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Mega-mines will have to comply with tough 'water trigger' law: Greg Hunt

Environmental safeguards introduced by Labor government will affect coalmines owned by Clive Palmer and Gina Rinehart

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Environmental groups fear coalmining in Queensland's Galilee basin would threaten water resources. Photograph: Frank Lin/AAP/Greenpeace/PR image

Huge coalmines proposed by Clive Palmer and a company co-owned by Gina Rinehart are among 47 projects that the new environment minister, Greg Hunt, has determined must comply with tough new federal rules about their impact on water, under laws enacted in the dying days of the former Labor government.

Hunt has decided that 47 of 50 projects waiting for a federal government decision did in fact have to complete extra environmental assessments under the new "water trigger" in the federal law.

He has asked the NSW government for more information on Cascade Coal's controversial Mount Penny mine – caught up in an Independent Commission Against Corruption investigation – and is also seeking more information about the proposed Cameby Downs open-cut mine in south-east Queensland. The only project he has decided is not subject to the new provisions is an extension to the Pine Dale coalmine near Lithgow.

But Palmer's \$8.8bn China First coal project in Queensland's Galilee basin and Rinehart's co-owned \$4.2bn Kevin's Corner project in the same region will have to jump the additional environmental hurdle, along with Shenhua's \$840m Watermark coalmine on the NSW Liverpool Plains, the Indian Adani corporation's \$8bn coal, rail and port project also in the Galilee basin and Korea Resources Wallarah 2 underground coalmine on the NSW central coast, which opponents argue could pollute Sydney's water catchment.

Hunt accused Labor of "grinding industry to a halt" by failing to tell project proponents whether or not they were subject to the new laws.

"Once the assessment process is complete I will carefully consider each assessment, the advice of my department, and all public comments received before deciding whether these proposals can go ahead," he said.

"One of the projects on which I am seeking further information is the proposed Mount Penny coalmine in NSW.

"Given the recent findings by ICAC, particularly in relation to the directors of Cascade Coal, who are also directors of Mt Penny Coal Ltd, I have written to the NSW attorney general to seek his advice on whether the legal status of the proponent has implications for the validity of the assessment ... In addition, I have also sought information from the NSW attorney general on the environmental record of the proponent as is my legal right."

The former government angered the oil and gas industry when it legislated the water trigger in June – adding the water impact of coal seam gas (CSG) wells and large coalmines as a "trigger" for federal approval under the Environmental Protection and

Biodiversity Conservation Act.

It was passed just weeks before Julia Gillard was ousted as prime minister and a last-minute amendment by the former independent Tony Windsor ensured a future coalition government could not hand the water assessment responsibility back to state governments.

A recent report found that nine planned "mega-mines" in the Galilee basin region would drain the area of 1,354bn litres of water, equivalent to two-and-a-half times the volume of Sydney harbour, threatening the future of dozens of farming communities.

Hunt's decisions come as his cabinet colleague, the resources minister Ian Macfarlane, announced he would convene a special committee of "farmers, gas producers, gas consumers, financiers, pipeliners and other stakeholders" to try to agree on regulations for the NSW coal seam gas industry so that drilling of new CSG wells could begin before Christmas.

"We've got to sort this out quickly, we've got to get the drill rigs going where the farmers want them going, where the geology's safe, where the water's safe, where the environment's safe," Macfarlane said after a special conference in NSW on the state's energy "crisis". "We've got to get them going before Christmas if we can."

Macfarlane said NSW's looming gas shortage made the situation "urgent" as the state government comes under pressure to speed up approval and water down its rules.

"People are going to lose jobs and they're not farmers and they're not greenies and they're not people out in the bush," he said.

"The people who are going to lose their jobs are honest people who go to work every day in Newcastle, Sydney and Wollongong.

"When the gas gets short in a year or so's time, probably very short by 2016, and it gets very expensive, it's going to be average mum and dads who will lose their jobs because we haven't acted fast enough.

"So I'm not looking back, I'm not attributing blame, I'm just getting on with it. We've got to save their jobs."

In the longer term he said he would like to see the same regulation for CSG wells in every state and held up Queensland's rules as an example for NSW, which is proposing a 2km buffer zone around residential areas, proposed residential areas and farming

clusters in which CSG drilling would not be allowed.

"Look, there is a buffer zone in Queensland. It's never been legislated. It was 2km from towns of a thousand or more and there was provision within that where the community agreed that work could be done inside that buffer zone. It wasn't an exclusion zone."

But the NSW resources and energy minister, Chris Hartcher, told the conference, which he convened, that NSW would not water down its environmental protections to allow more CSG wells.

"While we are determined to increase our energy security, we won't be altering our protective framework," he said. "That's non-negotiable."

The Business Council of [Australia](#) welcomed Hunt's quick decision-making about the status of the projects.

"Environmental laws are in place to ensure major projects meet strong environmental requirements, not to be used as a tool to hold up applications indefinitely for political or other reasons," said the BCA chief executive, Jennifer Westacott.

A spokesman for the Australian Conservation Foundation said the decision would "reassure farmers and the wider community that the impact of the projects on their precious water resources would be taken into account".

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