

**Extract from Council Hansard 28 March 2007**

**PULP MILL ASSESSMENT BILL 2007 (No. 9)**

**Second Reading**

**Mr PARKINSON** (Wellington - Leader of the Government in the Council - 2R) -  
Mr President, I move -

That the bill be now read the second time.

The Pulp Mill Assessment Bill 2007 establishes a separate assessment process for Gunns' proposal for a pulp mill in northern Tasmania and revokes the State Policies and Projects (Project of State Significance) Order 2004.

Mr President, in November 2003, the Government commissioned the preparation of guidelines that establish emission limits for any new bleached eucalypt kraft pulp mill in Tasmania. The recommended environmental emission limit guidelines limits for any new bleached eucalypt kraft pulp mill in Tasmania, a copy of which is attached to Schedule 1 of the bill, were developed on the basis of an expert review of state-of-the-art kraft mill technologies and managerial practices. They are aimed at minimising the environmental impact of emissions released as a result of the production processes of any new pulp mill. In undertaking the preparation of the guidelines, the revised terms of reference issued by the Premier on 3 May 2004 specifically require the requirements mandated by the Stockholm Convention on Persistent Organic Pollutants 2001 to be considered.

The guidelines were formally adopted as government policy in October 2004. The guidelines were developed with the specific objective that a pulp mill in Tasmania would be second to none in the world. They were developed using an open and transparent process. Major stakeholders, interest groups and members of the public were given the opportunity to comment on the guidelines.

Mr President, on 22 November 2004 the Administrator, Mr Justice Underwood, made an order under the State Policies and Projects Act 1993 declaring the proposal by Gunns Limited a project of State significance.

On 26 November 2004, the Premier issued a ministerial direction to the Resource Planning and Development Commission requesting that it undertake an integrated assessment of the project. That direction required that the integrated assessment address the extent to which the project complied with the Emission Limit Guidelines.

Since Gunns' project was declared to be a project of State significance, the RPDC panel has been undertaking a detailed assessment of the social, environmental and economic aspects of the proposal. But, as the Premier informed Parliament last week, Gunns advised him on 14 March 2007 that they were withdrawing from the RPDC assessment process because of financial pressures directly related to the RPDC being unable to give a definite end date for the assessment.

On Monday 19 March the Cabinet approved the legislation now before this House setting up a proper process for assessment against the guidelines and seeking final approval by both Houses of Parliament.

Mr President, the Pulp Mill Assessment Bill 2007 establishes a new assessment process for the project. It provides the proponent with the certainty it requires for an end date for the assessment, without compromising Tasmania's rigorous environmental standards.

For the project to proceed two conditions must be satisfied:

- First, independent experts must undertake an assessment of the project against the guidelines.
- Second, Parliament must approve the pulp mill permit.

Without both of these things occurring, the project cannot proceed.

A selection panel consisting of Linda Hornsey, Secretary, Department of Premier and Cabinet; John Ramsay, a former head of the Department of Environment and Land Management and several other government agencies, and Warren Jones, Director of Environmental Management, will oversee the selection of an independent expert to undertake an assessment of the project against the guidelines.

The Government recognises that, since 2004 when the guidelines were developed, there may have been developments in pulping technology and techniques. It also notes that the project may include the pulping of pine, which is not dealt with in the guidelines. The legislation requires independent experts, referred to in the bill as 'the consultant' to take all of these matters into account, then report to the minister about whether or not the project should proceed.

The consultant, or experts, must also recommend matters to be contained in conditions that should apply to the project. Should they recommend that the project proceed, then the Minister for Planning will prepare a pulp mill permit for consideration by Parliament. The pulp mill permit comprises the permits, licences and approvals, and any other conditions, that may be necessary for the construction, development and operation of the pulp mill.

In preparing the pulp mill permit, the minister must adopt the substance of conditions recommended to him by 'relevant persons'. Relevant persons are those persons, bodies or State Service agencies normally responsible for issuing or regulation permits, licences and approvals, or regulating actions relating to development - that is the statutory regulators. Each regulator will determine the necessary conditions by undertaking a similar assessment to that normally used to determine permits, licences, approvals and other conditions. Each regulator must also take account of the report of the independent expert.

All information received or prepared by the Resource Planning and Development Commission for the purposes of its assessment of the project will be made available for the purposes of the assessment. The report of the independent experts and the pulp mill permit will be tabled in Parliament, along with any other reports that the Minister for Planning considers to be relevant to the project.

The Government will also engage experts to prepare a social and economic benefits analysis of the project and to review the public submissions already made. Reports from the independent experts and others will be tabled no later than 31 August 2007 and Parliament must either accept or reject the pulp mill permit. If Parliament accepts the pulp mill permit then the project can

proceed, on the conditions set out in the permit, notwithstanding the provisions of any other act. Once accepted, the conditions of the permit apply as if they had been issued under the act that would normally apply to such a condition. A failure to comply with a condition will result in the suspension of the permit.

Mr President, the assessment process established by the Pulp Mill Assessment Bill provides Gunns with a definite date by which a final decision about the project will have been made, without compromising Tasmania's rigorous environmental standards.

Mr President, I also wish to inform the House that following rather lengthy negotiations between members of this House and the Government, a number of amendments have been agreed to and will be either moved by myself or other honourable members if the matter should proceed into the Committee stage. Those amendments will deal primarily with clauses 4, 11 and possibly clause 7. In the meantime, Mr President, I commend the bill to the Council.