



THE HON PETER GARRETT AM MP

MINISTER FOR THE ENVIRONMENT, HERITAGE AND THE ARTS

TRANSCRIPT

**E&OE TRANSCRIPT
INTERVIEW WITH FRAN KELLY
RADIO NATIONAL BREAKFAST**

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SUBJECTS: Gunns pulp mill

KELLY: Well remember the raging controversy over the approval process for the Gunns pulp mill in Tasmania during the last election, in the lead-up to the election? Well Gunns now says it is pushing ahead with the mill and is looking at an equity raising to get the hundreds of millions of dollars it needs to build the plant.

Yesterday, shares in Gunns were at an eight year low, in fact placed in a trading halt while the company goes out seeking this funding. In the last few weeks doubts have been raised about the future of the pulp mill. Leighton Holdings boss, Wal King, says it will never be built and there are some reports that even the new Tasmanian Premier, David Bartlett is sceptical. Yesterday, the Greens Senator, Christine Milne, challenged Environment Minister, Peter Garrett, to release a CSIRO report on the 64,000 tonnes of effluent from the mill that will be pumped into Bass Strait every day.

The Minister joins us now, Peter Garrett, welcome to breakfast.

GARRETT: Morning Fran.

KELLY: Minister, where is the environmental approval process at for the pulp mill, can you tell us that?

GARRETT: Yes, look the key thing about this process, Fran is that the previous Government approved the mill without an Environmental Impact Management Plan in place and there are 16 modules for that plan which have to be approved by me as minister before the mill itself can be formally approved. I have approved four of those modules that make up that plan, so

there are a number of other modules that are currently with Gunns that need to be submitted, a number that are with the Department. I understand that there is one that is going to the Independent Expert Group for assessment, and there is one that isn't in at all. So, all we have at this present point in time is four of the 16 modules that make up that Environmental Impact Management Plan, the remainder haven't reached my desk yet.

KELLY: OK, now that doesn't seem much. Can you confirm reports that your Department actually rejected 10 modules sent in by Gunns, as unsatisfactory and can you give us a sense of what was wrong with them?

GARRETT: Look, a number of the modules have gone back to Gunns for additional information to be provided. The thing about this process is that modules come through to the Department but they also have to be assessed by the Independent Experts Group as well. So once the Department is satisfied that a module meets the conditions of approval, it then goes to the Independent Expert Group. They have to look at the quality of information or measures proposed. Once they have reviewed the modules and they are satisfied then it comes to me. So, where there is additional information that is required and that has been the case with a number of modules, it first goes back to Gunns, they have to come back with additional information that satisfies the Department and then it goes to the Independent Experts Group itself.

KELLY: Gunns only has got six weeks as I understand it, hasn't it, to get all this information in satisfactorily. Is that the deadline, October 4?

GARRETT: That's right. And I have been advised by both the Independent Experts Group and my Department that that is insufficient time for these processes to be completed. So I think that the situation that is in play at the moment is that we have been examining every module as it comes towards us, on to my desk, stringently and rigorously as we're required to do under the Act, in accordance with the conditions that were set by the previous Government. But, we have only had four modules that have come forward and given the time that these modules have taken to be delivered to the Department satisfactorily, then it is unlikely that Gunns is going to meet the October 4 deadline.

KELLY: So what does that mean? The project is off, doesn't get approval or it gets an extension?

GARRETT: No, I have sought from Gunns a timetable on how it plans to meet the deadline. I haven't received any formal request from Gunns to extend the deadline. I will be advising Gunns of that today. In other words, I will be saying are you going to be seeking a deadline because on the basis of the modules that I have received there is still clearly a number of modules that haven't come to me yet? Gunns I understand, tells the Department that extra time is needed but it hasn't yet formally applied for it. Once that happens, if it should happen, if there were a request for an extension, I would have to be

satisfied that it was necessary and appropriate, but seeing as though I haven't had any request for an extension it is not proper for me to say anything else.

KELLY: OK, one area of concern remains the whole waste by-product from any mill. Let's go to this CSIRO report which says Gunns will dump 64,000 tonnes of effluent from the mill that will be pumped out every day into Bass Strait, or looking at that outpouring anyway and trying to evaluate the impact of that, what does this report mean for the approval process for the mill?

GARRETT: Are you referring to the report that is the subject of Senator Milne's...

KELLY: That's it, that's it yes

GARRETT: Look, the decision under FOI was one that was made by the Department. There are appeal rights under the provisions for Senator Milne but I have been advised that the decision was made on the basis that that document in question contained material that was of a preliminary nature, unverified for accuracy and wasn't based on assumptions that had been tested and so therefore wasn't appropriate for release. But the bottom line is that the core purpose of the Environmental Management Plan is to define a set of environmental parameters within which the mill must operate. So if there is material that comes through which indicates that effluent from the mill may have an unacceptable impact on the marine environment then there is the possibility that modifications to the project, for example possible extension to tertiary treatment, might be required. But seeing as though I haven't received that information in module form, in front of me to make a determination and seeing as though that is something that could only be determined once real world studies of the environment are carried out then we're not at a stage to make an additional, definitive statement about that.

KELLY: Let me see if I understood that. As you saying that this CSIRO report, as it exists, is only part way along the process but it will be considered as you make a decision on that particular element of the approval process, the impact of the effluent. Is that what you're saying?

GARRETT: The report in question was provided to the Independent Experts Group. The Independent Experts Group provides me with recommendations and a whole range of material for me to consider. It will be in their hands as to whether that and other reports come through or not. But it is an exhaustive process so I would expect that all relevant material to be placed in front of me from the Independent Experts Group when they bring their recommendations forward on each of the separate modules

KELLY: But, just on this because Senator Milne from the Greens does want you to release this report and at the time of the election there was a key area of concern, the impact of marine life from the outfall, any kind of effluent outfall from the mill. I mean why not just release that CSIRO report a long part of the process, in the public interest.

GARRETT: Well because it is a decision that has been taken by the Department. It was in line with the provisions of the Act. Senator Milne is entitled to appeal under the Act. On the question of impacts on Commonwealth waters, I can assure everybody listening, as I have made very clear in the past, that I will take very seriously the requirements I have for there to be no adverse or serious impacts on matters of national environment significance and that would include Commonwealth waters.

KELLY: Minister, there is intense speculation that Gunns is perhaps looking to team up with a Scandinavian pulp firm to secure finance for the mill. It is working on its financial scheme at the moment. If that happens and the project ended up being foreign controlled, would the environmental approvals be transferred or would you have to begin that process again.

GARRETT: Again Fran, a) that is a hypothetical and b) my requirements as Minister are to discharge my responsibilities under the Environmental Impact Management Plan that the former government didn't approve but set in train according to these modules. My decision, as decision Minister, is to ensure that any proposal that comes to me meets the tests under the Act and in this case meets the tests of the 48 conditions. I am not going to get into questions of whether or not the proponent in this case may be partly owned by another company, at this stage that is a hypothetical. I deal with the modules as they come to me and I exercise my responsibilities diligently under the Act and under the conditions as I am required.

KELLY: And just finally Minister, should the Government be conducting a carbon audit on this project. Gunns says that it will be carbon positive, this mill, others contest that. You're pretty keen I know on companies doing carbon audits?

GARRETT: Look again Fran, this was a decision that I inherited from the former government. There are conditions that were laid out by the former Minister. There wasn't an Environmental Impact Management Plan under the previous government approval, that is my responsibility to approve it, but I will do it according to the terms of the Act that I am required to observe, under the conditions there, absolutely diligently and scrupulously.

KELLY: Alright, Peter Garrett thanks for your time this morning.

GARRETT: Thanks Fran.

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