



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 Tasmanian timber company Gunns surprised some political observers, I guess, late yesterday by releasing a key CSIRO report that it has been keen to suppress for much of the past year. The Herzfeld Report – that is the name of this CSIRO report – contains several key conclusions which are damaging, you'd think, to Gunns \$2.2 billion pulp mill in northern Tasmania. In particular that report found that the mill would breach water pollution levels on almost a daily basis. But the company says that the CSIRO report is now superseded and that new scientific findings confirm that the mill project, quote, *“will not have any impact on matters of national environmental significance.”*

Federal Environment Minister has given the pulp mill the all clear on the proviso that these affluent level regulat...effluent level regulations, are met. In other words, that the discharges are within the regulatory framework.

So, are they? We're joined on the line now by the Federal Environment Minister, Peter Garrett. Minister, good morning.

GARRETT: Good morning, Fran.

KELLY: Minister, Gunns statement to the Australian Stock Exchange yesterday was headlined 'Pulp Mill technology will meet approval requirements'. Did that surprise you?

GARRETT: Yes look I was surprised by Gunns statement yesterday to the ASX, Fran, given that the conditions L, M and N, which are the critical conditions in the Gunns approval, have not yet been approved by me. And in fact the substance of my decision earlier this month was specifically that until we've had real time, hydrodynamic modelling and until such time as I have had an opportunity to consider the results of that modelling and taken the

advice from the Independent Experts Group on whether there ought to be any additional conditions as a consequence of the modelling results, then no final approval for the Gunns mill can be given.

So, I think it is very surprising that Gunns should be making a statement of this kind because it is certainly not in accordance with my view of what the conditions I have imposed on them are.

KELLY: Well the Gunns statement to the stock exchange says, and I quote, *“the board believes that mill clearly operate within the effluent trigger levels approved by the Federal Minister in module L.”* And you have said that is the proviso; if they get over that hurdle then it can go ahead. So, are there, given the findings from that CSIRO report which we’ve been waiting, what, to see for a year or so now, have you adjusted, amended, changed the effluent trigger levels at all, so that Gunns now meets them?

GARRETT: Well, look two things Fran. Firstly, nothing in the modules, either those approved or not approved, relaxes the strict levels and the maximum limits that have been set for dioxins and furans and suspended solids and the like set out in the conditions. That is absolutely critical and that is the case.

But the second thing is that my letter to Gunns was specific that I concluded that the hydrodynamic modelling required under condition 38 of the conditions must be completed and the results incorporated into the Environmental Impact Management Plan before I can approve it as a complete management plan.

Now that is specifically the content of my letter to Gunns. I am concerned that Mr Gay’s release is potentially misleading in that I was specific to Gunns to say that I am satisfied with the scope of the modelling and then I go on to say so far as the material that comes from the modelling doesn’t relate to or rely on the results of the modelling and in that sense, what I am really saying and I have made it very clear in the letter, is that until the hydrodynamic modelling is completed and the results are incorporated into the management plan then the question of approval of a complete Environmental Impact Management Plan still remains to take place.

KELLY: So in other words that is still some time off?

GARRETT: Well that’s right, I mean that...

KELLY: What sort of timeframe?

GARRETT: Well that is the whole point. This was the deficiency in Malcolm Turnbull’s original conditions in that not only was the hydrodynamic modelling going to happen after approval for the mill had been given, which won’t be the case under the current approval conditions that I have set, but also, there were conditions that needed to be strengthened, which I strengthened, including the provision of criminal and civil sanctions if in fact there were exceedances of the levels that were ultimately set.

But at the end of the day what we have done is say that until such time as we have had real time, hydrodynamic modelling; until such time as we are confident that the dispersal of effluent and any of the other issues that arise as a consequence of the dispersal of effluent into the marine waters are properly identified and whether any additional conditions are required to ensure that there aren't impacts on matters of national environment significance, then no approval for this mill can be given...

KELLY: So can I just try and....

GARRETT: Now [inaudible] clear to Gunns but it doesn't seem to be what My Gay said in his statement.

KELLY: Okay, so I am just trying to clarify this because it is all very technical and bamboozling at times. When you talk about real time, hydrodynamic modelling are we talking about a one year process, a two year process – how long will that real time process take?

GARRETT: Well look we want to make sure that we have got absolutely accurate data, as much as can be gained, over the seasons, the four seasons. So it is twelve months of work. There is additional work that has to be done by scientists in order to determine how long other issues need to be considered. It is about an 18 month process. So, it is some way off before we have absolutely all of the information in front of us that we need in order to determine or not whether a final approval will be given.

KELLY: And just very briefly then, Gunns has dismissed the Herzfeld Report, that's the CSIRO Report, as superseded. It has some clear concerns in it talking about effluent concentrations, concentrations of effluent in excess of water quality objectives, on almost a daily basis. Do you agree that the concerns of the CSIRO report have been superseded?

GARRETT: Well I am not sure on what assumptions Gunns are making those claims. What I would say is that Mr Herzfeld's report was an important part of my thinking. I am pleased that Gunns have finally stopped taking legal action because I wanted to have transparency on this issue and the release had been authorised by the Department. But whether or not they consider that there is issues in there which contradict Dr Herzfeld's assumptions, I think the case is that he did find very clearly that there was a possibility for high concentrations to be carried significant distances from the source and to reach Commonwealth waters and it is on the Commonwealth issues – the impact on matters of national environment significance and Commonwealth waters – that I specifically have to focus.

I think Fran, at the end of the day; this has been such a contentious and difficult issue. I have strengthened the conditions and I want to make absolutely certain that we have all the relevant and necessary science in front of us in terms of the effluent. We can only do that by having hydrodynamic modelling which operates over real time and which is subject to intense

scientific scrutiny and recommendations and data which would come back to me and there won't be any approval of this pulp mill until such time as that work is satisfactorily concluded. I won't make a final decision on approval and I won't make a final decision on whether to apply additional conditions until that modelling is completed.

KELLY: Sounds clear. Peter Garrett thanks very much for joining us.

GARRETT: Thanks, Fran.

KELLY: A very firm sounding Federal Environment Minister Peter Garrett there. It is two minutes to seven on breakfast.

[ENDS]