

12 February 2004

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

Dear Sir/Madam,

FOI Documentation confirming that QCL's Mining Leases were renewed on the basis of depletion of approx 500 metres from the mine pit.

EEMAG members wish to lodge additional information as a late submission. We consider that documentation only recently obtained under FOI is very important in that it substantiates our claims that QCL's current 2002 EMOS and Environmental Authority M2017 (and therefore QCL's Mining Lease Renewal in March 2003) are based on their 1995/96 IAS/EIS findings of mine-induced depletion of approx 500 metres from the mine pit.

We refer to FOI of an EPA Inter Office Memorandum dated 22 October 2001 (copy attached) on the Subject of 'Status of Environmental Authorities at East End' quote:

'Level 3 decision – East End Mine Assessing Officer [----]'

*'1.Application received (14/3/01) for new Non-Std EA due to expiry of Transitional Authority.
2.EIS' (that is IAS/EIS) 'conducted in 1996 when cement plant upgraded. Information still valid.'* End of quote.

EEMAG members conclude that EPA's decision that QCL's 1996 IAS/EIS information/findings were 'still valid' for their 2002 EMOS means that EPA adhered to the agreement DME reached with QCL in August 1995 [endorsed by Cabinet in October 1995] that 'renewal of the package of leases at the appropriate time will take into account the documents' (QCL's October 1995 EMOS and Plan of Operations) 'already lodged and accepted'. The Assessing Officer referred in the Level 3 decision of EPA's Memorandum was previously a very senior Officer with DME. (FOI of DME agreement etc previously supplied and included in the Mt Larcom CRP Report in Attachment 9.)

We interpret from the Memorandum that EPA actually should have required a new EIS to be undertaken for QCL's 2002 EMOS and EA instead of amending their 1996 EMOS, given the various findings that mining had depleted a very much greater area than that determined by QCL's 1996 IAS/EIS. We conclude that EPA acted in disregard of DNR's technical reports of December 1988 and February 1998 and QCL's 22/2/2000 'Mine Impacted Zone' of 33 sq km.

We allege that in this way the Queensland Government and its agencies has acted to insulate QCL against legitimate claims by affected landholders and to exempt QCL from compliance with relevant environmental regimes and the CoAG Agreement on Water Reform.

Responses to Mt Larcom Community Restoration Project Report of October 2003

Letter from the Office of the Premier

The CRP Report was tabled in State Parliament in October 2003 and government had announced that they would respond as whole-of-government. No response had occurred prior to the election and EEMAG members were frustrated by the do-nothing situation.

An EEMAG member faxed the State Secretary and Election Campaign Manager for the Labor Party requesting that the Government publicly declare an election commitment to fairly and equitably resolve the ongoing dispute between EEMAG Inc, Regulating Agencies and Cement Australia.

On 6 February 2004 the Premier's Chief of Staff responded, quote 'A report to the Government from the State Ombudsman, following a request from your organisation, found no issues of concern regarding the performance of the relevant Government agencies in relation to this matter.'

'The State Government is not in a position to give any undertakings regarding this issue.' End of quote. (Copy of letter from Office of the Premier dated 6 February 2004 attached)

In his letter of 27 September 2002 the Ombudsman advised EEMAG that he refused to investigate our complaint on the basis that, quote; 'To a non-scientist the information supplied in those reports is largely impenetrable and I am unable to assess meaningfully the comprehensiveness of the supplied reports, their soundness or relevance. I am also unable to critically compare one report with another.' (We refer to our initial submission beginning P81 and to Submission of 27 October Page 3, that includes FOI of the Ombudsman's letter to DNR&M dated 27 September 2002 giving 'clearance' to DNR&M.)

EEMAG members do not consider that the Ombudsman was in a position to state the view, quote 'To my mind those issues do not presume any failing in the way that the Department has progressed the matter thus far.' We believe that the Ombudsman's decision was/is being inappropriately used by Government to avoid obligations to undertake a proper appeals and dispute-resolution process.

Indeed the EPA Memorandum (FOI) of 22 October 2001 indicates that a dispute-resolution process should have occurred, since it states on Page 2, Item 6, '*Mining Leases expired in 1996. Applications for renewal cannot be finalised until compensation with local sorted out. (May now be addressed by L&RT)*'

Calliope Shire Council

On 5 January 2004, EEMAG wrote to Calliope Shire Council, seeking their support for a process to reinstate district water supplies. (Copy of letter to CSC available.)

Calliope Shire Council responded on 21 January 2004 that whilst Council is supportive of our endeavours to resolve the issue they could not provide any expert opinion on the subject and referred us back to the DNR&M. (Copy of letter from Calliope Shire Council dated 21 January 2004 Att.)

Council also stated 'In addition, I advise that in a recent letter to council the Gladstone Area Water board has identified (through a process undertaken by the Queensland Competition Authority on behalf of the State Government) that the current full cost of water provided to the East End Mine and the town of Mt Larcom from the source at Lake Awoonga is \$4939 per megalitre. To put this into perspective, Mt Larcom residents currently pay between \$500 and \$950 per megalitre under the current three tier rating structure.'

We see our situation as being that EPA has used outdated/inaccurate findings that QCL's mine has caused minimal depletion and has increased QCL's discharges from 6 megalitres per day to 10 megalitres per day for their current 2002 Environmental Authority [negotiated in FOI of 22/10/01 above].

We see this as the equivalent of a water allocation to QCL.

Conversely it appears that local landholders may be unable to obtain water from alternative sources due to the high cost of infrastructure etc.

In closing, EEMAG members wish to say that we greatly value the opportunity to participate in the Inquiry.

Yours sincerely,

Heather Lucke
Secretary, EEMAG Inc