

Legislative Council

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ENVIRONMENT PROTECTION (PULP MILLS) AMENDMENT BILL

The Hon. A. BRESSINGTON (20:32): I rise briefly to indicate that I will not be supporting this bill introduced by the Hon. Mark Parnell. The bill before us proposes to revoke the environmental indenture in place, presumably following negotiations at the time between the government and Kimberly-Clark, the operators of the Millicent mill. While it is true that the indenture is beyond lenient on the operators of the Millicent mill which, if the current operators exploited and polluted without regard, would not be acceptable in these modern times (and I struggle to understand how it ever would have been), the simple fact is that today this is not the case.

As much as the honourable member may desire the paradigm of this debate to be support for either big business or the environment, the reality is that the environment is not compromised by the indenture. Kimberly-Clark has been making a concerted effort to minimise the Millicent mill's impact on the surrounding environment, and it is achieving that with Lake Bonney now fit for recreational purposes.

A true testament to the progress made is that fish may now be taken from Lake Bonney without concerns of dioxins or other toxins. These efforts mean that, if the indenture were repealed as the honourable member proposes, Kimberly-Clark would be conforming comfortably to the environmental standards required of the Penola pulp mill.

To confirm this I contacted the Environment Protection Agency, which confirmed the claims of environmental improvement, indicating that there were no issues with access to the Penola pulp mill as a result of the indenture and that ultimately it was more than satisfied with the progress that Kimberly-Clark is making towards the 2014 expiration of the indenture.

To repeal the indenture five years shy of its expiration would leave Kimberly-Clark and the Millicent pulp mill in quite a precarious state. The indenture has provided the legal framework by which the Millicent mill has operated and, for that reason, relevant agreements and legislation have omitted references to the mill. For instance, if the indenture were today repealed as is proposed, Kimberly-Clark would have to cease operations as it would not have legal access to stormwater drains for its effluent. However, if we allow this indenture to run its natural course, all necessary frameworks will be in place ready for the transition at the indenture's expiration.

While not a perfect analogy, the 50 year indenture is comparable to a legislative contract, a contract that has provided the framework by which Kimberly-Clark has operated—with the certainty of an expiry date—a contract that the honourable member now desires us to breach.

As members may recall, I took issue with this government's ultimately successful attempt to legislate out of a contract brokered with the SkyCity Casino and the TAB for the provision of funds towards inspectors. At the time, I expressed my displeasure at the parliament's involvement with the dissolution of legally binding contracts between the government and private enterprise, and I reiterate that displeasure with this bill today.

While I would be more receptive if the honourable member had raised genuine concerns of Kimberly-Clark abusing the indenture and polluting the local environment, as I said, that simply is not the case, and for the aforementioned reasons I do not support this bill.

Debate adjourned on motion of Hon. B.V. Finnigan.