

27 October 2003

Native Vegetation Inquiry
Productivity Commission
LB2 Collins Street East
MELBOURNE VIC 8003

Dear Sir/Madam,

SUPPLEMENTARY SUBMISSION FROM THE EAST END MINE ACTION GROUP INC

Attached is a copy of the Mt Larcom Community Restoration Project Report, funded by the Federal Department of Transport and Regional Services under the Regional Solutions Programme.

The CRP Report contains four (4) volumes; the Main Report, an associated Technical Report on Statistical Data Rainfall Analysis and an Investigation of Streamflow Data in Machine Creek Catchment, a Volume of Attachments 1 to 20, plus a Volume of Appendices 1 to 12. The Report was undertaken by a team led by a Land Use specialist, that included regional development specialists and the leading Australian limestone expert. The Consultants are listed in the front of the Main Report.

EEMAG members respectfully request the Productivity Commission to take the Mt Larcom CRP Report fully into account for the Native Vegetation and Conservation of Biodiversity Inquiry.

We respectfully request the Productivity Commission to compare the CRP Report's findings on Groundwater, Drought and Surface Stream Flow under Section 2.2 and the CRP Report Statistical Data Rainfall Analysis and an Investigation of Streamflow Data in Machine Creek Catchment with the DNR's, EPA's, EPA's Consultant's and QCL Consultants' assessments of the QCL mine's cumulative impacts on the water table, and to evaluate the adequacy and accuracy of government/QCL findings.

We request the Productivity Commission to compare the CRP Report's Statistical Data Rainfall Analysis with rainfall assessments used by QCL's Consultants, by EPA's Consultant, and by DNR for their February 1998 Position Paper (eg Cumulative Difference from the mean – Mt Larcom Yearly Rainfall Analysis provided by DNR&M to the Ombudsman as Attachment 4) (Copy of DNR Rainfall graph Attached).

We have raised some aspects from the CRP Report together with more recent information, and include the Report's Executive Summary and Recommendations at the end of our letter.

We wish to draw the attention of the Productivity Commission to what we perceive as the massive inconsistency between how the Queensland Government regulates environmental legislation on landholders and how it regulates environmental legislation on a mining company - QCL/Cement Australia.

Country Life October 9, 2003 NR&M Report [Resource Management] Education, Regulation
Quote from 'Examples of natural resource management offences' published in the Country Life by NR&M Compliance Coordination unit 'to remind landholders of their obligations to look after our natural resources...'

'Water Act	Maximum Penalty
Unauthorised taking supply interfering with water	\$124,875
Using water contrary to water use plan	\$124,875
Contravening condition of resource licence operations, Interim resource licence operations or operations licence	\$124,875
Tampering with devices	\$75,000
Taking water without operations licence	\$75,000
Unauthorised water bore activities	\$37,500'

Please compare the above regulations/penalties that are enforced on landholders with the environmental regulation of QCL's/Cement Australia's open cut limestone mine, as provided in CRP Attachment 18 – QCL's current Special Conditions, Environmental Authority, EMOS Commitments etc.

CRP Report Volume 1, Section 2.3.2 and Appendix 12

We refer to CRP Report, Section 2.3.2, Page 49 Background to Lack of Trust between Government, Mining Companies and the People, quote:

'The earlier allegations against departments responsible for legal compliance with mining conditions remain much the same today:

1. Turning a blind eye to breaches.
2. Accepting flawed arguments
3. Avoiding exposure and accountability
4. Compliant new appointments
5. Accepting false claims on environmental success
6. Facilitating new developments and renewals
7. Not evaluating costs and benefits of mining
8. Reacting to political pressure for development
9. Making public interest secondary to company interest
10. Absence of checks and balances in implementing the law
11. Reform being token and ineffective

These accusations were originally made by informed and dedicated mines department officers more than a decade ago. The extent to which these failures still occur in State Departments which have carriage of mining and environmental legislation, are a reflection of the moral dimension of the conflict between government, the mining company and landholders at Mt. Larcom.'

EEMAG's Experience with the Queensland Ombudsman

As mentioned in our initial Submission to the Productivity Commission, EEMAG has lodged numerous complaints with the Ombudsman since July 2000. Some of these were provided as Attachments 99-104 inclusive in our initial Submission to the Productivity Commission, together with the Ombudsman's decision to refuse to investigate our case.

Correspondence from the Premier, the Mines Minister and the Regional Mining Registrar since then indicated the Ombudsman provided a "clearance" of DNR&M's and EPA's actions

in dealing with the QCL dispute. (Copy of letter from the Premier to the Member for Gladstone dated 19 Aug 2003 Attached.)

EEMAG recently obtained FOI of an Ombudsman's letter to DNR&M dated 27 September 2002 that states:

'I have now completed an assessment of EEMAG's complaint, and pursuant to section 23 of the *Ombudsman Act 2001* I have refused to investigate, or to continue to investigate, EEMAG's complaint, and I have closed my file accordingly.'

'During my assessment of this complaint EEMAG brought to my attention a number of issues that it believes could advance the resolution of its concerns. I have advised EEMAG that I will raise the relevant parts of those issues with the Department and the Environmental Protection Agency (EPA) for action.'

'To my mind those issues do not presume any failing in the way that the Department has progressed the matter thus far.' (Copy of FOI Ombudsman's letter to DNR&M Attached.)

The government obviously interpreted the Ombudsman's comments on 27 September 2002 as an endorsement of agency performance.

How can the Ombudsman's Office legitimately provide what could/would be promoted by government as "clearance" on 'the way that the Department has progressed the matter thus far', when the Deputy Ombudsman refused to consider/investigate/take into account EEMAG's substantial documentation/evidence of administrative manipulation and inequities, and after stating he was 'unable to assess meaningfully the comprehensiveness of the supplied reports, their soundness or relevance'?

EEMAG believes that the Ombudsman's "clearance" was necessary to permit the Mines' Minister's to instruct DNR&M to progress the renewal of QCL's leases in 'consultation with the holder of the mining leases'. Renewal of QCL's leases would have been essential to complete their merger with ACH. QCL's leases had been expired since 31 July 1997.

We request the Productivity Commission to consider perceived similarities between the Ombudsman's handling of EEMAG's complaint with evidence in an Extract from the March 1995 Hansard Report into Senate Select Committee on Unresolved Whistleblower Cases, Page 439, quote:

'The CJC regrettably refused to recognise all the signs of wrongdoing in respect of the mining industry and, in the words of a much more eminent legal mind than mine, it seems to me they missed the point of my report of suspected official misconduct. When they did get to investigate mining as part of the inquiry into wastes – I fear you have heard these words already this morning – it seems they failed to find the obvious, in my case also. Neglecting to act to control a runaway industry likely to cost taxpayers millions – millions more than it has already cost taxpayers cleaning up after mining companies – amounts, in my mind, to a breach of public trust.'

EEMAG suggests there is urgent need for an affordable, fair and equitable process, truly independent of government and industry, that is guided by comprehensive and objective scientific evaluations that are not manufactured to meet bureaucratic/corporate needs, where people can take complaints about government administration of environmental and technical matters. This process should be empowered to promptly and effectively remedy the cause of the dispute. Perhaps it could be administered through COAG.

There is evidence of a need for such a body to ensure fundamental human rights are adhered to by State governments in their dealings- in EEMAG's case with powerless landholders.

The Human Rights and Equal Opportunity Commission has no authority when States breach fundamental human rights.

CRP Report Appendix 8

EEMAG members believe some of our experiences are similar to Queensland government officers dealing with people as documented in Appendix 8, Case Study of Monto, refer page 16 quote:

'At the state level, moreover, the willingness to cooperate is similarly absent. Indeed, a state government employee spoke openly about a perception within a number of state government departments that Monto was an angry and bitter town which contained some "downright nasty people". Such narratives – well founded or otherwise – appear to be seriously eroding Monto's relationships with key state departments since the same officer explained that very few of his colleagues will now have anything to do with Monto.'

Letters from the Premier, the Minister for Natural Resources & Mines and others advise they will not deal with EEMAG. (Copy of letter from the Premier to the Member for Gladstone dated 19 Aug 2003 Attached)

Given the evidence of similarity of aspects of our case with the Report on the Case Study of Monto, we ask whether government refusing to deal with people/EEMAG is a strategy of 'victim blame', intended to isolate and undermine the people involved and to deny their legal standing after having dismissed their concerns?

We request the Productivity Commission to investigate this aspect.

CRP Report Attachment 20 – Who Benefits? Who Pays? – Equity and Ethics

We request the Productivity Commission to consider the extreme difficulty people in rural and regional communities often face, when seeking to have their situation fairly and adequately reported by the media to the broader metropolitan community.

Attachment 20 – by an Ethics Professor states on Page 11, quote:

'In my view, the most significant step that can be taken, is to continue to tell the story of this social impasse as part of a strategy to raise community awareness about the major questions around development and social justice which it raises. In this respect, the media clearly has a responsibility which to date has not been fulfilled to anything like an adequate degree.'

EEMAG members are aware of the BushVision media group, which focuses on rural issues and which is being promoted by the Landholders Institute. We respectfully request the Productivity Commission to recommend funding for BushVision.

CRP REPORT - EXECUTIVE SUMMARY AND RECOMMENDATIONS

1. Funded by a \$100K grant from the Commonwealth Regional Solutions Programme, the Mt. Larcom Community Restoration Project sought to identify those factors contributing to Mt Larcom's economic decline and diminishing quality of life, and to recommend corrective actions.

2. The project team included regional development specialists from Cairns, Brisbane, Canberra, Adelaide, Mackay and Gladstone, all of whom offered their services at half their normal rates. Local landholders supplied accommodation and transport and organised local meeting schedules in and around Gladstone.
3. The duration of the project was 18 months and financial control and local arrangements were the responsibility of the East End Mine Action Group Inc (EEMAG) – President P Brady. Financial records were formally audited and progress reports submitted at six monthly intervals.
4. The first stage of the project consisted of inspection and familiarisation of the study area, interviews with key figures, literature review and summation of existing reports. This was followed by the public election of a Community Advisory Group (CAG) to act as a steering committee to the consultants. Through public meetings, teleconferences and newsletters the CAG and consultants adopted a consultative approach to community involvement in the project.
5. When the consultants began to evaluate Mt Larcom's prospects of rejuvenation it soon became apparent that Mt Larcom and district could not be considered in isolation. Existing industrial and mining impacts, potentially escalating impacts and the prioritising of the industrial model, in conjunction with planning constraints, were seen to be controlling Mt Larcom's destiny.
6. Mount Larcom township was found to suffer similar decline to other small rural settlements but also reflected both negative and positive impacts of proximity to industrial development.
7. Industrialisation has been allowed to subvert the interests of the Yarwun / Targinnie and Mt Larcom. In contrast to strong residential and commercial development at Boyne Island, Tannum Sands and Calliope, industrialization has not carried these communities forward with them and planning has caused them to both stagnate and regress.
8. The adjacent communities appear to have little conceptual understanding of the Gladstone State Development Area (SDA or Aldoga Industrial Estate), its statutory framework, or that it is the first and to date apparently the only such precinct in Australia. As lay people there is little or no comprehension that Aldoga's broad public interest may override the private right.
8. Alternatives for arresting the socio-economic decline of Mt Larcom town and district centred on creating new wealth streams from supply of rurally-based services and products to the Gladstone population. Exploiting the burgeoning urban labour market within commuting distance offers a major injection of cash into the Mt. Larcom economy.
9. Limited water supplies, both surface and underground, were identified as a major constraint to intensification of agriculture in the district. Recommendations for augmentation of supplies are made.
10. Groundwater depletion and its relation to pumpout procedures at the East End limestone mine was a major sphere of project investigation. The leading Australian limestone expert, who developed the groundwater segment of the study, concludes that modelling of the local karst aquifer is not an appropriate methodology. In summary he attributes most of the water depletion to the operation of the QCL mine rather than to drought, gravitational drainage or landholder consumption. The mine pump-out figures were considered to be so poorly recorded as to be of little practical use, while the meter attached to the mine pit sump was not adequately maintained so as to provide a meaningful back-up alternative. An associated report

analyses creek flow upstream of the mine in comparison with rainfall/runoff over time and identifies declining rainfall trends, but finds additionally that creek flow progressively and disproportionately declined due to mining and identifies a date when these effects markedly increased. Recommendations are made to clarify this causation and remediation.

11. A significant element of the project concerned the evaluation of planning and consultation procedures used by various organisations in the district – notably the Shire, EPA, NR&M, State Development, Gladstone Economic Industry Development Board [GEIDB] and the Gladstone Area Water Board. The performance of two industrial companies, Queensland Cement Limited (QCL, East End mine) and Southern Pacific Petroleum (Shale Oil) were closely examined. Documents show State Development and the GEIDB provide high level Federal briefings on SDA matters to a range of senior political figures. On a State level, the briefings include the Hon Premier, Minister for State Development and Director-General of State Development. Under the circumstances, the Federal Government's informed role and the Commonwealth's various incentives to industry, suggest that any criticism of the planning and approval processes connected with what is considered to be a severely flawed industrial model must, by definition, also include the Commonwealth. Several processes were deemed inadequate, biased or ineffective in achieving sound planning outcomes. A range of recommendations on correcting perceived weaknesses are made.

12. In recent years the consultative approach has been incorporated into planning procedures. There is evidence that on several occasions the consultation process has been abused and has degenerated into an inequitable manipulative farce.

13. Statewide there are several examples of the State abandoning the concept of co-existence by allowing political decisions to over-ride environmental considerations. The buyouts of Targinnie and lease renewals at Mt Larcom without first addressing residual impacts are considered prime examples. Once departures from decisions based upon science and sound environmental principles occur, planning and approval processes become a travesty and are liable to political and commercial manipulation. Such conduct may help explain the high level of community distrust and general loss of confidence in the administrative and political system. A summary of individual issues for corrective action is set out in the Recommendations section.

14. When political decisions pre-empt research findings, scientists and technical experts within Government Agencies operate in a highly stressful and compromised climate. Case studies at Mt Larcom and Targinnie show such circumstances are not conducive to good science and undermine the objective implementation of environmental legislation. As a result, regulatory compliance fails.

15. The Mt Larcom community is entitled to a declaration as to whether it is to receive official endorsement and promotion of prospects, or whether through censure and imposition of planning constraints it is to be denied progress as a result of management by stealth.

16. If nothing is done and the Mt Larcom community is to prosper, it may have to do so in spite of the stance of Government at various levels. Due to its location and down-wind proximity to the SDA, population increases of Mt Larcom appear inconsistent with the planning regimes of civic planners.

RECOMMENDATIONS

1. Sustainable Mt. Larcom Community.

Issue: Failure to meet the requirements for economic, social and human capitals. Lack of motivation to engage in capacity building and take full advantage of local markets for jobs, services and products. Insufficient initiative in identifying and exploiting new income streams.

Action:

- i) Use present report to appreciate realities of capitals, capacity and motivation to develop new opportunities.
- ii) Recognise and exploit the range of potential income streams in Mt. Larcom's semi-urban location.
- iii) Arrange community forums to examine an integrated approach to community sustainability, accepting that the structure and function of the future community cannot be the same as the past if it is to succeed.
- iv) Enlist the staff of CQU specialising in Sustainable Regional Development to facilitate evaluation and adoption of income-generating rural options proposed in the present report.

2. Agricultural Land Use Change

Issue: Absence of sufficient economically-sized rural properties to support viable farm families. Shortage of sufficient water to intensify cropping. Depressed prices for most traditional farm products. Ageing population with insufficient attractions for the next generation to return. Insufficient initiatives to exploit alternative income streams from rural land adjacent to a growing population centre.

Action:

- i) Recognise the impossibility of economic survival on small blocks producing traditional crops.
- ii) Organise well costed comparisons of new uses for rural land as proposed in the present study.
- iii) Promote the lifestyle advantages of enterprises which are potentially in demand from nearby city wage-earners and tourists. Engage young local entrepreneurs in these service ventures as a means of improving community structure.
- iv) Provide a mechanism for aged landholders who have become trapped by the diminished land values to sell and leave with dignity.

3. Water Supplies – Surface and Storage

Issue: Very limited irrigation water. Inability to compete with Industry on water price. Priority of Awoonga Dam water to Industry. Lack of local irrigation storages. High cost of Fitzroy pipeline water. Depletion of groundwater.

Action:

- i) Revisit socio-economic evaluation of damsites and pipelines, recognising highest bidders as inappropriate criterion in regional planning. Re-evaluate sites and supplies proposed in the present report using consultants independent of Shire Council, Gladstone Economic and Industry Development Board, Department of

Natural Resources and Mining, Environmental Protection Agency, and beyond consulting firms currently engaged in the Gladstone region by these organisations.

4. Local Government Planning – Values, Priorities, Processes

Issue: Widely-held perception that Calliope Shire has given insufficient initiatives to maintain and enhance the Mt. Larcom community. Perceived failure of the Shire to anticipate and remedy the effect of industrial development on quality of life, land values and security of assets. Failure of the Shire to seek means of improving reasonably-priced water supplies for the Mt. Larcom area. Failure of the Shire to adequately support the community in developing improved procedures to rectify loss of groundwater. Failure of the Shire to anticipate the emerging accommodation needs of Industry and to promote and facilitate Mt Larcom's accommodation prospects. Failure of the Shire to inform Mt. Larcom Chamber of Commerce that development application approvals would be negatively affected by State Development's advice to the Shire to be 'very cautious' about development subject to Industrial Impact.

Action:

- i) Arrange a Community/Shire forum at which local development aspirations are consolidated with a view to agreed positive action from the Shire.
- ii) Election of Community Working Groups responsible for each of the development issues, each chaired by a Council member appropriate to Council's sub-committees.
- iii) Select an honorary consultant to prepare a document on expanding the Shire Council's narrow view of its socio-economic responsibilities beyond its legal obligations under the Local Government Act. This document to encourage cultural change within the Shire Council by drawing on case studies of Triple Bottom Line approaches in Shire Futures Strategies elsewhere. If such progressive change cannot be achieved under current leadership, electoral challenges should be encouraged through community action. The Shire Crier newsletter should be used to engage this important debate.

5. Department of State Development and Gladstone Economic and Industry Development Board

Issue: The representation, balance, values and interdependence of the Board requires evaluation by an independent outsider. Failure of the duo to emphasise the environmental and social impacts of new industries to their proponents requires early remediation. Attempts by the Board to bypass the EPA as the controlling body in Industrial development applications is causing serious impediments to environmental quality control. The 'capture' of civil servants within State Agencies by politicians through pressure from the captains of Industry can lead to corrupted process in approval of applications. Party politics and factional competition is excluding important community influence on decision making. The composition and accountability of the Board is considered partially responsible for Gladstone being recognised as a leading example of inadequate environmental impact procedures. See James and Bates (1992) who reported Queensland as worst of the States in not allowing the consultation process to influence the scope of EIS, changes to draft proposals and monitoring of on-going management.

Action:

- i) Reinststate the EPA to its proper authoritative role in development approval, monitoring and compliance.
- ii) Re-structure the Board to appropriately represent non-industrial interests as befits a modern democracy.
- iii) Ensure that full disclosure of interests, liaisons and dependencies of Board members is transparently evaluated before appointment.
- iv) Ensure that promotions to intending industrialists emphasise environmental standards required.
- v) Give the EPA the responsibility of guaranteeing that environmental standards must become central to Board planning.
- vi) Expand the Board to include appropriate Social Impact representatives to ensure that quality of life issues, health and welfare are given greater recognition than appears to have occurred in the recent past, eg. Accommodation.
- vii) Gain admissions from the Board that its previous planning procedures on shale oil, water supply and ‘good neighbour’ policy in the Industrial Area have largely failed, and insist that the Board identify the causes of these failures and propose positive corrective action.

6. Lessons from Yarwun/Targinnie

Issue: The adverse effects of the Shale Oil development have become the best example of planning failure in Australia’s recent industrial history. If this social tragedy is not to be repeated, serious attempts to analyse shortcomings in the process of development approval must be documented. Insistence by the company that they meet world’s best practice while approximately 140 nearby landholders have lost the value of their property is untenable. The delay and non-release of a government funded and controlled health study is unacceptable. In addition the release of polluted runoff water from this ‘zero runoff site’ is illegal.

Action:

- i) Request the EPA to critically evaluate the sequential development of Stuart Shale Oil to date, and to identify how each identified weakness in the process must be corrected for future staged developments.
- ii) Ensure that further approvals for Stuart (SPP) meet triple bottom line requirements irrespective of pressures relating to return on investment, production costs or product yield.
- iii) Appoint an honorary independent consultant to analyse the failure of community engagement and environmental compliance processes at SPP’s operation. This report must identify the successes and failures of each organisation involved at each stage of the development processes. This report must be compared to EPA’s report in i) above to eliminate interpretive anomalies.
- iv) Undertake a socio-economic analysis of the sequential situations of landholders in the SPP impact zone, documenting community requests, company responses, departmental input, health and property sales. Special attention must be given to demands for compensation and reactions to such demands. Class action negotiations to be included.

7. EPA Responses and Effectiveness

Issue: There is a well developed perception in segments of the local community that the EPA has:

- i) Insufficient resources to meet its EIS and compliance obligations.
- ii) Been instructed to test only for certain pollutants, notably NOX, SOX and particulates.
- iii) Omitted to report on serious air pollutants such as Dioxin and PCB's
- iv) Been sidelined either to a reference agency or bypassed entirely in important stages of the formal EIS process.
- v) Undertaken compliance action only in the event of complaints being received from alleged affected parties.
- vi) Entrusted its mining compliance operations to ex-Mines Department staff with a poor performance record.
- vii) Allowed political overriding of its best endeavours to insist on adequate environmental safeguards.
- viii) Failed to ensure that EMOS requirements and commitments have been met before supporting renewal of mining leases under more relaxed conditions.

Action:

- i) A study be made of the adequacy of EPA resources to prosecute environmental transgressors based on sufficient monitoring and analysis of pollution occurrences.
- ii) An investigation be made into the reasons why several dangerous pollutants are not monitored in EPA's air quality protocols.
- iii) The role and authority of EPA in the EIS, monitoring and compliance activities related to air and water impacts of development, be checked and evaluated at each stage of the application/approval/renewal process in the Gladstone area.
- iv) A report be commissioned to validate the contribution of the EPA to solution of conflict resolution on groundwater loss near East End mine.
- v) An examination of the role and authority of EPA in the renewal of mining leases at East End mine in 2002/3

8. Mining Lease Renewal Process and role by EPA and DNR&M.

Issue: There is evidence that the renewal of the East End Mining Leases on the 20 March 2003 was:

- i) Approved despite vigorous community opposition and claims of perpetual non-compliance due to residual impacts.
- ii) Approved several years after the previous lease had lapsed but unlicensed mining was allowed to continue for that out-of-lease period.
- iii) Re-worded to remove groundwater replenishment as a condition of renewal, as in the original lease conditions.
- iv) Was made retrospective to 1 August 1997 with the unacceptable deletion of the term "to affect injuriously" from the 2003 Special Conditions.
- v) Renewed on the false premise that mining affected groundwater only in the immediate vicinity of the mine.

Action:

- i) Unless parties to the QCL dispute can arrive at some alternative compromise and district settlement, an independent dye-tracer study be undertaken to determine the extent of mining's impact on groundwater in the northern section of the East End aquifer and the Bracewell and Cedar Vale areas. Once in-principle agreement has been reached, all dye injection, sampling and analysis be done by jointly appointed, independent specialists requiring no input from landholders, the mine or State Government except permission to enter. This study must be continued until the extent of the groundwater area affected by the mine is agreed on.
- ii) A probity audit be conducted of the extent and timing of all correspondence relating to the East End Mining Lease renewal, including the role of the Ombudsman, to validate the legality of the renewal process.
- iii) An authoritative evaluation be made of the chronological development of conflict between the mining company (as assisted by state agencies) and the community, as represented by EEMAG Inc. The evaluation must test the veracity of alleged deliberate inaccuracies and omissions as listed in the present report, and investigate the acceptability of the responses and inputs from the state agencies involved.
- iv) Through restoration of a properly constituted Community Liaison Group, recommence negotiations between the mine, affected community and state agencies, to expedite the return of mine pump-out water to the local groundwater through injection at sites most likely to benefit the watertable. Reasons why this cannot be done under the EPA Act 1994 must be overridden in favour of agreed compromises.

10. Community Engagement: Equity and Ethics

Issue: There are perceptions that there is evidence of illegal activity and unethical behaviour on the part of industry and state agencies. A distinction needs to be made between companies and agencies involved in legal environmental negotiations and approval processes and those that engage in unethical conduct and deal in manipulative procedures. This warrants investigation.

Action:

- i) A report is required to define what constitutes legitimate and legal planning, consultative and impact *assessment* practices and to separate the legal from the moral obligations in this environmental conflict study so as to;
 - (i) highlight weaknesses in current processes and,
 - (ii) to use this information to improve future regional conflict resolution in Queensland.

Both the East End mine and Stuart Oil should be used as case studies of process failure.

10. Marine Monitoring

Issue: Past and current extent and frequency of inshore marine monitoring is inadequate for early identification and compliance monitoring of pollution from coastal industries including agriculture.

Action:

- i) Investigate and report on spatial and temporal marine sampling protocol for adequacy in meeting GBRMPA targets for reef health, fisheries and seagrass beds.
- ii) A separate study is recommended on the effect of landbased pollution on the crab population of the State's most significant crab fishery at Gladstone.

11. Freshwater Quality Monitoring

Issue: A number of industries including intensive animal production, affect water quality. The Reef Action Plan requires all waters entering the Barrier Reef Lagoon to meet national water quality standards.

Action:

- i) Investigation of the quality of surface and groundwater in all major waterways in the Gladstone area should be undertaken as a matter of urgency. The study should include diffuse and point sources in rural and urban settings. Analyses should include at least nutrients (P&N) and sediment (TSS).
- ii) Instigation of a study on biological indicators of surface water quality, including an in-depth study of local frog populations as the most sensitive indicator of the ecosystem health at the air/water interface. This study should include testing of rainwater storage for human consumption and should build on the modest initiative reported in the present report.

12. Blighted Land Values / Public Interest –v- Private Right

Issue: Depressed land values as a result of proximity to industry, and lack of recourse to compensation

Action:

- i) Examine the process by which industry/state compensates landholders, and consider the benefits of a National or Statewide Insurance Fund (as proposed in this study) or other equitable future policy directions.

Yours sincerely,

Heather Lucke
Secretary

Attached 4 Volumes of Mt Larcom Community Restoration Project documents.

Copy of Cummulative from the mean Rainfall Graph by DNR Attached.

Copy of FOI of letter from the Ombudsman to DNR&M dated 27 September 2002 Attached.

Copy of a letter from the Premier to the Member for Gladstone dated 19 Aug 2003 Attached.