

## Legislative Council

Wednesday, 18 February 2009, Page 1288

### BRADKEN FOUNDRY

**The Hon. A. BRESSINGTON** (15:14): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about the expansion of the Bradken foundry.

Leave granted.

**The Hon. A. BRESSINGTON**: On 14 October 2008 I asked a question in this place of the minister in relation to the proposed expansion of the Bradken foundry. In essence, the question concerned what was at the time a rumour that Bradken was considering not proceeding with the expansion as per the time frame previously agreed to. In response, the minister reserved his answer, promising to return with detail.

While this has not yet occurred, Bradken on the other hand has since confirmed the rumour with the *Standard Messenger*, on 21 January, reporting Bradken CEO, Mr Brian Hodges, as stating that the expansion has been 'indefinitely delayed'. However, Mr Hodges gave the guarantee that the environmental works required to meet the emissions standards agreed to with the Environment Protection Authority would still proceed. A spokesperson for the EPA reiterated this commitment, stating that if Bradken failed to comply it would be liable to a fine of \$120,000.

As would be expected, the residents of Kilburn surrounding the Bradken site—some living just metres away—are alarmed at the news that Bradken is not proceeding with the expansion. These residents have long complained of the foundry's pollution and had pinned their hopes of improved air quality on the expansion.

While residents must take Mr Hodges at his word, another rumour has since spread that many of the environmental works promised are physically dependent upon the expansion, meaning that they can be undertaken only in conjunction with the expansion and that, in any event, it would be more economically feasible for Bradken to delay the environmental works and pay the fine rather than invest money in its present facility which, during prosperous times, does not meet output desires. My questions are:

1. Will the minister make clear to the council his current knowledge of Bradken's intentions regarding the approved expansion of its Kilburn foundry?
2. Does the minister believe that the prospect of a \$120,000 fine is sufficient to act as a deterrent to Bradken given the overall value of the company and the cost of undertaking the environmental works?
3. Does the agreement reached with Bradken provide a tangible time frame upon which each promised environmental work is to be completed, or does the agreement solely set the completion date of 2012?
4. If there is no time frame, does this mean that Kilburn residents will have to wait until 2012 for the government to act, despite Bradken not having undertaken any of the environmental works up until that time?

5. Will the minister undertake to keep this chamber informed of any progress made on the environmental works at the Kilburn foundry in a timely manner?

**The Hon. P. HOLLOWAY** (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Small Business) (15:17): In relation to the latter question and some of the earlier questions about any potential fine, they are matters for my colleague the Minister for Environment, because it really would come under the Environment Protection Act. Clearly, if the honourable member wants an upgrade of those things and they are to happen under the current approval process, they are matters for my colleague in another place and I will refer those particular questions to him.

In relation to the major project that was approved for Bradken, I have no recent information other than what the honourable member has referred to which has been in the press in relation to where Bradken is going. However, I can inform her that under section 46 of the Development Act there is a time limit for which proposals apply, and if the company wishes to amend that it has to seek an extension. I believe it is a three year limit. So, the company has that length of time within which to proceed. If it does not, the approval it obtained relating to a major project expires. Already some time has passed, so the company would need to seek approval and then it would have to be reassessed.

The point I reiterate, which was made at the time that major project approval was given, is that the company, if it was not to proceed with the development, would be required to abide by the provisions of the current Environment Protection Act. Clearly, if the company is not to proceed with measures that would assist it in meeting those targets, it will be subject to other conditions imposed by the Environment Protection Authority. I will seek to obtain that information from my colleague in another place. However, certainly as far as major projects are concerned (which come under my jurisdiction), I would expect the company to proceed within that time frame—three years—otherwise it would have to come back to the government and either seek approval and provide reasons for any extension or, alternatively, if it wished to modify its proposal it would have to put up that case and, if necessary, if it was any modification, be subject to further public consultation on that. I hope that does not occur.

One can understand, in the current uncertain economic environment, why companies might defer expansion plans because of the uncertainty. However, one would hope that, as we emerge from this time, it would undertake that investment and, as a result, bring about the environmental benefits to which the people of the Kilburn area are entitled. Certainly, in making this a major project in the first instance, it was my hope that that would happen. Notwithstanding the fact that many of the local people were critical of my decision, the honourable member has reflected in her question that I think most residents now believe it is important that the company proceeds with that upgrading, because that is necessary to ultimately bring about a permanent solution to improved environmental issues, particularly in relation to air, water and the like, and also the improved amenity within the area.

I hope that this project proceeds, but I will certainly refer the relevant parts of the question to my colleague in another place and I will make inquiries of my

department to ascertain whether it has any more recent information in relation to Bradken's intentions under the major project approvals.