

COMMONWEALTH OF AUSTRALIA

## Official Committee Hansard

## HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON PETITIONS

**Reference: Petitions presented before 5 September 2008** 

WEDNESDAY, 24 SEPTEMBER 2008

CANBERRA

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

**BRADLEY**, Mr Craig, Acting Assistant Secretary, Urban Water Security Branch, Water Governance Division, Department of the Environment, Water, Heritage and the Arts

**BURNETT, Mr Peter, First Assistant Secretary, Approvals and Wildlife Division, Department of the Environment, Water, Heritage and the Arts** 

COSTELLO, Mr Steve, Acting First Assistant Secretary, Water Governance Division, Department of the Environment, Water, Heritage and the Arts

**GIDDING**, Ms Lesley, Acting Director, Cetacean Conservation Section, Marine Initiatives Branch, Marine Division, Department of the Environment, Water, Heritage and the Arts

KOMIDAR, Mr Peter, Acting Assistant Secretary, Marine Initiatives Branch, Marine Division, Department of the Environment, Water, Heritage and the Arts

**RAETHER, Mr Robert, Assistant Secretary, Renewables, Offsets and COAG Branch, Department of Climate Change** 

SKIPPINGTON, Ms Cathy, Assistant Secretary, Environment Assessment Branch, Approvals and Wildlife Division, Department of the Environment, Water, Heritage and the Arts

SMITH, Mr David, Acting Assistant Secretary, Energy Efficiency Branch, Renewables and Energy Efficiency Division, Department of the Environment, Water, Heritage and the Arts

THOMPSON, Ms Shayleen, First Assistant Secretary, Strategies and Coordination Division, Department of Climate Change

**CHAIR**—I welcome representatives from the Department of the Environment, Water Heritage and the Arts, and the Department of Climate Change. Although the committee does not require you to speak under oath you should understand that this meeting is a formal proceeding of the parliament. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. I have to be honest, in my 10 years as a federal member of parliament I have attended a lot of public hearings and I think it is the first time I have seen such a long line-up from one department! Thank you very much for coming here today.

I want to ask a question on a petition regarding the Green, Dock and Natimuk lakes. We received a response on 11 July from Steve Costello, Assistant Secretary. Mr Costello, as you know, the Petitions Committee is a new committee of the parliament. I have to point out that, in future, we will have to have that response from the minister.

Mr Costello—I apologise.

**CHAIR**—No, that is quite all right. Seeing as you have signed the letter on behalf of the minister, I want to ask you a question regarding the second-last paragraph, which states:

GWM have provided advice that, in consultation with the Reservoir Review Stakeholder Working Group they are undertaking further investigation and modelling in relation to operating scenarios for Dock and Green lakes.

Can you give us an update on those consultations?

**Mr Costello**—Yes. Those consultations by the Grampians Wimmera Mallee Water Authority have concluded. They have finalised their review of the operating arrangements. There are in fact 32 water supply reservoirs, weirs and lakes that were under review as part of the construction of the Wimmera Mallee pipeline project. So they have now issued their preferred operating scenarios for those 32 facilities. That is publicly available on fact sheets et cetera on their website.

CHAIR—Mr Broadbent, do you have any questions?

**Mr BROADBENT**—This is probably to everybody. With this petitions process we are getting petitions on issues relating to the Grampians Murray water supply situation, and the Petitions Committee is asking you to address these issues. Do you have any thoughts on the process? It is probably unfair to ask you, but we are on new ground here. We are just trying to look at how we are going with this process. Has the process been reasonable for the department?

**Mr Costello**—Yes, it has. I preface that by saying that, in order for us to get information on these issues, which are really being discussed and resolved locally—we are certainly not decision-makers in this—we ourselves go to the source, which in this particular example is the Grampians Wimmera Mallee Water Authority. We are a conduit for information; we are not really the source of the decisions.

**Mr BROADBENT**—The fact is that the relationship between the nation, the department and the parliament has now changed. It has changed because you are sitting here. It has changed because Robert is here, Shayleen is here and you are here. Craig, you stated that you—what was your role?

Mr Bradley—Urban water security.

**Mr BROADBENT**—Urban water security, yes. When I last visited this parliament, there were no such people as yourselves in the parliament. There is now a direct relationship between the people of Australia and the federal parliament, bypassing the water boards, bypassing the state governments, bypassing any authority all the way to the petitions committee in this case and all the way to the minister and the department in your cases. We suddenly have a direct role to play on behalf of people who are concerned about the tourism activity around the water supply and the security of that water supply. Where am I headed with this? I have no idea except to acknowledge that we are in different times as to responsibility: the federal government back to an individual in the community. Do you have any comments?

**CHAIR**—If there are no comments, you may want to take that on notice to get back to the committee.

**Mr Costello**—We are happy to assist by providing information and pointing out to members of the public where they can source additional information on these issues. Where we have that knowledge, we are more than happy to provide it.

CHAIR—That would be fine.

Mr ADAMS—This is the water in South Australia petition, isn't it?

**Mr BROADBENT**—No, this is on the two lakes in the Grampians area. We know that there are 32 water areas in the area that they administer, and they have done a review on them. The review is on their website.

Mr ADAMS—That has been told to the people who have petitioned the parliament?

**Mr Costello**—Our letter was in July. The subsequent outcome of the review that was done was in August. I have not heard back from those people directly. The Grampians Wimmera Mallee Water Authority has some public communication newsletters and those sorts of things in their area.

**Mr ADAMS**—We are trying to carry on from what the deputy chair said. We are trying to give information back to those who petition the parliament on processes where they can seek further information and other directions to go in than the petition. That is why I was asking that question. I think you signed the letter to us, not the minister, but you have had no communication with the senior petitioner?

Mr Costello—Not directly as a result of the petition, I don't believe so.

Mr ADAMS—Do you think you might do that?

Mr Costello—I would seek guidance on the appropriate process and I would follow that.

**Mr ADAMS**—Okay. Do you have legislative rights to have input into the management of water and climate change issues at a local or state level?

**Mr Costello**—Constitutionally, at the moment management of water rests with the states. There are some amendments—there is now a Commonwealth water act—particularly in relation to the Murray-Darling Basin agreement and changing the arrangements for the management of the Murray-Darling Basin to give the Murray-Darling Basin Authority, which will be a Commonwealth entity, greater management input into that. The states are referring their powers to the Commonwealth to allow that to happen, to prepare a basin plan. But generally speaking we do not have any constitutional authority over local water management issues. We do provide some grants and other assistance on water matters. Sometimes we have some ability to seek better outcomes through grant funding or other mechanisms like that.

**Mr BROADBENT**—Are officers of the climate change area of the department further distanced once again from even the water management areas of officers' responsibility?

Ms Thompson—The Department of Climate Change does not have among its functions management of water resources, so it is not something that we engage with. It is not part of our role.

**Mr BROADBENT**—I am not allowed to ask the role, am I, Chair? No, as it would be way off track?

**CHAIR**—I do not think so. I would like to get on the record—this is for everybody here from the departments and also members of the committee—that once a petition is tabled within the federal parliament and then we write to the relevant minister the minister only gets the terms of that petition and is not aware of who the principal petitioner is. That is how it happens. I am wondering if you can give us background information as to how responsibilities are decided and distributed between the two departments, as overlap seems to occur on some issues raised in petitions. We might send petitions off to a minister and then the minister will write back to us and say, 'Look, it's not our area. We can handle a certain section of this but I am referring the rest to another department.' The committee would benefit from a brief explanation of how responsibilities for international environmental issues are determined. For example, we received a very good petition on whaling recently. It was sent to the Department of Foreign Affairs and Trade because the recommendation was that the Department of Foreign Affairs and Trade dealt with international agreements. Does this apply to other environmental policies?

**Mr Komidar**—The issue of international whaling is a multifaceted one. The Australian government takes a whole-of-government approach which involves DFAT, the Department of Foreign Affairs and Trade, and the Department of the Environment, Water, Heritage and the Arts working closely together on that matter. The responsibilities of DEWHA relate to environmental policy. They include whale conservation, whale research and our activities in the International Whaling Commission. DFAT has responsibilities for international diplomacy, advocating Australia's whale policy position and bilateral relations with Japan and other whaling nations.

**Mr SIMPKINS**—Is there really any involvement at all by the Department of Climate Change with Natimuk Lake and with Green and Dock lakes? There is no relationship at all is there?

Ms Thompson—No.

**Mr SIMPKINS**—Mr Costello, this is with regard to the process of this letter I have here. The chair of the committee wrote to your minister with regard to this petition. What is the process within the minister's office? I am not trying to get heavy about this. Did her advisers actually decide to send it down to the department or could it have been that the liaison officers from the department decided this was one to go down to the department? Who would have made the decision to send it out to your guys?

Mr Costello—If I may I will check with one of my colleagues from the parliamentary services area who is here.

## Mr SIMPKINS—Sure.

Mr ADAMS—I think that is the administrative policy area in the minister's office.

**Mr Costello**—That is right—the minister's office. We allocate correspondence as 'reply by minister' or 'reply by department' or 'departmental reply'.

Mr SIMPKINS—Sorry, but did you just indicate then who made that decision?

Mr Costello—It came out of the minister's office. It would have provided all the correspondence as marked to us for 'reply by minister' or 'departmental reply'.

Mr SIMPKINS—Okay, and we will not go any further as to that one. Did we send it to the right place?

**Mr Costello**—It would appear not. In future if we get one like that we will say that this should be a 'reply by minister'.

Mr SIMPKINS—Okay and thanks very much.

**Mr ADAMS**—In relation to what Mr Costello was saying about the reply and also the constitutional coverage of the states in looking after water, I refer to the agreement that is now coming into force through the COAG process with the Commonwealth as to the Murray-Darling Basin Authority becoming the sole decision maker in the process, which is what we have been trying to achieve in this country for some time. Will that change the access that you have to information to go back to petitioners of the federal parliament?

**Mr Costello**—In relation to Murray-Darling Basin matters it would. The Wimmera system will not come under the purview of the Murray-Darling Basin Authority, but we have the funding agreement with the Victorian government: we are partly funding the Wimmera Mallee pipeline, so we do have access to information about that project and associated issues. We have ability to ask questions.

Mr ADAMS—How much do we put into that?

Mr Bradley—The total Commonwealth investment at the moment is \$266 million.

Mr BROADBENT—Commonwealth.

Mr Bradley—Commonwealth. And the total project is about \$688 million.

Mr ADAMS—Is that all Commonwealth money?

**Mr Bradley**—The Commonwealth money is matched by the Victorian government and the remainder is provided through the Grampians Wimmera Mallee Water Authority.

**Mr BROADBENT**—Is the Commonwealth money going to the efficiency bid for the irrigation or is it going to the building of the pipeline? Who guarantees the efficiency gains in the irrigation district?

Mr Costello—This is largely not an irrigation district; most of this is stock and domestic water supply in the Wimmera.

Mr BROADBENT—Coming out of Eildon.

Mr Costello-No, it comes from further over-

Mr Bradley—We will give a brief overview, if you like.

CHAIR—That would be appreciated.

**Mr Bradley**—The Wimmera Mallee in western Victoria was traditionally supplied through open channels.

Mr BROADBENT—An old system.

Mr Bradley—Yes, an old system. There is a lot of water loss.

Mr ADAMS—Was it the brothers who did it, the Chaffey brothers?

**Mr Bradley**—I think they were more in the Riverland Mildura area on the Murray. It is basically a stock and domestic system. The project is about replacing the open channels with pipe. There are 16,000 kilometres of open channels and there will be 8,000 kilometres of pipe.

Mr BROADBENT—How big is the pipe?

Mr Bradley—It varies—

Mr BROADBENT—What is the biggest one in the irrigation area?

Mr Bradley—It does not service an irrigation area. It services properties.

**Mr BROADBENT**—So no irrigation whatsoever; it is not coming into any irrigation area. So that money is not going for efficiency in irrigation anywhere.

**Mr Bradley**—It is going for the efficiency in the water distribution system but not irrigation per se. These are not irrigation properties.

**Mr Costello**—And the significant water saving, which is 103 gigalitres a year. Of that, 80 gigalitres a year is for environmental purposes.

**Mr BROADBENT**—That is coming out of the removal of the evaporation in the open channels. Is that what you are telling me?

Mr Costello—Yes. And seepage.

**Mr BROADBENT**—And you are sure about that? Have you done the figures or have you been told the figures?

Mr ADAMS—It is scientific work that has been done.

**Mr BROADBENT**—I want to know if the Commonwealth has been told or they have just been told by some state people. Have you done the work?

**Mr Costello**—The state people provided us with a proposal with engineering reports and the other things. We did not initiate the project or do the engineering, no.

Mr BROADBENT—Have we done any assessment of that?

**Mr Costello**—At the time that the proposal was approved, we looked at the evidence and considered it was prepared by credible and professional people, so we did not independently engage consultants to review the other consultants' reports.

Mr BROADBENT—I only ask you that question because it has been put to me that it is—how do you say bull—

**CHAIR**—You are not allowed to say that word, Deputy Chair. You have got to be a gentleman today.

**Mr BROADBENT**—That the figures might not be accurate. I would just love it if my Commonwealth government did some assessment on those things on their own so they were absolutely sure that what we have been told is correct. If we are going to be serious about these water issues, and water is the most important issue facing this nation today—that is why we have you and that is why we have climate change people—I wish there were greater assessment of what you are being told today. That is why some of these petitions come in. Anyway, I am glad you have cleared that up for me.

**CHAIR**—I want to go to a petition that has been tabled in the House, and that was a petition on water infrastructure for South Australia. It was tabled in the House on 26 May. We have not received a response as yet from the minister, and that response was due on 25 August. Can you let us know when that ministerial response might be coming?

Mr Costello—The minister is aware of the petition and is considering a response.

**CHAIR**—Are there any more questions?

Mr ADAMS—There are some here on the Olympic Dam.

**CHAIR**—Is that to halt the expansion of uranium mining at Olympic Dam?

**Mr ADAMS**—Yes, there is that one. There is also one in relation to low-level radiation waste. Minister Garrett wrote back in that area. Don't we have some obligations internationally to take deal with our own waste? At the moment we are sending our waste to France, but we have to deal with that in a time-line period. We have waste from our own hospital systems but we also have Lucas Heights waste. Are there some obligations for us in that there is a time line for that?

**Mr Burnett**—I am afraid that is outside my area of responsibility. A lot of the nuclear waste issues are looked after by the Department of Resources, Energy and Tourism. We have a specific

role in the Environment portfolio, which is to conduct an environmental impact assessment should there be a proposal to establish a new nuclear waste facility.

**Mr ADAMS**—Just to tell you where I was coming from: I know we have obligations, but I would like to make sure that the people who are petitioning the parliament know what the circumstances are and what the debate is or where the issue is so that they are aware of that. I see that the minister has indicated that they are preparing a submission and that relevant state and territory governments and some Indigenous local communities would be consulted et cetera. I was just concerned about getting as much information as possible to give to the petitioners.

**Mr Burnett**—Perhaps I can elaborate on that. Essentially, there are two stages to this. The work that Minister Garrett referred to in the final paragraph of his letter on 8 July is essentially work being done within the Resources, Energy and Tourism portfolio, and that is the question of whether Australia needs a new facility and, if so, what kind and where et cetera. But once the government takes such a decision and has a proposal then it will be referred to us, and that is the second stage, where we will do a formal environmental impact assessment under the EPBC Act.

Mr ADAMS—Okay. So the petitioners get this letter and nothing else.

**Mr BROADBENT**—I have a question on the petition to halt the expansion of uranium mining at Olympic Dam. Obviously this 11-year-old Kempsey schoolgirl is very concerned about radon gas destroying their communities for thousands of years—all our cities and country towns, if built. This is a fear situation that probably needs to be addressed quicker than the EIS from BPH Billiton. Do we need to communicate something about what the government is doing in regard to this?

**Mr Burnett**—I think there are two ways in which the committee might respond to the petition. Firstly, I will give you a little bit of contextual information about radon; and, secondly, I will speak about the environmental impact assessment process. Radon gas emanates from uranium. It is naturally present in this room. It is at a background level. Obviously when you uncover an ore body that has uranium in it such as at Olympic Dam there is an increased presence of the radon gas.

Mr BROADBENT—I know nothing about this.

Mr ADAMS—Well, listen.

**Mr BROADBENT**—I am trying. What is the radon gas in the first place? It comes out of what—just out of the mining process?

**Mr Burnett**—Uranium decays naturally. One of the decay products is radon gas. Radon gas does not directly affect human health, but it in turn breaks down and produces what are called 'daughter products'. Some of those, which are radioactive particles of various kinds, can increase a person's risk of cancer. So, when a person is exposed to that, there is a health risk. As I say, we are all exposed to it at a background level all the time, but the principal risk in a mining context is an occupational health and safety risk. If you have an underground mine, they will deal with it by installing artificial ventilation to discharge it to the air. With a proposed open-cut

mine like this, it is not likely to be a significant health risk because the natural ventilation in the open-cut pit is likely to deal with the issue.

However, that is the likelihood; that is speaking in terms of generalities. In terms of the specifics, as the assessment proceeds, part of that formal assessment will be specifically looking at that issue and whether there is an increased risk present and, if so, how it is going to be dealt with. If necessary, conditions would be imposed as part of any approval given to the mine to make sure that the level of exposure of people at the mine site did not breach national or international standards.

But, as a general proposition, you can say it is likely that the natural ventilation at the site will deal with the issue. Radon gas emanating from a particular source such as this mine is highly unlikely to be a health issue outside the immediate mine site because the levels are so low. It simply disperses into the atmosphere and is not detectable above background levels.

**Mr BROADBENT**—Chair, I have a question to you. As part of the process of what we are doing here, will we be sending a transcript of what Mr Burnett just said to the 11-year-old girl from Kempsey and her classmates?

**CHAIR**—It will be put on our website, and that transcript can be sent to the principal petitioner.

Mr BROADBENT—Is this girl the principal petitioner?

**CHAIR**—I am advised that she is not. But it will be on the website, and the principal petitioner will be advised. I also have one question, but we will go first to Mr Adams.

**Mr ADAMS**—I just want to deal with that issue, because this is a bit like dioxins and other things in the industry process. With the ordinary debates within our community on the environment and considerations, some people get a little bit drawn into a very narrow position. I think knowledge is what needs to be there. On the Olympic Dam level of testing for occupational health and safety, I think every worker is tested on a regular basis and those are recorded. That is what they told me when I asked questions there. That sort of information needs to be readily available for people—as the deputy chair said. The reply we have got from the minister seems to be a very narrow reply. Is there are any further information that can be added?

**Mr Burnett**—I will just elaborate a bit. The minister has referred in his letter to the environment assessment process, so perhaps I could just elaborate on that a little bit. There are several important parts to this process. It is a formal statutory process. The proponent, in this case BHP Billiton, is required to prepare a very extensive environmental impact statement. That document is not finalised yet. It is not likely to be put out until early next year, but it will be a very large document, and we will expect it to deal comprehensively with all the potential environmental issues, including exposure to radon gas. The document is then available for public comment. The fact that it is available for public comment is advertised in both national and state based newspapers and also on our website. It is then possible for people to make submissions. They do not need to be an expert to put their views forward. All submissions received are carefully considered and taken into account by the minister when making a final decision about the proposal. So there is another opportunity for petitioners to express their views in this process.

**CHAIR**—Thank you very much for that. You actually just answered the question that I was going to ask you. When you say early next year, would we expect that to be February or March next year?

**Mr Burnett**—There is no specific date, and it is up to the company. The environmental impact assessment will not be released until the company has completed the task and the regulators, including us, have said that the document is adequate and it is okay to be released. We currently anticipate that it will be early next year, but there is no fixed date.

**CHAIR**—On behalf of the petitioners: where it is stated in Minister Garrett's letter that it will be released for public comment for a period of eight weeks, is that public comment like a submission that the public can put in, or can they just respond in a letter, like to the minister?

**Mr Burnett**—Yes, they can respond. When it is notified, there will be details as to how to respond, but they could respond through the website or by writing a letter or by putting in a formal submission, perhaps drawing on other sources or experts or whatever.

CHAIR—Or a further petition.

Mr Burnett—Yes, I suppose so.

**CHAIR**—As there are no further questions, thank you very much for coming before the petitions committee today. It was very interesting, and I look forward to seeing you at a later date and time.

Mr ADAMS—It is another parliamentary committee that people have to deal with, but—

CHAIR—I know.

Mr Burnett—We are excited by it.