and I would very much like to hear it outline those policies to see whether it includes a forward vision for economical and environmental sustainability in Western Australia.

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [2.43 pm]: I commence by congratulating Hon John Fischer on a very well-researched, well-thought-out and well-argued case. He is telling the House that a proper balance must be achieved with regard to development in Western Australia; a proper balance that will see all of us benefit. However, if we go to the extreme that we occasionally see this Government going to, we can expect our development to come to a grinding halt. The request in the motion for the Government to clearly outline its policies is very timely, because on my reading, the Gallop Labor Government’s policies on the environment demonstrate a number of mixed messages. There are significant inconsistencies in its approach. I have talked at great length in this House about one significant inconsistency, and I will mention it again just in case anybody did not hear it the first 57 times; it relates to the Mauds Landing development.

Hon Robin Chapple: I was just thinking it has nothing to do with biodiesel.

Hon NORMAN MOORE: No, but it is to do with environmental policy. This is a classic example of the Government developing a policy based upon the politics of the case and ignoring the economic and environmental aspects of the issue. With respect to Mauds Landing, the Government made a decision for political reasons to prevent the Coral Coast Marina Development project from going ahead. The matter of the due process undertaken by the Government is now in the courts. I look forward to that being heard by the courts so that we can find out whether my view and the company’s view about that due process is correct. However, the bottom line is that the Government made a political decision to run a car sticker campaign, which was run mainly in Perth, because it thought that would enhance its green credentials, even though - as I have told the House on many occasions - the initial proposal to develop at Mauds Landing came from a Labor Government some 15 or 16 years ago. It was the Dowding Government - if my memory serves me right - that called for expressions of interest to develop that project. Down the track it was a Labor Government that said no to that development, even though, based on my reading of the Environmental Protection Authority’s report, that project...
Hon John Fischer; Hon Norman Moore; Deputy President; Hon Robin Chapple; Hon Kim Chance; Hon Murray Criddle; Hon Ljiljanna Ravlich; Hon Bill Stretch; Hon Paddy Embry; Hon Robyn McSweeney

could have gone ahead. The Government made this political decision, and it has since brought out its Ningaloo strategy plan, which provides for the doubling of Coral Bay and the building of a boat landing facility at Monck Head, which intrudes into the sanctuary zone and looks to be the size of Rottnest Island. How can the Government say to an investing company after 15 years that it cannot proceed with its development, when, on the other hand, it has announced that it will increase the size of Coral Bay’s night-bed accommodation by 100 per cent and develop a boat launching ramp that intrudes into the Maud sanctuary zone? What sort of message does that send to the investing public? A very mixed message in my view.

I have been wondering where the car sticker brigade is and where the Greens are following the development proposals at Coral Bay and Monck Head. I have even rhetorically asked in this House where Tim Winton is. He has just disappeared! The Greens have disappeared! All those people who got their money from wherever it came from to run that Save Ningaloo Reef campaign have all disappeared!

Hon John Fischer: We will continue with that wishful thinking.

Hon NORMAN MOORE: I hope they have disappeared off the face of the earth, but I can assure the member that they have not gone away. They will pop their heads up again, just as they did for the Coogee Beach development and just as they will somewhere else when somebody wants to do something. However, they are letting the Government off the hook when it comes to Coral Bay, and I do not know why. My view is that to continue the development at Coral Bay itself is environmental vandalism, and the boat launching facility clearly is that. Where are the Greens? Where are the watermelon people? Where are the avocado people? They are also selective. The Government sends mixed messages, and the “avocado party” puts out mixed messages. We do not know what it stands for or against. This is the party that argued against Mauds Landing but did not say anything in this place of any consequence against the development on Barrow Island of the Gorgon gas project. I think about two car stickers turned up when that was an issue; Hon Robin Chapple gave me one of them, and it was to go on his car! Naturally, I dispensed with it into that filing system from hell where all things go that a person does not really want to hang on to for very long. However, those people said virtually nothing about Barrow Island. It has been a complete non-issue compared with what they did at Mauds Landing and what they sought to do at Coogee Beach. To give the Government its due, it allowed the Coogee development to go ahead, but again it had a mixed message; something can be developed at Coogee Beach when there are already lots of other opportunities available in that part of the world, but nothing will be allowed to happen at Mauds Landing because the environmental movement, headed by luminaries such as Luc Longley and Tim Winton, will cause all this political trouble for the Government.

Hon Kevin Leahy: The local community did not want it.

Hon NORMAN MOORE: With respect, Hon Kevin Leahy -

Hon John Fischer: The federal minister was right about the Australian Wildlife Conservancy.

Hon NORMAN MOORE: Yes.

It is interesting that the new member for the Mining and Pastoral Region should make his first comments in this House by way of interjection to me by saying that the community of Exmouth and Coral Bay did not want the Mauds Landing development. Of course they did not, but it was not for environmental reasons, as the member well knows; it was for economic reasons. Exmouth saw it as a competitor for tourism and did not want it. Coral Bay saw it as an alternative to what it already had. It wants to hang on to what it has. The member is a supporter of the Mauds Landing development. I am pleased to know that; that is terrific. How he can now come out and support the growth of Coral Bay is beyond me. Surely he knows as well as I do -

Hon Kevin Leahy: I did support it!

Hon NORMAN MOORE: In a press release issued by the member only yesterday he stated that he would fight to get more government money for Carnarvon, Exmouth and Coral Bay.

The DEPUTY PRESIDENT (Hon Kate Doust): Order, members! I remind members that Hon Norman Moore has the call. Other members who wish to participate in the debate may take the opportunity later in the afternoon.

Hon NORMAN MOORE: It is interesting that the new member should be arguing for increased expenditure for Carnarvon and Exmouth - I support that absolutely - and Coral Bay. That itself will increase the pressure on the bay. That is the problem with Coral Bay. That was what was going to be sorted out by the Mauds Landing development, as the member well knows.

As a matter of interest, the candidate for the new North West Coastal electorate does not have shares in the Coral Bay Mauds Landing development proposal.

Hon Kevin Leahy: Only his family.
Hon NORMAN MOORE: That does not make any difference. It does not matter what his father, mother, sister or brother might do. The fact of the matter is that the member’s allegation that this candidate has shares in the proposal is a fabrication and is wrong. He threw it out like a bad smell in the hope that it might catch something. He is simply wrong.

Hon Ljiljanna Ravlich: Does his family have shares?

Hon NORMAN MOORE: His brother is involved; his name is on the list of people who want it to happen. None is ashamed of what they want to do at Mauds Landing. Does the minister know who asked them to put up the proposition? Peter Dowding’s Government. That is where it came from in the first place. Richard Hay is an investor from the north west who now lives in the south west who wanted to get a development at Mauds Landing based on the proposition put forward by a Labor Government. His brother, who happens to be a candidate for the Liberal Party, is now alleged to have shares in that proposition, but he does not. Let us get that straight; the member should understand that. It is a pity that he started his career in the upper House by casting aspersions on people in the way that he has.

That now brings me to another issue concerning this part of Western Australia, which is World Heritage listing. Here we are again: where does the Labor Party stand on World Heritage listing? From what I have heard, it supports it. I gather that the member supports it. I read the member’s press release on the matters concerning Shark Bay and the Shark Bay World Heritage problem. In his press release the member stated that when he was a member of the Legislative Assembly the Shire of Shark Bay was supportive of World Heritage listing. I do not know where he was at the meetings I attended - one after the other - when the vote was 300-2 against World Heritage listing on every occasion. The reason is -

Hon Kevin Leahy: Why don’t you visit your electorate?

Hon NORMAN MOORE: I have visited my electorate countless thousands of times - more so than the member and he lives there!

The fact of the matter is that the Shire of Shark Bay was requested to approach the Shire of Exmouth to tell it what it thinks about World Heritage listing because the Shire of Exmouth is dilly-dallying with World Heritage listing. They think it might be good for it. They asked the Shark Bay Shire president to tell the council what was the experience in Shark Bay. He gave it to them as only the Shire president of Shark Bay can do. He went through all the problems that they face because of World Heritage listing. The bottom line is simply that World Heritage listing was foisted on Shark Bay by a federal Government and a compliant State Government at the time for the most blatant of political power grabs that anyone has ever seen. It was just a way of transferring part of Western Australia into the joint control of the State and the Commonwealth. A ministerial council manages World Heritage listing at Shark Bay; I was a minister on it for a while. That means that whenever a decision is to be made about land use in the Shark Bay World Heritage area, it has to be approved by a ministerial council that consists of two federal and two state ministers. It never makes any decisions. The Shire of Shark Bay has 33 Department of Conservation and Land Management officers working in it - 33 just for Shark Bay! There are probably fewer than that for the rest of the national parks of Western Australia. Why are they all there? Because of the World Heritage listing. Somehow or other, that is extra special. There has been no money from the Commonwealth until recently for that. The State Government has put in some money for the interpretation centre and I congratulate it for that. The bottom line is simply that the Shire of Shark Bay has been almost totally excluded from any development within Shark Bay itself. Because it is World Heritage listed, every government agency thinks it is super special and that they should all have a finger in the pie.

Hon Kevin Leahy: It is special; it meets all four criteria.

Hon NORMAN MOORE: So are a lot of other places very special.

Hon Kevin Leahy interjected.

Hon NORMAN MOORE: Of course it is very special, but there are a lot of other places that are very special. If the member wants to put all those on World Heritage listing, he will end up with 90 per cent of Western Australia covered by World Heritage just as it is now covered by native title claims! Good grief! If the member ever goes to the Shire of Shark Bay and asks, he will find that the people there do not support the way in which World Heritage is managed in that area. As an aside concerning the Government’s attitude towards the environment, the Minister for Tourism wrote a letter complaining about the development of palm plantations on Peron Peninsula because it is under the flight path of planes flying to the Denham airport and people might see it and think that it does not fit in with the environment! He wrote a letter stating that it could not be done from a tourism point of view, for crying out loud. Yet they think this is all right and that the people of Exmouth might like to have some of this as well. The member will soon find out if he does not already know that, in Exmouth, people are absolutely beside themselves at the prospect of getting World Heritage listing, because they have now
worked out that it means that recreational fishing, boating and use of the reef and the area within the boundaries of the World Heritage listing will be severely restricted. People in Exmouth have come to realise that their opposition to Mauds Landing on environmental grounds is coming back to bite them. We all know that their opposition was more to do with commercial interests. They now know that once the green bug gets spread around, those who lose out are those who want to be involved in tourism and recreational activities. They are the people who are told that they cannot go to the area; that they cannot touch it. Following that, CALM moves in with its army of officers - as it has in Shark Bay - and they run the whole show. I tell the people of Exmouth and those who have an interest in World Heritage listing for Ningaloo Reef that they should not touch it with a bargepole. They will lose control over any planning decisions they might want to make within the local authority. They will lose control over industries that operate in the local authority. They will not get any benefits from it. People travel to the Shark Bay World Heritage area to see the dolphins at Monkey Mia. I do not know how many people travel to see the stromatolites; I do not know how many travel to see the grasslands of the Peron Peninsula.

Hon Ljljanna Ravlich: Maybe the member should find out before he makes those sorts of comments.

Hon NORMAN MOORE: I know, although I do not have the exact figures. Let me tell the minister that the number of tourists travelling to Shark Bay this year, I am told, is fewer than in previous years. The number continues to go down.

Hon Ljljanna Ravlich: When you were the minister you spoke about how wonderful it all was.

Hon NORMAN MOORE: It is wonderful, but it will not be given a chance to get going. World Heritage listing was sold to Shark Bay on the basis that the Commonwealth would come in and all the environmental groups around the world would send the message that people should go to Shark Bay to see its fantastic environmental attributes. However, no-one is doing that. The federal Government has opted out. All it does is maintain its control. It does not put in any money. The State Government is not promoting it. The shire is not promoting it either, because it knows that it is bad news for its decision-making processes in Shark Bay. I do not know the State Government’s position on World Heritage listing for Ningaloo Reef. I hear it is collecting people’s views. Again, I can go only on the views expressed by the new member for the Mining and Pastoral Region, Hon Kevin Leahy, who said in a press statement that the Government wants people to have a view on this matter. He said also -

Instead of continuing with the normal Liberal scare tactics Mr Hay should be working constructively with the communities to ensure all the positives of ‘World Heritage’ listing are realised and any negatives are minimized . . .

It sounds to me as though the member is very supportive of World Heritage listing. He is entitled to be. However, I am interested to know whether that is also the Government’s position. The minister might be able to tell me whether that is the Government’s position, because, if it is, people need to know how that will translate into reality on the ground. Will it be a repeat of Shark Bay? Will it be just another army of Department of Conservation and Land Management officers wandering up and down North West Cape, as happens at Shark Bay? Will it be a diminution of the capacity of the local authority to manage its own affairs and have any involvement in town planning issues? Will it be a vehicle for government agencies of all persuasions to get themselves involved in the day-to-day activities of that part of Western Australia?

Hon Paddy Embry: They probably want to hold conferences up there.

Hon NORMAN MOORE: They do. The Shark Bay area has been studied more than any other part of the world. There is study after study after study, to the point that no-one knows what on earth the current state of affairs is. I raise these issues because they demonstrate some of the inconsistencies and mixed messages that the policies of this Government are creating in the minds of people who want to spend money in Western Australia. I am one of those who thinks that we should encourage people to spend money and invest in Western Australia. At the moment our economy is in pretty good shape. That is for one reason only; namely, that our resources are being developed and are being exported. The prices that we are getting for those resources are extraordinarily high, and there is significant demand. That is fundamentally because of the growth in the Chinese economy. However, if a chilly wind were to blow through the Chinese economy - I do not expect it will - that would have a significant impact on the Western Australian economy. We cannot do anything about that. However, we can make sure that we begin to plan now for the next mine or the next gas field so that those developments will be in place in the future. Over the past 10 years, because of green policies and native title, there has been a complete drying up of greenfield developments. There has been growth in brownfield areas. However, that is only because the resources have already been found. There has been growth in the iron ore industry, the nickel industry and the alumina industry, because the existing deposits are being further exploited. However, virtually no attempt is being made to explore greenfield sites. That is due to a range of difficulties with regard to mining...
exploration, the most important of which is native title. However, what is rapidly catching up to native title is the environmental issues that industries are required to face. The Mining Amendment Bill, which we will be debating in due course, raises a raft of environmental issues that I do not think the industry quite understands. Another issue is the native vegetation clearing regulations, which are designed to ensure that no-one can do anything. Unless the Government can find the mines of tomorrow today, it will not have them. The Government has a policy that people cannot touch native vegetation. The Government has a policy that it supports native title. The Government has a policy that it supports the creation of vast numbers of national parks, and it also has a policy that there will be no exploration in national parks. These sorts of policies make it absolutely certain that the greenfield sites of the future will not be found today. I have some regard for the job that Hon Clive Brown, the Minister for State Development, has been doing. He is telling everyone that Western Australia is a great place in which to invest, because all sorts of things are happening here; we are producing $30 billion worth of export income every year from our petroleum and mining industries; and we are a go-ahead part of the world. However, as Hon Jon Fischer has said, $17 billion of development is being held up by green issues. It is not just the green watermelon party that is doing that. It is also the Government. The Government does not know how to respond to the watermelon party. On the one hand the Government is willing to go along with the watermelons, but on the other hand it is not. All that does is cause uncertainty. The Government is proposing to create all these new national parks. I do not have a problem with that as a general rule, provided the Government knows what it will be doing with these national parks and is able to manage them. Will they be wilderness areas and be tied up so that nothing will ever happen there?

Hon John Fischer: It would be a good idea to find out what is in those national parks.

Hon NORMAN MOORE: The current law, if my memory serves me correctly, is that people can explore in a national park with the approval of the Minister for State Development and the Minister for the Environment, but they cannot mine in a national park unless they get approval from both Houses of the Parliament.

Hon Paddy Embry: Why would private enterprise pay for exploration if they are not allowed to mine?

Hon NORMAN MOORE: The law is that people can explore in a national park with the approval of both ministers, but they cannot mine in a national park unless they get approval from both Houses of the Parliament. The good thing about allowing miners to explore in national parks is that the community knows what resources are to be found in a national park. There may be an ore body worth $500 million or there may be nothing. We need to know what resources are to be found in a national park before we put a boundary around a piece of land and make it a no-go area forever, which this Government is doing. The more national parks the Government creates, the more of our resources it is taking away. In many cases we do not even know what resources are there. We are entitled to know what resources are there, because we can then make a decision about whether that resource should be exploited or whether the exploitation of that resource is not on because of the environment that it is in. I believe that in some national parks under no circumstances should we do anything to disturb the land. However, in plenty of other national parks I reckon we could dig a huge hole and it would make no difference. National parks are not based on ecosystems. They are based on lines on maps that are put there for different sorts of conveniences. The Minister for State Development is telling people to come to Western Australia and spend all their money on exploration, but on the other hand the Minister for the Environment is gazetting all these national parks and telling people there cannot be any exploration or mining. What are people supposed to think? I have said in this House on a number of occasions that an element of sovereign risk is intruding into Western Australia that has not been here before. It relates to native title and it relates to green issues. People in the investing world understand the politics of Australia with regard to green issues and they are very concerned about it. Currently there is a very important window of opportunity in Australian politics because the federal coalition Government will potentially be able to pass legislation through both Houses of Parliament without having to worry about the brown nut stopping the coalition from doing it.

Hon Robin Chapple: He is a seed.

Hon NORMAN MOORE: I always thought of him as a nut rather than a seed, without being too disrespectful.

Hon Ljiljanna Ravlich: Whom are you referring to?

Hon NORMAN MOORE: Does the minister not know about the avocado party?

Hon Ljiljanna Ravlich: I thought it was a seed.

Hon NORMAN MOORE: I think he is a nut. It fits in nicely with the avocado analogy. Let us not argue about whether he is a seed or a nut. Good grief.

Hon John Fischer has introduced into this House an opportunity for us to talk about this State Government’s environmental policies and how they will fit with the State’s economic development. The Government has given
some approvals that I totally support. For example, I totally support the Gorgon project being operated from Barrow Island. I have no problem with that. However, I do not support the Government on the Mauds Landing proposal.

Hon Robin Chapple: Did your leader support developing the project on Barrow Island?

Hon NORMAN MOORE: We would prefer the project to be located somewhere else for commercial reasons rather than environmental reasons. We have said that if it is to operate from Barrow Island, we accept that the environment can be managed. It is not an environmental issue. We are prepared to support the Government’s decision on that matter on environmental grounds; however, for commercial and other reasons, we would rather it be located on the mainland. The Government made the right decision regarding that project but it made the wrong decision on Mauds Landing. Frankly, a comparison between the Barrow Island project and the Mauds Landing project shows that the potential environmental damage to Barrow Island is probably significantly greater than the environmental damage to Mauds Landing. I have always argued that the Mauds Landing development was about protecting the environment. That is what it was for and that is what it would have done.

I ask the Government to think about that and about the messages it is sending to investors who want to know where they stand. More importantly than anything, they want certainty. If the Government wants to hop into bed with the Greens (WA) 100 per cent, it should just do it and tell everybody that is what it is doing so that everybody, including investors, knows where the Government stands. However, if the Government wants to get out of bed with the Greens as they are of no use to the Government because, as Hon John Fischer said, the Greens cannot help the Government win any seats, the Government should do that and get alongside people who want to invest money. Of course proper environmental processes must be followed. However, the Government should not make arbitrary decisions based on the politics of the moment. I thank Hon John Fischer for giving us an opportunity to debate these matters. I ask the Government to let the public know exactly where it stands and stop sending mixed messages and being inconsistent.

HON ROBIN CHAPPLE (Mining and Pastoral) [3.14 pm]: This is a good, simple motion that asks the Government to clearly outline its policies on the environment. I commend Hon John Fischer for his comments on biodiesel. As a member of the association and somebody who talks regularly with producers of biodiesel in this State, I think it is a very valid point that we must deal with closed-cycle developments with regard to CO2.

Hon John Fischer alluded to the problems that will be faced by this State, the nation, and indeed the world, as the Hubbert peak theory rolls on. For members who are not aware of what the Hubbert peak theory is, it is the time in which the consumption of wet fossil fuels, namely crude oil, and its production, reach a crossover. As members are aware, oil is hovering at about $55 a barrel. Many people have indicated that the world has reached that peak at the moment. The demand curve is increasing by about 15 per cent. In many nations the production of oil is on the decline. Iraq is the only country left in which production can still peak, and we must bear in mind its size; it is very small within the context of the giant oilfields that exist around the world. I am clear in my own mind, having recently met with Ali Baktiari, the oil spokesperson from Iran. Ali Baktiari asked people to consider what will be the price of a barrel of oil in the not too distant future. Will it be in the realms of three times or 10 times its current price? I believe he gave a similar presentation to members of the Government when he met with them. Ali Baktiari is intimately involved with oil producers and has a very good insight into these matters. We must remember also that a number of other companies around the world deal specifically with the issue of fuel supply. Petroconsultants Colin Campbell and Jean H. Laherrere and Simmons and Company International, which is one of America’s largest companies, consider the issue of the critical situation of the world’s oil supply. All those people are basically saying, “You ain’t seen nothing yet.” In that regard, the use of biodiesel, ethanol and many closed-cycle CO2 products will be the way to go. I take on board what Hon John Fischer has said. However, just generating a genetically modified cotton crop in the Kimberley will not resolve those issues.

Hon John Fischer: I did not imply that would be done by just generating a GM crop in the Kimberley.

Hon ROBIN CHAPPLE: I am on the member’s side.

Transport economies must be diversified. The countries that will do well in the future will be those that take on board what I believe are some imminent threats to the economics of petroleum. They will get across those issues and deal with them. It is great to see hydrogen buses being used in Perth. However, the hydrogen is being produced from fossil fuels. In fact, it is a very ineffective way to produce hydrogen.

Hon Murray Criddle: It is actually a by-product.

Hon ROBIN CHAPPLE: Yes. A series of systems must be created to generate hydrogen, whereas splitting hydrogen, either through photovoltaics or other methods, is the way to go. The hydrogen produced in the Middle
East using high temperature solar evaporators seems to be the way to go. The Pilbara has about 6 500 solar watt radiation hours a year, which makes Australia one of the best locations in the world for splitting hydrogen.

Hon Murray Cridle: It is done with hydro power in Vancouver. That is supplied by hydro power.

Hon ROBIN CHAPPLE: Yes, there are many ways it can be done. Hydrogen has two economic elements with regard to renewable energy. It has the ability to be a storage capacity to regenerate electricity through fuel cells and it has the ability to be used as a combustion source. I am wandering slightly from the content of the motion, which is about the Government outlining some of its policies. World Heritage listing of the area around Ningaloo Marine Park was quite clearly one of Labor’s policy positions in its environmental commitments at the last election. We are pleased to see that the Government is at least in its first term starting to look at this issue, although belatedly.

There are other issues that the Government said it would look at when it introduced its policies at the last election. I suppose the issues which the Greens (WA) hold dear and which tie in with what Hon John Fischer was saying are the issues of greenhouse and climate. In that regard, yesterday a significant paper was introduced to the world titled “Up in smoke? Threats from, and responses to, the impact of global warming on human development”. That paper came out of many of the documents that have been put before the Intergovernmental Panel on Climate Change. The paper indicates clearly that instead of looking at a 60 per cent reduction in CO₂ emissions, we should now be aiming for an 80 per cent reduction. That is rather good when we consider Labor’s greenhouse and change policy. The document that was tabled in this Chamber indicated a 73 per cent increase in CO₂ emissions by 2020. That is exactly the time at which the scientific community around the world says there should be an 80 per cent reduction. It is quite clear that the Western Australian Government is going in diametrically the opposite direction from the scientific community. I am not talking about the green community; I am talking about the IPCC, which comprises 1 700 of the world’s leading scientists, who have been charged by the international community to develop a strategy on behalf of all nations. I would like to hear what the Government’s environmental policy is to that greenhouse challenge. Members may recall that last year the Government developed a program for all agencies to reduce their consumption of electricity. I assume the basis of that requirement was to have some impact on the environment. If I recall correctly, the target was a five per cent reduction in electricity consumption. I believe all agencies managed about 2.5 per cent. However, it is interesting to note that a CO₂ count was conducted in that program, which indicated that at the same time as a 2.5 per cent reduction in electricity usage occurred, CO₂ emissions increased. I do not believe the intention of the policy worked at all and I wonder whether the agencies were asked to reduce electricity consumption or the CO₂ emissions from their various departments.

A couple of other issues were raised. The honourable member opposite Hon Norman Moore said that the Greens (WA) had very little concern for Barrow Island. I have visited Barrow Island on a number of occasions. I have done assessments of Barrow Island. I have been completely and utterly opposed to the use of Barrow Island for an ostensibly American-based corporation that will have all of its development engineering done by another American corporation and will operate in an offshore area as a de facto industrial estate, and I have demonstrated that in my comments to the media and by writing submissions on the process. That is what it will become. Once ChevronTexaco has its Gorgon facility on the island, Sasol Chevron and many other downstream industries will also want to get on the island. Quite clearly, unless the company is prepared to put a pipeline through to the mainland as an up-front commitment, it will not be cost effective in the long term for downstream industries to do so at a cost of approximately $140 million. Therefore, I am very concerned that the establishment of any further industrial processing on Barrow Island will lead to its development as a virtual offshore industrial estate with a fly in, fly out work force that will do nothing for the regional economies of Karratha or Onslow.

The honourable member opposite also said that the Greens are somehow antidevelopment. A few members of this Chamber might have read some of our press releases that say we support and welcome the development of BHP Billiton’s gas facilities at the town of Onslow, because instead of going to an island, BHP came to us and talked about the issues. It asked what were the social and environmental benefits of BHP developing on islands off the shore or on the mainland. We pointed out to BHP that Onslow, a community that has had little or no industrial development and downstream processing, was most probably an ideal place to go. We do not know whether we had any sway in BHP’s decision, but we certainly welcome the decision by BHP to go to Onslow.

Although it is said we do not support the development of industry or mining in the State, I point out that ours was the first political party of any persuasion to make a submission to the Australian Competition and Consumer Commission in support of Fortescue Metals Group Ltd to gain access to and take the iron ore from the central Pilbara down to one of the Pilbara ports. I am please to note that the Government, rather belatedly, has come on board -

Hon Norman Moore: That access argument has been going on for years.
Hon ROBIN CHAPPLE: I agree with Hon Norman Moore. It is shameful that we have state agreement Acts that clearly articulate that the rail transport corridor and the rail line are there for third party users. That was clearly stated in the 1964 Iron Ore (Mount Newman) Agreement Act. It was a significant windfall for the area that others could use those lines, but because of companies not wishing to have competition, they have been used in a particularly anticompetitive manner. We saw that when Hancock wanted to develop what was then McCamey’s Monster. He had an agreement with BHP to develop that area. He brought in ore cars from Romania and developed a joint agreement with BHP to ship the material from the wharves in Port Hedland. Once that agreement was up and running, BHP determined that it needed complete and unfettered access to the line at all times, causing what was then, I think, Pilbara Port and Railroad to collapse. Subsequently McCamey’s Monster turned into what we now refer to as the Jumblebar deposit, which BHP runs. If there are rail lines and it is clearly stated in state agreement Acts that were signed off by the two principal parties that access should be provided, that should be the case. I hope that the ACCC, with the support of the State Government’s eight-page document it has sent in support of FMG’s application, moves forward expeditiously to ensure that that line and other lines in the Pilbara are open for further processing of the iron ore.

We quite clearly want to know what the Government intends to do on greenhouse matters. It obviously has a policy on keeping Western Australia nuclear free, which was articulated in the policy documents of the Labor Party at the last election. We commend the former Liberal Government and the Labor Government for having done everything they can to inhibit the development of international nuclear waste repositories in this State. This Government is ensuring by legislation that Western Australia will not take national nuclear waste arising from production at Lucas Heights. There is clearly an expectation that the Government would, if it were approached, prohibit the mining and export of uranium. It is interesting how the Government is doing that. It merely has a policy. In recent discussions with the minister it became clear that there is a great deal of difficulty from the Government’s perspective in implementing that policy in any way in a legislative framework. That gives us a great deal of concern. At some time in the future, whether it be the next election or the election after that, we anticipate that the Liberal Party will be in power in this State. Quite clearly the Liberal Party’s position is that we should allow the mining of uranium. Unless legislation is in place, nothing would impede the Liberal Party and the coalition from allowing the mining of uranium. I call on the Government again to ensure, before it goes to the polls, that it introduces legislation to prohibit the mining and export of uranium from this State. I understand the Government’s concern about sovereign risk, but I call on the Government to ensure that uranium is put firmly out of reach of the Liberal Party at the next election.

Hon KIM CHANCE (Agricultural - Minister for Agriculture, Forestry and Fisheries) [3.34 pm]: I thought it would be of advantage for a government member to rise on this occasion. I will be very brief and speak for only about five minutes because Hon Ljiljanna Ravlich will be the lead speaker for the Government on the motion. I want to join the chorus of members who have congratulated Hon John Fischer on moving this motion.

Hon John Fischer: I am getting concerned.

Hon KIM CHANCE: The motion allows the Australian Labor Party to celebrate its very strong environmental position, which is always a welcome opportunity and one that we certainly warmly welcome. I rise on this occasion prompted by the nature of the motion, to reflect on the soundness of our position, which has been so reinforced by the comments we have heard so far. Our position may be too green for the Leader of the Opposition and not green enough for Hon Robin Chapple, which means we are pretty much about where we should be.

I will address one specific issue that has been raised, which is relevant to my portfolio. I thank Hon John Fischer for raising the important question of biodiesel. Quite clearly, biodiesel is not the whole answer for the future cost squeeze that I think we face with fossil fuel.

Hon Murray Criddle: Do you think we can afford to run such a farm at current prices?

Hon KIM CHANCE: Let me go into that. At the moment the answer is no, it is not an economic proposition, but I think that position may change.

I can remember giving this speech in another place a few years ago - in fact, it was in 1973 during what was called the first oil crunch. I said then - it is as true now as it was then - that the world will never absolutely run out of oil. There is so much fossil oil in the world that it is almost impossible to say when it will run out. It will probably run out at about the same time as iron ore in the Pilbara will run out, which is millennia away. However, the absolute price of fossil energy is an issue now and will continue to be an issue in the foreseeable future. The price issues raise the questions of whether or when biodiesel and similar fuels will be alternatives that we must take seriously. I might add that in some places in the world it is taken very seriously. Germany in particular is a major user of biodiesel, and that concept is spreading throughout Europe, admittedly driven by tax advantages.
Biodiesel is not rocket science. Biodiesel is a very simple fuel. Dr Rudolf Diesel who designed the first engine of that dimension originally ran the engine on peanut oil. The engine was not designed to run on the fossil fuel we now call distillate or diesel. Diesel engines were originally designed with the concept of running on vegetable oil. There is nothing complex about biodiesel. It is 90 per cent oil of a biological source, which may be virgin oil, as in crushed canola oil, for example, or oil from crambe or mustard, or it may be recycled oil, commonly from the waste of fish and chip shops. It does not matter where it comes from. It can even be animal-based oil; indeed, tallow derivatives have been used to power vehicles for years. The issue about biodiesel is not its complex nature. Biodiesel is commonly 90 per cent oil of vegetable or animal extraction and 10 per cent alcohol, usually in the form of either ethanol or nethanol. It is that conversion and that process of separating the glycerine from the vegetable oil and combining the alcohol and the oil that produces the more durable fuel that we know as biodiesel.

Biodiesel is virtually carbon negative; the number of units of carbon it delivers into the atmosphere is about the same as the number absorbed by the crop that was used to grow the oil. It is therefore a carbon closed cycle. I do not want to lecture members on biodiesel, but I think it is important that the matter be raised.

Hon Paddy Embry: You said you would speak for five minutes. You have spoken for nearly 10 minutes.

Hon KIM CHANCE: I will finish now, but I did just want to inform the House that members can be very proud that Western Australia is by far the leader in biodiesel development in Australia. I want to reiterate the advice in my media statement of 24 August of this year, which is that Australia’s first all-in-one mobile oil seed processor and biodiesel production unit has been developed and launched by the WA Department of Agriculture; indeed, this unit has been seen in operation in various places throughout Western Australia, including the most recent Dowerin field day, which is where I made this announcement. The unit is being used to demonstrate a very simple biodiesel manufacturing facility. The processor is mounted on a trailer, and the two units on the trailer express the oil cost about $2,000 each. It is very low cost technology. It was designed that way to simulate the way in which a farm or a small group of farms might cooperate to produce their own oil. That is the way biodiesel will become a cost-effective production unit in agriculture in the future. It needs to be simple. It goes back to the reference that Hon Murray Criddle made to cost. We need to understand how to apply that simple technology safely because the manufacture of biodiesel involves the use of some elements that can make someone very sick if they are not handled right. We need to get those issues sorted out. The other factor about this biodiesel trailer that the Department of Agriculture is now running, is that the truck that hauls the trailer around the State runs on the biodiesel that is produced by the unit. The two diesel engines that run the unit also run on the biodiesel that is produced by the unit. Similarly, diesel road vehicles operating at Merredin, Avondale and Newdegate research stations will also be running on biodiesel produced by this unit. It is not being done because we think we can further the science or the development of biodiesel in any sense, but simply to apply, for practical purposes, a production methodology that people can actually see running in the circumstances they are used to. It is very much a unit that could be established on a farm, or a smaller version of one that could be established on a farm or a group of farms.

The other area in which the department is working very hard is in the development of crops that would be more suitable than the food grade canola that is currently being used in the production of biodiesel. This is where the high erucic acid oilseed plants come in, such as crambe, which produces a lubrication grade oil, and Ethiopian, Indian and Asian mustard. I saw the Asian mustard growing the other day at the Wongan Hills field day, and it looked very impressive. As a rough rule of thumb, 100 hectares of one of those oilseeds, yielding about two tonnes per hectare - which is about the predicted yield at Wongan Hills this year - will produce about 70,000 litres of biodiesel per year - enough to run an average size farm in the Wongan Hills area. Although I concede that it is not yet an economic operation, with some of the work we are doing it may soon become an economic operation, particularly if United States dollar prices for light crude oil hold around the $53 to $55 per barrel mark.

HON MURRAY CRIDDLE (Agricultural) [3.43 pm]: I want to comment on the impact of the Government’s environmental policies on people. Hon Norman Moore talked about their impact on production of minerals and the like, and there has certainly been a huge impact on the economy, but some of the decisions being made about planning and clearing - in essence about the environment - are having an enormous impact on families and the people who live in those environments. Hon Robyn McSweeney has been running an argument in the south west about wetlands. Fifty per cent of the wetlands in Western Australia are on crown land, and I wonder what approach the government is taking to that side of the argument, when it puts enormous pressure on people in the south west just by drawing lines, saying that this is a wetland and cannot be grazed in a way it has been grazed over the previous few years.

Hon Robyn McSweeney: A wetland is just a puddle.
Hon MURRAY CRIDDLE: In the summertime, a wetland is a very important grazing proposition for farmland, because that is where the stock go to carry them through the summer. That has an enormous impact on the viability of those properties. The Minister for the Environment and the Minister for Planning and Infrastructure, when they are making those decisions, should remember the impact on the people. When the announcement was made in Tasmania about the forests, there was such a great impact because it affected people. There was no understanding of that when the announcement was made, and it was not made clear publicly. That is the problem we have in the community now. It has not just happened; it has been going on for some time. I was one of the blokes who started to clear land in the early 1960s. We had to clear land then, and we did have some enormous impacts. There are families in my area who are still suffering the dramatic impact of enhanced clearing bans. The Minister for Agriculture knows exactly what I am talking about. There is a major emotional as well as financial impact on those families.

Hon Kim Chance: Land clearing effectively stopped 15 years ago. This is nothing new.

Hon MURRAY CRIDDLE: The minister is saying that, but we both know that land is being cleared, and what the impacts are. I am not saying that everything has been done correctly, and in fact I know that things are being done incorrectly in some cases. A conclusion should be drawn to those things. I told the minister three years ago that we should draw a line in the sand, finalise the arrangement and get on with it from there. I firmly believe that that would have been the right decision to make at that time. I am not telling the minister something that I did not say then.

Hon Kim Chance: That is what we have done - we have drawn a line with this new legislation.

Hon MURRAY CRIDDLE: Yes, but the minister should consider the impact over the past few years. He should go and talk to the people.

Hon Kim Chance: We are still sorting out the mess from the past few years.

Hon MURRAY CRIDDLE: He should go and talk to the people and sort the mess out. I am just pointing out that this sort of thing, as far as a policy for the environment is concerned, is very important. It is now going on at Serpentine, where they are saying that they need six gigalitres of water in this area in fifty years and that residents may no longer do a number of things. There is an enormous impact on those people.

Hon Kim Chance: That is nothing new either. Think of the restrictions on the people living on the Allanooka mound, near Geraldton. They have now had P1 and P2 restrictions for years - it is nothing new.

Hon MURRAY CRIDDLE: I know that, but the Government must explain to the people what it is doing, not just come up with a map with lines drawn on it and tell the people that this is what is going to happen and that they cannot farm as they used to, without any acknowledgment of any impact on their business and on their families. These environmental decisions will inevitably have that sort of impact. If the government intends to do these things, it should bear the consequences.

Hon Kim Chance: What you are saying is that we should be doing things differently from the way you did when you were in government.

Hon MURRAY CRIDDLE: No; I am saying to the minister that there is an impact on families that needs to be taken into consideration as these things are progressed. In the case of the wetlands, as I discovered the other day, 50 per cent of them are on crown land. Will the Government treat them in the same manner as it treats people who have a wetland on their land, when decisions on those wetlands impact on their viability?

I want to consider a couple of other issues. I have touched on the clearing bans, which certainly have a major impact. There is the whole issue of salt in country areas. We have put out the living lakes proposition. Some people agree and some do not. I think it is one of the possible solutions that has been put forward, and, if people have a better idea, they should come forward and put something in place, because the issue of salt in the agricultural regions must be addressed.

Hon Kim Chance: I think the living lakes proposition is a very good idea, for what it is worth.

Hon MURRAY CRIDDLE: It is a good idea, but those people who are criticising it should come back with a better idea, or else we should get on and do something about it. The farmers themselves are the ones who will solve the problems in the agricultural regions. They have started, to a very large extent, with minimum tillage, trees, drains and all those other projects. They are certainly not the answers to the whole problem, but they are a start.

I want to touch on the hydrogen fuel cell issue. I was the one who went to Germany and initiated this. We took the minister over on the third trip, I think, and she certainly has got a lot of kudos out of it just recently. I was the minister from the previous Government involved, and we signed off on those arrangements at that time; that
Hon John Fischer; Hon Norman Moore; Deputy President; Hon Robin Chapple; Hon Kim Chance; Hon Murray Criddle; Hon Ljiljanna Ravlich; Hon Bill Stretch; Hon Paddy Embry; Hon Robyn McSweeney

is why the hydrogen fuel cell buses are here at the moment. We were the first city out of the 11 to sign up in London. From an economic point of view, the hydrogen fuel cell has a long way to go, as does biodiesel. All of these things are feasible but the economics have to work.

From the point of view of conservation and the environment, and the marine reserves that have been put in place such as the one around the Abrolhos Islands, we must also preserve the right of fishermen to fish in those areas as they have their livelihood to protect.

I certainly welcome the opportunity to make a few comments on this motion that was moved by Hon John Fischer. It will have been a valuable discussion if people actually do some positive things as a result and some initiatives are put in place. I raised the issue of the “living lakes” because that is one of the positive ways to resolve issues such as salinity in the wheatbelt.

HON LJILJANNA RAVLICH (East Metropolitan - Minister for Local Government and Regional Development) [3.53 pm]: I too thank the honourable member for bringing this motion before the House requesting the Government to outline its policies on the environment. I also thank Hon Kim Chance for having provided some information about biodiesel. It was very pertinent that he did so given that it is an area for which he has responsibility and that he was in a good position to provide the member with a direct response.

I am sure we all agree that Western Australia’s natural environment is unique, as is its built environment. It is beholden on all of us to think very carefully about the value of that environment, and to give due consideration to protecting that environment for successive generations. If we realise the value of what we have and the need to protect it, then it will be a better place in which to live, which is why the Gallop Government is committed to protecting the environment for successive generations.

In the 2003-04 budget estimates, the Gallop Government allocated a total of $121 million to conservation and land management, which reflects the high regard in which we hold the environment and environmental issues generally. We are very proud of our record on the environment. We were elected on a very strong environmental platform and we are very proud of our achievements in that area. We promised to end logging in old-growth forests and create 13 new national parks, which was a part of the Regional Forest Agreement. We are part way through that process. Sometime in the next few weeks, the Reserves (National Parks, Conservation Parks and Nature Reserves) Bill 2004 will be before this place - I understand it has just been introduced in the other place. That Bill is one of three pieces of legislation that deals with protecting the remaining old-growth forest. It will create 30 new national parks and two new conservation parks. It will create 200 000 hectares of new reserves. It honours the 150 000 hectares of new reserves proposed by the Regional Forest Agreement, and reinstates some 54 000 hectares of new reserves revoked by the previous -

Point of Order

Hon BILL STRETCH: I submit that the minister is actually canvassing the two Bills that are already on the notice paper before this House. She is virtually repeating their second reading speeches.

The DEPUTY PRESIDENT (Hon Kate Doust): The minister should be aware that she cannot canvass Bills that are before the House; however, she can canvass general policy issues.

Debate Resumed

Hon LJILJANNA RAVLICH: Thank you very much, Madam Deputy President. The point I want to make is about our old-growth forest policy. We gave a commitment that we would deliver, and we are on track to deliver exactly what we promised in terms of the creation of 30 new national parks and two new conservation parks. We have also given an undertaking to saving Ningaloo Reef from development and put in place a plan to safeguard its future. With all of these issues about the protection of our environment, the question is what should be protected and within what sort of a time frame? The answer always comes down to the different values held by people. We will always have differing views on what should be protected because of the differing interests of people that some of us might represent in this place. However, we would all agree that there is a need to ensure that the policy of protection is at least applied so that we can preserve things for future generations. As has already been indicated, some people in this place may disagree with the fact that we intend to save Ningaloo Reef, but that is a matter of question.

We are also protecting more of our coastline by creating six new marine parks to protect our world-renowned oceans. In addition, we are jointly funding a $316 million plan to help tackle salinity across the State. This has been a major environmental issue, much of it due to the policies of land clearing of the past. This Government has put its money where its mouth is with regard to that matter by contributing $316 million to that initiative. We have also introduced a tougher environmental watchdog with new laws and more resources to catch and punish polluters, and have taken action to prevent the federal Government from dumping nuclear waste in Western Australia.
There have been a number of very interesting debates in relation to fuel; the need to spread risk in terms of the types of fuel that we traditionally use, the need to look at what could be used in the future to reduce that reliance on more traditional fuel sources and the need to look at the opportunities for other fuel sources. I welcome that debate because it needs to be had. One of the things a person is told if he plays the stock market is to spread the risks and leave a bit for the next bloke. I think it is always good, irrespective of what we are looking at in terms of options, to keep that in mind; that is very important in the energy debate.

Sustainable transport is very important. Members might be aware that in September, Western Australia held a three-day international hydrogen fuel cell futures conference. The Minister for Planning and Infrastructure was involved in the coordination of this initiative. The conference looked at alternatives that would reduce the State’s long-term dependence on oil. As I understand it, Western Australia relies on crude oil for 95 per cent of its transport fuel needs. By 2015, 70 per cent of our oil needs will be imported. We are certainly committed to exploring every option, including hydrogen fuel cell technology, to ensure our future energy supplies are both renewable and sustainable.

Hon Bruce Donaldson: The hydrogen fuel cell buses were introduced by a coalition Government.

Hon LJILJANNA RAVLICH: We have three on trial and the value of the trial is worth $8 million. We are waiting to see how they perform. All the indications are that they are performing well.

Hon Murray Criddle: Have you ridden on one?

Hon LJILJANNA RAVLICH: No, I have not.

Hon Murray Criddle: They are as smooth as a trolley bus.

Hon LJILJANNA RAVLICH: A very good ride? I must admit that I have heard that our bus system is world class. It may well be for that reason.

I understand that the hydrogen fuel cell buses have considerable advantages over others powered through different means because there are no greenhouse gases; they do not produce any smog-creating emissions. They are also quieter than conventional buses.

Hon Murray Criddle: They produce only steam.

Hon LJILJANNA RAVLICH: They produce only steam. As such, they are much friendlier to the environment. They are also much more efficient than internal combustion engines and they are predicted to be cheaper to run. It seems to me that they have a number of positive factors that make them cost competitive and environmentally advantageous compared with alternatives.

I am aware of the time limitations and I will quickly address the issue of the impact of heritage listing. I refer to the question of what people believe should be heritage listed as opposed to what should not be listed. It may be something that is quite subjective. I see heritage listing as having very widespread advantages, particularly for local communities. I do not share the view of Hon Norman Moore because his view of the world is that the glass is always half empty. My view of the world is that I like to think that the glass is always half full.

Hon Paddy Embry: What does World Heritage listing contribute?

Hon LJILJANNA RAVLICH: It is funny that the member should ask. Members can always pick and criticise; they can always be negative. I find that the Leader of the Opposition is always picking and criticising - he is always negative. I wish that one day he will wake up being happy. However, it may not happen in my lifetime.

The member asked what are the advantages of heritage listing. The most obvious is the increase in the number of tourists, not just from around Australia. As a result of increased opportunities, such areas often attract international tourists who may otherwise not be tempted to travel so far. In association with that is an increase in employment and income opportunities. For example, some local communities derive an additional income flow that, due to the multiplier effect, results in increased economic activity.

Hon Murray Criddle: What funding is the State Government going to put into heritage?

Hon LJILJANNA RAVLICH: It currently contributes $121 million to conservation and land management.

Hon Murray Criddle: You are talking about heritage.

Hon LJILJANNA RAVLICH: If the member is asking a specific question, I suggest he put it on notice. I am currently advising the House of the advantages of World Heritage listing. In addition to that, it is my view and the view of the Government that we will have access to commonwealth government funding to strengthen the management of and improve interpretation and visitor facilities for any listing that may take place. As far as I am concerned, World Heritage listing is all positive.
I am aware of my time limit and that another member wishes to make a contribution to this debate. The Gallop Labor Government is very proud of its achievement in this area. We have very strong environmental credentials and we will continue to have a positive response to environment matters. I thank the member for bringing the motion before the House.

HON PADDY EMBRY (South West) [4.05 pm]: The environment is a huge subject and, as such, I will talk on one aspect of it. Before I do, I congratulate Hon John Fischer on his motion. To start off, I will speak 100 per cent to the motion.

It is possible that politicians are very clear on the Government’s policy but the public is not. There is great confusion because the public does not really know where the Government’s policy finishes and where the green policy starts. I urge the Government to do a lot more to publicise exactly what are its policies. There is confusion. I hope this Government does not fall into the same trap that it did federally when it got involved with the new federal member Peter Garrett. This is what confuses people. In the federal case it backfired. We all know what happened in Tasmania. The Government needs to clearly outline - which is what the motion asks - its policies on the environment.

I want to follow up a question asked by Hon John Fischer yesterday about the culling of kangaroos. Part (2) of the answer stated that the Department of Conservation and Land Management undertakes aerial surveys to establish population trends of kangaroos. The results are submitted to the Commonwealth. The answer states that aerial surveys were undertaken in the goldfields in July and August and last year. One of the commercial pilots involved in the survey is a very good friend of mine. He was involved in flying a young CALM officer over a survey area. I do not know whether the officer was a permanent employee or someone studying in that field at university. My friend’s job was to pilot the plane. I flew with the same pilot several years ago for aerial cattle mustering. A problem I found was to see and identify animals. I will relate to the House the story told to me by the pilot last month. They had finished the first paddock and the young CALM employee said to the pilot that it was a waste of time because he saw only one kangaroo. The pilot asked him how many sheep he saw. The employee replied that he did not see any. The pilot said there were in excess of 8 000 sheep in the paddock. He asked whether there might be a connection between the employee not seeing any sheep and there being more than one kangaroo. The pilot said that in the first run up the paddock he counted 110. He was piloting the plane! The point is that because the person who was employed to count had no experience, and because it might have been the first time he had been in a plane and he was very excited about what was going on with the controls, he might have missed them. I have looked for cattle in that sort of country, and I have found that they get in under the shade of trees and it is very hard to identify them. People need to learn how to actually do it. I suggest that, like a lot of statistics, these figures are out of kilter. When CALM employs people to do this job, it needs to employ people who are experienced in aerial surveys. The mustering pilots and some of the station people would be ideal.

I am interested in the figures that were provided in the answer about the grey kangaroo. The answer states that the grey kangaroo population is estimated to be 667 000 in 2003. Mr Brown, who owns Cocklebiddy Station and another one, estimates that he has close to that number just on his two stations. Believe me, he would have a far better idea than most other people. He estimates he has in excess of 700 000 grey kangaroos. That is a lot of kangaroos. I do not know whether Hon Murray Criddle has a lot of kangaroos in his area. There are a lot in my area. The Government is completely wast ing its money when it employs someone from CALM to get involved in aerial counting. I am not exaggerating one single kangaroo. They are in huge proportions. It is a disaster. Mr Brown now employs people to shoot them and leave them. It is a terrible waste. He does not have a particular problem with wild dogs in his area, but he certainly has a problem with blowflies. No-one wants to have this sort of waste. It is important to get accurate figures to the Commonwealth Government about the numbers, it is even more important to get a more accurate result in the counting. It is commonsense. I do not blame the young fellow from CALM. As I have said, as a farmer and knowing what a cattle beast looks like, I have real difficulty in the goldfields. The white ones are easy to spot. Shorn sheep are easy to spot. However, mother nature provides its animals with a natural camouflage. The unfortunate thing about the white ones is that they are the wild ones in the yard and they are a bit dangerous. However, from a spotting point of view they are ideal.

Hon Ljiljanna Ravlich: Sheep are not native to that part of the world.

Hon PADDY EMBRY: I am talking about white cattle. No, sheep are not native, so they are easy to spot. That is why I urge the Government to listen to the commonsense of what I am saying and do something about making the counting more accurate. Kangaroos are part of our national emblem. I do not know of one farmer who wants them to be destroyed. However, it is necessary that they be contained in economic numbers.

Hon Bruce Donaldson: Crocodile Dundee dressed up as a kangaroo, do you remember?
Hon PADDY EMBRY: I know someone who used to farm in Gardiner River, in the member’s electorate, who was shot. He actually shot a kangaroo, and he thought it was dead, and as a joke he put his duffle coat on the kangaroo, but he had only stunned it, and it hopped away. However, unfortunately the particular man was later mistaken for a kangaroo and was shot, and he died some weeks later in Albany Regional Hospital. So it is not actually a joke, is it? I believe this issue is a part of the environment that needs attention, and I urge the new minister to put some time into it.

HON ROBYN McSWEENEY (South West) [4.14 pm]: I place on record that although Hon Judy Edwards is a very nice person, she is way out of her depth as Minister for the Environment. There are 14,000 farmers in this State. Everyone in this House knows that I am passionately opposed to the Environmental Protection Amendment Bill. It is absolutely flawed. I want to pick up what Hon Murray Criddle said about wetlands. A family in Gingin has been badly affected by the Government’s policy on wetlands, so much so that the wife wrote to me and said that at one stage of the negotiations they were told that they would not be able to clear their land as a designated wetlands was registered 15 kilometres away from them and the birds that flew over their property would be disadvantaged if they were to knock down any trees. That sounds stupid to me, and perhaps also to the minister, but to them that was very real, because bureaucrats were crawling around their farm telling them what they could not do because they were near wetlands.

Debate interrupted, pursuant to sessional orders.

Sitting suspended from 4.14 to 4.30 pm