

Extract from Hansard

[ASSEMBLY — Tuesday, 19 November 2013]

p6161b-6194a

Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

BARROW ISLAND AMENDMENT BILL 2013

Third Reading

MR C.J. BARNETT (Cottesloe — Premier) [3.04 pm]: I move —

That the bill be now read a third time.

MR W.J. JOHNSTON (Cannington) [3.04 pm]: I would like to make some remarks about the Barrow Island Amendment Bill 2013. We had quite a heated debate last week, which surprised me. I remind members of what I said on Thursday last week. I asked four simple questions: has any part of the 32 hectares been cleared; why are there no environmental offsets; does the Environmental Protection Act 1986 continue to apply; and, was there any connection between the Elizabeth Quay land purchase and the decision to move forward on the Barrow Island bill? Those simple questions received an extraordinary overreaction from the Premier. That overreaction says much about the Premier. I also pointed out that in the Premier's contribution to the debate back in 2003, he called the Barrow Island agreement a corrupt act. I want to go through this very briefly. I make the point, using mathematics as an example, that if X equals two and X equals Y, Y equals —

Mr P.C. Tinley: Two!

Mr W.J. JOHNSTON: It is pretty simple. When the Premier said on 16 October 2003 in respect of the agreement between Rio Tinto and the former Labor government that that was “the corrupt act”, he then went on to say —

It is not to the same scale, but it is exactly the same as Northern Mining and Argyle Diamond.

He was referring to the Barrow Island agreement. Let us make it clear that that is exactly what the Premier said in respect of the Barrow Island agreement. In fact, he went further and said —

ChevronTexaco is compromised by this, ...

“This” being the agreement that they had entered into. On 16 October 2003, the Premier said, in respect of the environmental offset fund —

This is effectively extorting \$40 million from the proponents ...

At no time on Thursday last week did I say that Chevron, or ChevronTexaco as it was then known, had been involved in any misdeed. The only person to ever accuse ChevronTexaco of misbehaviour was the Premier. When the Premier challenged me last Thursday to go outside the house and repeat my accusation, I happily did so because there was nothing that I was saying about Chevron that would lead me into any embarrassment on the issue because I was repeating the words of the Premier. They were not my words; they were the words of the Premier. I challenge the Premier to tell us whether he still believes those things that he said in October 2003. If he does not, will he then apologise to Hon Geoff Gallop, Hon Clive Brown and Chevron? He is the one who called into question the character of that organisation and those people. He owes them an apology. He cannot say that that was 10 years ago. That is what he said. That was his opinion. His opinion is important because he is the Premier of the state of Western Australia. Of course he can change his mind; I have no trouble with that. Everybody is free to grow and develop as they move through life. Maybe that has happened with the Premier. If it has, he can put on the record that he was wrong in 2003 and offer an apology.

It is interesting what happened in respect of Chevron and the decision that we are looking at. We know from *The West Australian* that in May this year Chevron signed a lease with QV.1 for 10 years. The Minister for Planning told us in the house that subsequent to that, he raised his concerns with the Premier—I do not know exactly when it was but it was subsequent to that—about whether Chevron would continue to purchase land in Elizabeth Quay. We know because the Premier told us on 26 August that Chevron phoned him to let him know something that had already been flagged with the department—that it needed 32 hectares of additional land. According to the Premier, Chevron told him that it thought it might be a problem. I assume the Premier meant a problem with the community, given the issues that were around at the time of the original agreement—that being that the 300 hectares was all that was needed. After having said that that would all be all right, at the end of the conversation the Premier raised the delay in the decision by Chevron to purchase land in the Elizabeth Quay project. On 3 September a formal request came from Chevron to the government to vary the Barrow Island agreement. On 23 October the Premier brought legislation to the Parliament. On 6 November Chevron and the government agreed to the sale at Elizabeth Quay. I make the point, as has been correctly reported in the media, that I did not say and I am not saying that the Premier acted corruptly or illegally in this matter. I think he was very, very unwise and it was improper for the Premier to link these two issues in that phone call on 26 August. I draw an analogy, as a number of people have, with Hon Tony McRae, whose sin was to have a phone call about

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two issues that were being dealt with by the Corruption and Crime Commission. He resigned as a minister because of that and because of the standards of the Labor government. I draw that point to the attention of the chamber.

Mr J.H.D. Day: Quite different issues, though, weren't they?

Mr W.J. JOHNSTON: I am not quite sure why they are different issues. Elizabeth Quay is a major political issue for the government. The government has trumpeted it for a long, long time. It was not right that the Premier made this connection; he should not have done that. It was wrong, and everyone knows it was wrong, and that is probably why the Premier went off so unbelievably on Thursday last week. It was an unbelievable and immature performance by the Premier of the state of Western Australia. It should never have come to the way that the Premier behaved and his deep embarrassment for his behaviour last week —

Several members interjected.

The ACTING SPEAKER (Mr P. Abetz): Members! Member for Kalamunda, member for Armadale, please cease your exchange. The member for Cannington has the call.

Mr W.J. JOHNSTON: His immature behaviour last Thursday, in my view, and in the view of the majority of people in Western Australia, was a demonstration of his guilty conscience. Why else would he have gone off like that and continued his outrageous behaviour in this chamber if he did not feel guilty about what he had done? That is a sad indictment on the Premier. I am glad that he is calmer this week. We all like it when he is a bit calmer and the Parliament operates better when he is a bit calmer. I want to move on to a couple of other issues.

In consideration in detail I asked the Premier why there were no environmental offsets. I am not quoting directly from *Hansard*, but inter alia he said that there should be environmental offsets but that there was not time to negotiate them for this agreement bill; however, he expected that at some time in the future the joint venture partners would return to government to negotiate further on train 4 and that would be an opportunity for environmental offsets. That is not the Labor Party's opinion. As I said at the start of my contribution last Thursday, we are not opposing the bill and we will not divide on it or do any of those things, but if we were in government, we would ask for environmental offsets. We can do a pretty easy calculation. Basically, the joint venturers are asking for an additional 10 per cent in round figures. Therefore, an additional 10 per cent should have been added to the environmental offset fund. If the Premier thinks that is not enough, he should tell us that, but in our view that would have been an appropriate approach to take. It would not have delayed the passage of the legislation at all and it could have been appropriately dealt with. That would have been a better outcome than the outcome we have.

I also want to raise that the Premier may well be right that if Chevron wants to build a fourth train, it may need additional space on the island. That is not what Chevron said to us. Chevron said that it believes it can build train 4 on the existing footprint plus the 32 hectares. I mean the original 300-hectare footprint, plus the land to which Chevron has access, which was originally cleared for the West Australian Petroleum Pty Ltd operations on the island. I have no idea whether Chevron is right that it can fit four trains onto the existing footprint, but I do not think there should be any suggestion from government that we, as a state, will automatically give additional land on the island for the project. I think that is premature. This is an A-class nature reserve. It is not intended as an industrial site. I remind everybody why the site was chosen. It was not as though the former Labor government said it was where it wanted a petrochemical plant. It is because the proponents came to us and said it was the site that made the best economic sense for them. As the Leader of the Opposition and I have made the point on a number of occasions, let business do business and government do government. We can see by the fact that the former Labor government was not prepared to let Inpex have the Maret Islands that if a company says, "This is where we want to go", that does not mean that the government must agree. Of course it does not. Clearly, governments should not be making business decisions. When the proponents put the view that the best spot to do the Gorgon project was on Barrow Island, the government could say yes or no to that. We believe that is the appropriate way; deal with business on that type of basis. That way there is certainty, instead of trying to pretend the government is somehow a partner in the deal. We are never a partner in the deal. We are a facilitator and a regulator; we are never partners in a project. The projects are done by private investors. We can say to them that this will not fly for these reasons or we can say yes, we can make an arrangement, and that is what the Labor government did. We said we could literally sacrifice the 300 hectares to make sure that the project went ahead. We are relaxed about the 32 additional hectares. We think that that can be accommodated, but there should have been a proper environmental offset for that additional 32 hectares and we want to flag and make it clear to everyone in the community that if there is any suggestion that the company will come to the people of Western Australia asking for additional land on the island, there should be no expectation that additional lands

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will be automatically granted for the project. It will have to be looked at on its merits and the decision made based on the totality of the project.

The way Chevron has explained it to us, if it does not get this additional 32 hectares, the cost escalations on the project—which we know have escalated enormously already—will be too great to handle and there will be serious problems with completing the project. We understand and we are happy to accommodate Chevron's interests because this is a major project, employing thousands of Western Australian workers. As the only party that puts employment at its heart, we agree to this proposal. Our core and number one value is about employment and jobs and security for working people. A future proposal will be looked at on the merits as they exist at the time.

The next thing I want to comment on is that, as discussed in consideration in detail, this act does not set aside the Environmental Protection Act 1986. We will watch the Environmental Protection Authority procedures with keen interest to make sure that the EPA does its job properly. We strongly urge the government to make sure that, unlike what happened at James Price Point, no corners are cut in making sure that the EPA does its job. In the long run, cutting corners comes back to haunt everybody, including the proponents. The decision by the Supreme Court of Western Australia showed that, with the James Price Point land, the government had not made a decision even though it had published a decision. The court said that decision was invalid. In other words, it had never been made. That left the potential users of those lands exposed. We want to make sure the EPA does its job properly, because that is in the best interests of the proponent of the project, the people of Western Australia and our environment. It is a long time since proponents came to politicians and asked us to cut corners on the environment. I completely understand that that is the past and that now, in the modern world, big organisations such as Chevron are very keen to ensure there are proper environmental outcomes. Part of that social licence is to make sure there is proper government regulation, because that is part of our job—that is, regulating and facilitating rather than pretending that we are somehow a party to the deal.

I will now refer to the detailed work in clause 11 of the original agreement, and that is the net conservation benefits that established the \$40 million fund. I just make the remark that the Minister for Environment would have very little to talk about if it were not for the money that came out of this fund, because he is very fond of talking about the work at Lorna Glen and the transportation of different species to that vermin-proof facility at Lorna Glen, which I have also visited. Of course, that is one of the outcomes of that fund. The work at that facility and that transportation of species have been done partly because of the money that arose out of this fund. It is the same as the work on Dirk Hartog Island. There was a huge effort to exterminate vermin on the island, and then species were reintroduced. There are clear benefits for the environment from the original agreement. It was a sacrifice. Three hundred hectares of the class A nature reserve were bulldozed. No-one can dress that up; that is what happened. But there were offsets. There were benefits for the environment as well as the costs. That is why we think it is quite tragic that the government has not taken the opportunity to continue to get those types of benefits for everybody in the state.

I will finish with the issue of the jobs; I know that a number of my colleagues will talk about this in particular. In my role as shadow Minister for State Development, I was approached a little while ago about a family-run engineering business in Osborne Park. I do not really understand the work it does—it is very technical work—but I understand it was about pressure vessels. These people had been watching out for the letting of the contracts related to their particular expertise, and they made the point that the first time they knew the contract had been let was after it was let. Of course, it was let as part of a package. It is one of the challenges of these engineering, procurement, construction and management approaches that the major project proponents now do. As I said, we are here to regulate and facilitate. There is a proper role for government in ensuring that there is proper facilitation of these engineering companies, particularly the family-run engineering companies. I make the point that those family-run engineering businesses are the backbone of the German economy. I think we are missing out on a lot of opportunities for those types of companies that operate in very, very narrow niche areas. I think we could do better. The Labor Party introduced the skilled work agreement bill in the last Parliament. As we move forward, we will look at how things are going in local content and the modern challenges to that issue. Members opposite should not be surprised if we come back and talk about that issue again.

We understand that this is an important bill and that thousands of jobs are underpinned by the work that was done by the former Labor government in working with Chevron on the Barrow Island agreement back in 2003. I make the point that the only member of Parliament I can see who ever accused Chevron of acting improperly was the Premier of Western Australia when he said, amongst the many things he said —

ChevronTexaco is compromised by this, ...

That being the involvement in a “corrupt act”, and what he said about the corrupt act was —

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It is not to the same scale, but it is exactly the same as Northern Mining and Argyle Diamond.

I am happy to see that the Premier has changed his position on these things. As I said, people can grow, change and mature, and if it is the position of the Premier that this was not in fact a corrupt act, as he said back in 2003, I am sure he is happy to explain that he is no longer of that view; and, if he is no longer of that view, he needs to apologise to Geoff Gallop, Clive Brown and Chevron for having made those accusations back in 2003.

MR M. MCGOWAN (Rockingham — Leader of the Opposition) [3.25 pm]: I must say that it is a very different tone in this debate in the Parliament today from what it perhaps was last week. In fact, it is sedate by comparison with last week's debate. However, I note that perhaps everyone is suffering a bit of fatigue after last week's efforts, and now we are just battling on towards the end of the year. I rise to indicate once again our support for the Barrow Island Amendment Bill 2013. To reiterate what this bill does, it expands the footprint available to the Gorgon project on Barrow Island by 32 hectares. The development site on the island is currently 300 hectares. That was provided by the 2003 legislation for the construction of the Gorgon project.

I will not go over my rather extensive involvement with the project back in 2006. Needless to say, I am very familiar with both the island and the site in question. I regard Barrow Island as an important environmental site. As I think I said last week, it is beautiful in an arid Western Australian way. One of the reasons that Barrow Island is so beautiful is that it is immune to feral predators. There have not been feral predators in any numbers on the island in the past. As I recall, some feral cats were discovered on the island. Because it is an island of roughly 28 000 hectares, those cats were able to be isolated and destroyed. So Barrow Island is like Western Australia would have been prior to the introduction of feral animals. People who spend time on Barrow Island—a Department of Environment and Conservation, as it was previously, ranger may well have been out there, and I know some people who worked there and, indeed, there were other proponents from Chevron—say that of an evening, or at dusk or at dawn, we see what Western Australia would have been like. The prevalence of native wildlife is extraordinary. If people go outside at the hours at which wallabies, birds and the like are out there, they see what our state would have been like prior to the introduction of feral animals. That is one of the reasons it is so extraordinarily important. It is an ark for wildlife. I believe one of the greatest tragedies in the history of this country has been the introduction of feral animals and the impact on native wildlife. It is up there in probably the top five tragedies in the history of this country. The fact that we have the biggest island off the coast of Western Australia of which I am aware that has been an ark for native wildlife, where they are free of predators and able to live without the fear of those predators that they did not evolve to be able to combat, is terrific.

Chevron wanted to expand the usage of the island. It had been used for oil extraction since the 1960s, as I understand it. It was a small-scale operation. There were a number of those nodding donkeys around the island. But Chevron wanted to massively expand the activity on the island. The greatest threat, of course, from that is that feral animals may well be introduced to the island. There were a range of other threats. For instance, the light from the project was very threatening towards native wildlife, in particular flatback turtles. At the time we approved the project, flatback turtles were the subject of some derision, in particular by *The Australian* newspaper. If anyone has ever seen flatback turtles in large numbers on the beach, they will know that they are an environmental wonder. It is frightening and incredible to see the young turtles coming down the beach while their predators are lying off the coast in wait, but it is a marvel to observe Western Australian wildlife and nature. The flare from the Gorgon project, potentially, could have had a dramatic impact on the turtles, which are attracted to the light. Therefore, the environmental conditions meant that light issues had to be appropriately resolved. They did not want a light at night-time that would attract wildlife and make them vulnerable to predators in an unnatural way. They were afraid that feral animals would get on the island. That was very concerning. As I said, this area has been an ark for the past 180 years or so of European settlement in Western Australia. The idea that it would not be managed appropriately and feral animals could get on the island and devastate it is a very real fear. That is why very strict conditions apply to quarantine and the like, which I understand is very expensive for Chevron and the Gorgon joint venture to manage.

There were also issues surrounding the release of a very large amount of carbon dioxide. I forget the exact figure—it might be 10 per cent or 15 per cent or thereabouts—that is extracted from gas in the Gorgon gas fields. That is another environmental issue that we have to deal with in the modern era. All those things were competing. Therefore, during the negotiations and discussions between Wally Cox from the Environmental Protection Authority and the Gorgon project, certain requirements were put in place. One of those requirements was an offset package. I support an offset package when companies take 300 hectares from an A-class nature reserve. It was not a piece of degraded turf in Perth; it was, as I said, a large slab of land on an environmental ark for Western Australia. What contribution would the companies make towards protecting the state's environment, bearing in mind that the environment portfolio always needs more resources?

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The retreat of nature over the past 230 or so years has been one of the very sad developments in this country. We are always providing more resources and ways to protect creatures on Barrow Island, such as turtles, wallabies and reptiles, which have never evolved to deal with feral animals. That is very important. That is why there was a package that involved turtle research and turtle nesting assistance, as I recall. We also expected an expansion of marine parks and terrestrial reserves as part of that. Unfortunately, I left the environment portfolio the day after I provided the approval, so I do not know what happened with it. But I do know that there should have been a major expansion of both marine parks and terrestrial reserves as part of this project in that region to protect the region from what was potentially a threat.

Another threat was dredging, which potentially could have impacted the magnificent reefs of that part of world. I will tell members why. Dredging creates an issue in one spot, but the spoil has to be put somewhere and when it is put down, it creates a cloud that can extend for kilometres. There was grave fear about the impact on reefs in the vicinity of Barrow Island. An environmental offsets package was provided for not only the environmental risk to those 300 hectares, but also all the other risks that were a part of the project.

The company approached the government and said that it wanted to expand its footprint by slightly more than 10 per cent. In light of what was done before, there should have been an environmental offsets package. I have a copy of the Western Australian government's environmental offsets policy, from the EPA website, which is dated September 2011. It reads —

This policy seeks to ensure that environmental offsets are applied in specified circumstances in a transparent manner to engender certainty and predictability, while acknowledging that there are some environmental values that are not readily replaceable.

Earlier it reads —

The Western Australian Government's Environmental Offsets Policy seeks to protect and conserve environmental and biodiversity values for present and future generations. This policy ensures that economic and social development may occur while supporting long term environmental and conservation values.

A lot of people do not like policies such as this. But the fact of the matter is, as those paragraphs read, some environmental values are not readily replaceable. When we impinge and impact on those values and areas, something should be done. I will quote another section of the government's current environmental offsets policy. On page 2, it reads —

Environmental offsets address environmental impacts that remain after on-site avoidance and mitigation measures have been undertaken. Environmental offsets will not be considered in the absence of proposed strategies to avoid and mitigate environmental impacts.

There is no way to avoid environmental impacts when 32 hectares of an A-class nature reserve are cleared. We knew that in 2006 when we put in the environmental offsets package that was somewhere in the vicinity of \$100 million or \$120 million. We knew that if we cleared that land, there would be absolutely no way to avoid environmental impacts. That is why Chevron was very agreeable to an environmental offsets policy. It was subject to criticism; people did not like it. The government's current environmental offsets policy dated September 2011 states all those things that appear to me to be readily apparent—namely, if an area that is environmentally special is impacted, some offset must be provided. That is why I call on the Environmental Protection Authority, in its consideration of this matter, to have a good hard look at this policy. It should talk to the proponents about an offsets package. If one has been applied to 300 hectares on this A-class nature reserve, why has one not been applied for a further 32 hectares on exactly the same A-class nature reserve? The company is seeking a speedy resolution of this issue. I suspect that the clearing of an additional 32 hectares will save the company an enormous amount of money. From my recollection of conversations I had with the proponents in 2006, it was their view that 300 hectares was all they would ever want. That is why they wanted the approval. They would not seek more; they would not suggest that more would be needed, because they had done the analysis and that is all that they would ever want. Chevron's position changed. The only fair thing to do, in light of what it told the Labor government and what it is now doing to save a significant amount of money, is to do exactly what happened before and make sure there is some environmental benefit from clearing 32 hectares from an A-class nature reserve. That is the only fair thing to do. It is up to the EPA, the proponents and the government to look at this issue.

When I was briefed on this issue a couple of weeks ago at my office at Parliament House, I asked questions about environmental offsets. I said it was something that Chevron should do and an issue that I would raise, so now I am raising it. When the company sought permission originally, it said that 300 hectares was all the land it

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needed. Now it is seeking more land, and there needs to be some benefit to the state. If the company is going to save hundreds of millions of dollars, if not billions of dollars, with an expansion of a footprint that it said it would not need, it needs to provide some support for the state's environment.

There are a few questions: is the land already being cleared? I note that the Premier said last week that it was not. Bearing in mind that 5 000 people work on Barrow Island, some of whom are my constituents, the advice that I have received from people on the ground is that the land has already been, or is currently being, cleared. If they are clearing the land prior to the passing of this legislation and prior to environmental approval, it is not acceptable. That question needs to be thoroughly answered—whether that is currently happening needs to be examined.

The opposition has asked questions about what is called a sea squirt. A sea squirt does not sound very threatening or intimidating but neither does the crown of thorns starfish. As I understand it, these sea squirts have come into that area via shipping and are now ravaging marine life in the vicinity of Barrow Island. Members should bear in mind that the reef systems in this part of the world, with Ningaloo, which is famous, and those to the north in the vicinity of Barrow Island through to Dampier, are some of the finest and most beautiful in the world. If species have been introduced from this Gorgon project, we need to know exactly what is going on, what mitigation measures have been put in place and how this happened. The assurance we received on all of these issues was that the strictest quarantine in the world would be applied. If some of the finest reef systems in this country are being ravaged by introduced pests, we need to know about it, and we need to know the mitigation measures that are being put in place by the government in that regard. That request is fair enough. It is up to the Gorgon project to provide us with that advice.

A few other issues were raised last week, including the commonwealth's \$100 million from the revenues from Gorgon. In 2015, 300 terajoules of gas a day will come on-stream. That is great; fantastic. Regarding domestic gas supply, I think the pipeline is currently being constructed or near completion from the project to the Dampier to Bunbury natural gas pipeline. That is terrific; it is a major benefit from the project. A range of other benefits from a major project like this include thousands of additional jobs, a significant environmental offsets policy and all the tax benefits for the state with payroll tax and the like. I recall—this needs to be argued for—that the former federal government made a commitment of a significant benefit to Western Australia independent of the Commonwealth Grant Commission process when the revenue streams came online; that is, \$100 million a year. The revenues from this project will not come online for a considerable time, and I think there will be deductions and the like that will delay the potential for a commonwealth contribution. However, it is worth arguing for. Nothing will be lost by arguing with the federal government for a contribution in that sense. No doubt the Premier's argument will be that the time to have done that was when the legislation was passed in 2003. He may well be right. But a government committed to it, and we need to know whether this government has any interest in doing the same. I say this because this government has booked no revenue from the project. It has booked no revenue from a range of offshore oil and gas projects in commonwealth waters. It has booked none. It is not currently missing the revenue, and I doubt that this Prime Minister will be in office when the revenue comes on-stream. I doubt that his successor will even be in office when the revenue comes on-stream. Nevertheless, there is an opportunity for the Prime Minister to say that we should share the offshore revenues from projects for which no revenue has been booked with the states. It will not be his issue or his problem. It will not be his current cabinet's problem. Someone else in the future will need to deal with it. The government may not receive 100 per cent of a future revenue stream; it may receive 75 per cent or 50 per cent of a future revenue stream. Nevertheless, by doing that, the government would be strengthening the Federation. I think the public would welcome an approach like that from the current government or from any Prime Minister or Treasurer. That is because it is not losing anything; it is losing absolutely nothing. It would gain a strengthening of the Federation and the idea that more money will be put from those oil and gas projects into the main service delivery area of the commonwealth—which is the states. That is into schools, hospitals, police and environmental protection—an area starved of resources. That is what the government would gain.

That would be a wise, far-sighted approach by any Prime Minister that would be talked about by future generations. I do not think that it hurts to ask. I recently suggested this to some journalists. I do not think it would hurt at all to ask and put it on the agenda at the Council of Australian Governments. I know that the Premier would have every other Premier supporting him. Eight people around a table of nine are already outside. Put it on the agenda and start a discussion. Why not? The Prime Minister has nothing to lose. He would argue that the commonwealth deserves all the money so that his successor two or three from now can spend it. His successor two or three from now will probably be somebody from the other side of the house in any event. What has he got to lose? He has absolutely nothing to lose.

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That brings me to my last point. I note that the member for Cannington raised some issues. The Premier last week referred to his discussions with Chevron about the excision of additional land and the development on the Perth foreshore; I quote —

At the end of that meeting, I raised—not Chevron—negotiations over the sale of land and simply urged both Chevron —

...

... I simply urged Chevron to try to reach agreement with the MRA.

This is the Premier —

During the telephone conversation, after we had finished talking about Barrow Island, for which I indicated my support, saying that we would introduce legislation, I said, “By the way, I would really like to see you conclude negotiations which are all but at an end.”

I think that deserves further explanation. I know that it caused extraordinary reactions in this place last week, but it was the Premier’s own work. If the Premier had sat in silence while the member for Cannington raised these issues, no issue would have erupted. But the Premier said that he raised it in conversation immediately at the conclusion of negotiations about the excision of additional land at Barrow Island. He raised it. I think that is a fair issue that deserves further explanation. I would like to know who the conversation was with and why the Premier thought it was appropriate to raise that issue at the end of that conversation. The Premier in reply to the third reading should provide that explanation, instead of getting wildly angry. Can members imagine the Premier’s reaction if it had been Alannah MacTiernan, Eric Ripper, Jim McGinty or Geoff Gallop who had done that?

Mr J.H.D. Day: You are implying there was some improper motive, which there was not. They are both busy people who had taken the opportunity to follow up an issue, which in the case of the Elizabeth Quay transaction had actually been going on for over two years. There was no link with Barrow Island whatsoever.

Mr M. McGOWAN: Minister for Planning, that may well be the case, but I still think it was inappropriate. I think that they should have concluded that conversation and made an appointment for another point in time to have that other conversation, when the two were not directly linked by a matter of a second, if that is what he wanted to do as Premier. That is my view. I think it was inappropriate. I do not think that one should seek a benefit for the state from the sale of land here, and link it in a conversation or have it exactly at the end of another conversation about another issue. That is my view. It was inappropriate to hold that conversation. Perhaps the issue could have been handled more elegantly in the house. The Minister for Planning just provided a rational explanation. However, I think we should know who at Chevron had the conversation with the Premier. I think it would be fair to tell us the level at which that conversation was held. If the Premier had the conversation with a low-level functionary at Chevron, it would be of less significance than if he had the conversation with the managing director in America. He will get my point. Why do I consider that it would be less significant to have the conversation with a low-level functionary? That person would not be in a position to make the decision. If it involved the person in the position to make both decisions, it would elevate the issue. If they had heard one thing in one part of the conversation and another thing in another part of the conversation, I do not know how they would have interpreted those things, but they may well have interpreted that the two issues were linked. I think it would be a fair thing —

Mr C.J. Barnett: Complete fantasy.

Mr M. McGOWAN: When the Premier was out of the chamber I raised the point that if Alannah MacTiernan, Eric Ripper, Jim McGinty or Geoff Gallop had had the conversation in the way the Premier had had it, the Premier would have come in here and asked exactly the same questions we asked.

Mr C.J. Barnett: No, I wouldn’t.

Mr M. McGOWAN: He absolutely would have. They are four honourable people with distinguished records in the Parliament of Western Australia. The Premier would have come in here and raised exactly the same points as we have raised, but he would have been far more aggressive than we have been. We are positively sedate.

Mr C.J. Barnett: You are now backtracking, aren’t you; trying to get out backwards.

Mr M. McGOWAN: Not at all. When these issues were raised last Thursday, I merely asked the Premier questions.

Mr C.J. Barnett: No, you didn’t; I’ll tell you later what you said.

Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

Mr M. McGOWAN: That is what the Premier does in this place. He can tell me later what I said; I am happy with that.

Several members interjected.

The ACTING SPEAKER (Mr P. Abetz): Member for Cannington and Premier, the Leader of the Opposition has the floor, thanks.

Mr M. McGOWAN: Premier, it may well be just perception.

Mr C.J. Barnett: Only yours.

Mr M. McGOWAN: But is that not a relevant matter to raise? The Premier interjected, and we were having a rational conversation, unlike what happened last week.

Mr C.J. Barnett: We are not having any conversation at all, my friend.

Mr M. McGOWAN: Okay.

Mr J.H.D. Day: It might have been your perception but it has all been fully explained. The wider world understands.

Several members interjected.

Mr M. McGOWAN: In 2007 the Premier said the following —

... we do, in this Parliament, I think you will agree, Mr Speaker, not only have to deal with reality but also perceptions.

Admittedly, it was in the middle of a debate when the Premier accused a number of people of corruption. He attacked Alannah MacTiernan for wearing a tracksuit; he described various people as naive, stupid and neglectful and he attacked the current member for North West in vigorous terms, I might add. Perhaps the member for North West is being attacked at the moment by other people about other events that have occurred recently. The Premier described John Bowler as disgraceful and improper and called on him to resign from Parliament. He said all those things in 2007.

Mr C.J. Barnett interjected.

Mr M. McGOWAN: That is correct. The Premier attacked John Bowler and Vince Catania and, in one case, he said they should leave the Parliament immediately, and then he welcomed them into his ranks. The point I am making is that very relevant questions were asked of the Premier the other day. I think they were relevant; I think it was inappropriate to have the two conversations at the same time. We should know who the Premier had the conversation with because I think there is a difference between having a conversation with a low-level functionary at Chevron and with someone who may well be running the corporation. There is also a difference between each person's perception of what the conversation actually meant. If in the future the Premier is to have those sorts of conversations, it would be prudent to make some notes of the conversations. If the Premier is dealing with multibillion-dollar developers—I am absolutely positive these corporations do—he should make notes of the conversations so that everything is noted and there is evidence should any questions be asked in the future. Those sorts of conversations should have been recorded, particularly if he was discussing both issues at once, so that people can see whether and how the two issues were discussed in the same conversation and whether there might have been a perception of a linkage between an approval for one thing and the purchase of another. As the Premier said, this Parliament deals with perception.

Mr C.J. Barnett: What nonsense.

Mr M. McGOWAN: He said that on 17 May 2007.

Mr C.J. Barnett: You know you made a mistake and you're backtracking.

Mr M. McGOWAN: That is exactly what he said in this place.

I think the Premier's actions were inappropriate. I am not backing down at all. I said "inappropriate" last week. I am saying it again and I stand by what I said.

Mr C.J. Barnett: You're just backtracking.

The ACTING SPEAKER: Members!

Mr M. McGOWAN: I absolutely stand by what I said last week.

Extract from Hansard

[ASSEMBLY — Tuesday, 19 November 2013]

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

Mr C.J. Barnett: You can't rewrite your accusations.

Mr M. McGOWAN: I am pleased to see at the conclusion of my speech that I have lifted the temperature once again. It is usually the member for Cannington who does that. Today it appears that I have done that, and I look forward to the Premier's response.

MR I.C. BLAYNEY (Geraldton) [3.54 pm]: I wish to speak briefly on the Barrow Island Amendment Bill 2013 and this quite exciting project. Gorgon is the biggest natural resource project in Australia's history. Expenditure on it is approaching \$52 billion. The first three stages will produce 15.8 million tonnes a year. The purchase of the fourth train is on the horizon, and that will, of course, require expansion of the 2.1 kilometre jetty to service its tankers and a line back to the domestic market. The company is putting somewhere between 3.4 and 4.1 million tonnes of CO₂ back into the ground. Leader of the Opposition, Barrow Island is the second largest island off the coast of Western Australia. The largest island is Dirk Hartog Island. It is interesting that Dirk Hartog Island is being reverted from a sheep station to a reserve. I know from farming not far from the island that anyone who has shorn sheep there is considered to be a bit of a legend because of the state of the sheep due to the sand in their wool.

Barrow Island has an area of about 200 square kilometres, is 27 kilometres long and 11 kilometres wide and, of course, it is a class A reserve. Oil was discovered there in 1964 by West Australian Petroleum Pty Ltd. It is rated by BirdLife International as an important bird habitat. The exciting thing about Barrow Island, of course, is that no exotic wildlife has been established there. More than anything Barrow Island shows how one of our extractive industries can take measures to protect and enhance the natural environment. There is no doubt in my mind that if oil had not been found on Barrow Island in 1964 and the appropriate rules put in place, some species would be extinct that survive today. Those measures no doubt added to the costs of originally WAPET and now Chevron. I think all Western Australians will agree that that extra cost is worthwhile.

Another notable fact I discovered about Barrow Island is that in 1996 during Cyclone Olivia the World Meteorological Organization recorded the highest non-tornado related wind gust in history of 408 kilometres an hour there. Maybe that explains Chevron's reluctance to embrace floating liquefied natural gas production. In addition to the 300 hectares it was initially granted, Chevron is now asking for an additional 32 hectares for lay-down space, which will take its acquisition to about 1.3 per cent of Barrow Island's uncleared land mass. I am sure Chevron will agree that it has discovered that the logistics of building on an island are very challenging compared with building onshore, especially an island the ecology of which is as protected and as fragile as that on Barrow Island.

Interestingly, a similar situation is coming up in my electorate because a company has applied to drill near the Abrolhos Islands. The issues involved are similar to those on Barrow Island, and it will be hard to find a path between the two extreme conflicting views of a company wanting development at all cost and conservationists wanting to preserve everything for all time. Chevron, of course, is an old company that has merged with or taken over well-known companies such as Texaco, Gulf Oil Corporation and Uicol Ltd. It is one of the six super major oil companies, and, in 2013, was ranked eleventh among the Fortune Global 500 companies. It has projects in Western Australia, of course, and its biggest project worldwide is Gorgon. Development of the Wheatstone project commenced recently and Chevron has also recently bought leases in the Great Australian Bight. In 2007 Chevron established one of its two global technology centres in Western Australia; the other being in Aberdeen, Scotland. The purpose of these centres is to study process safety, environmental stewardship, liquid natural gas processing, subsea engineering, technical geophysics, exploration, reservoir management, enhanced oil recovery and deep water operations.

I also did a bit of research on the weekend and I found comments had been made about resources majors leasing buildings rather than buying land and building their own buildings. I had a look into Chevron and on the whole Chevron seems to buy its own land and build its own buildings. It has a 50-storey tower in Houston along with two other towers in that city. Chevron has committed to building new headquarters at Century City in South Africa. Its corporate headquarters are in San Ramon, California on some 92 acres. I do not find anything strange about Chevron's decision to purchase what is arguably the most prestigious office site in Perth at Elizabeth Quay. I think it fits into Chevron's strategies. The company buys quality buildings of its own. It is an owner, not a renter, and I suspect that this will prove to be another very good investment for Chevron. I wish Chevron well with its projects. I am happy to see its confidence in Western Australia and I am happy to see that this bill, in its own way, has received bipartisan support.

MR B.S. WYATT (Victoria Park) [4.01 pm]: I to rise to speak to the Barrow Island Amendment Bill 2013. Some commentary has already been made by the member for Cannington and the Leader of the Opposition. I will visit some of that briefly and make some further comments more generally around the bill. I do not think

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

there has been any walking away from the question put by the member for Cannington last week to the Premier. In his contribution, the member for Cannington made some points. From memory, he put a series of questions surrounding discussions that the Premier had with Chevron. There has been debate around negotiation versus discussion. The Premier said he was not part of negotiations, but the statement from Chevron on, I think, Friday or whenever it came out, referred specifically to negotiations. We can have a debate what discussions are and what negotiations are, but clearly there was a phone call in which a discussion was had, and the Leader of the Opposition outlined that. The member for Cannington made the point that he thought, and I think he is right, that it was inappropriate. I do not think the Premier should be surprised that the issue was raised by the opposition—I do not think he should be surprised, shocked or horrified. Indeed, I made the point in the second reading debate that if there had been an appropriate record of those conversations, this whole debate may have simply passed through. I dare say that the only reason this matter became an issue was the Premier's reaction.

Mr C.J. Barnett: You are at least smart enough not to repeat the accusations of your colleagues.

Ms R. Saffioti interjected.

Mr B.S. WYATT: That is enough from the member for West Swan!

Mr C.J. Barnett: I know you all backtrack. I know this is the backtrack exercise, but you did not actually transgress, your colleagues did.

Mr B.S. WYATT: I am simply deliberately trying to keep the climate somewhat moderate—down to 28 degrees Celsius! I am trying to.

Mr M. McGowan: Up the temperature, go on!

Mr B.S. WYATT: I am sure the temperature will increase as the Premier interjects. Premier? Where is the Premier? The question raised by the member for Cannington was in four parts. They were not shocking. They did not say to the Premier, “You are corrupt”, much like the Premier used to do. I remember when I used to sit on the back bench, basically where the member for Hillarys is now, watching the member for Cottesloe, who was then the retiring member for Cottesloe, call no end of members of Parliament corrupt, based on nothing. Indeed, one of those members ended up supporting his government for nearly five years. When questions were quite properly raised by the member for Cannington, the relevant shadow minister, about whether there was any link between the purchase of property at Elizabeth Quay and the amendment of the state agreement act to allow access to more of an A-class reserve, I think the response from the Premier actually made this a political and public issue. When the member for Cannington said he wanted to raise these questions, which were good questions to be raised, I dare say the Premier could have said, “Don't be ridiculous—end of story. You've got nowhere to go.” The Premier's response was quite extraordinary and that is what made the matter a political issue. In the end, Chevron came out with a statement on Friday in respect of its interpretation of events and, again, Chevron focused on one point. The questions raised by the member for Cannington were different questions about the appropriateness of having that conversation. The Premier knows that it is not a good look to have had that conversation at the same time as talking about a potentially controversial issue of amending a state agreement act to allow access to more of an A-class reserve, and I think that explains to a certain extent the Premier's overheated reaction. We have to remember that Chevron had thought that this would be a lengthy and controversial process. We should not forget that. The Premier said Chevron was of the view that providing access to more of the A-class reserve was going to be a long and controversial process. Chevron had that psychology in mind when it was having that conversation with the Premier and the Premier asked how Elizabeth Quay was going and said that the issue around Elizabeth Quay needed to be resolved. Quite rightly, questions were raised about that. I think the Premier's reaction made this matter more of a political issue than it otherwise would have been. Those questions raised by the member for Cannington were primarily about what discussions occurred and whether any discussions about the additional land at Barrow Island occurred at the same time as discussions about Elizabeth Quay. I think, looking at the Premier's responses in *Hansard*, that that is the question that raised his ire. Maybe there is an element of the Premier's own mortality.

An opposition member: Political mortality.

Mr B.S. WYATT: I am referring to political mortality. I am not suggesting that the Premier keel over and die! We have discussed the issue of Barrow Island. The Leader of the Opposition talked about his travels there as the relevant minister at the time; I have travelled to Barrow Island and I am sure many members have travelled there. I travelled there and I travelled to the Abrolhos Islands and other islands up and down Western Australia and I think island histories and the culture of Western Australia get us talking about these things. In April this year I was a couple of hundred kilometres north east of Wiluna.

Point of Order

Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

Mr C.J. BARNETT: I refer to standing order 198, and particularly footnote 100, which states that third reading debates are to stick to the content of the bill and are not wide debates like second reading debates. I think north east of Wiluna is getting a bit too far away from Barrow Island.

The ACTING SPEAKER (Mr I.C. Blayney): Member for Victoria Park, I remind you that this is a third reading speech.

Mr B.S. WYATT: A couple of hundred kilometres north east of Wiluna is where the animals were taken from Barrow Island and placed.

The ACTING SPEAKER: Member for Victoria Park, I have agreed with the Premier's point of order and I would like to bring you back to the subject of the actual bill.

Debate Resumed

Mr B.S. WYATT: That is where the animals from Barrow Island were placed. I am not sure how more relevant we can get to the direct heart of the debate. The Leader of the Opposition and the member for Cannington talked at length about environmental offsets and some of the requirements under that original state agreement act. Obviously people, including the Premier, forgot where those animals were taken, which was to a fenced area near Wiluna. The Premier obviously did not know about that. I was there just before the Minister for Environment went there after he was appointed.

Mr W.J. Johnston: I've been there.

Mr B.S. WYATT: The member for Cannington has been there as well. I was going to spend some time reflecting on that, but it would seem that the Premier is in no mood for a broader debate regarding his own political mortality. I was going to spend some time reflecting on the Montebello Islands, but I dare say the Premier will take a point of order in that regard, so I will return to what I intended to say.

Mr N.W. Morton interjected.

Ms R. Saffioti: Why don't you make a contribution?

Mr B.S. WYATT: I look forward to the member for Forrestfield standing up! He will, and he will have that massive fake \$50 cheque that must have gone down very well in Forrestfield. It was a very generous \$50 given by the member for Forrestfield. I kid members not, the cheque probably extended from me to where the member for Forrestfield is sitting!

Point of Order

Mr C.J. BARNETT: The member for Forrestfield's support for McHappy Day is not really relevant to Barrow Island.

The ACTING SPEAKER: I have been given a guideline about third reading debates by the Clerk. It states —

At this stage the bill can be reviewed in its final form after the shaping it may have received at the detail stage. When debate takes place, it is confined strictly to the contents of the bill, and is not as wide-ranging as the second reading debate. When a bill has been read a third time, it has passed the House.

Mr B.S. WYATT: Thank you, Mr Acting Speaker. I will respond to interjections as they occur, of course —

The ACTING SPEAKER: Perhaps if you could direct your comments to me.

Mr B.S. WYATT: — but I will no longer reflect on the member for Forrestfield's lack of support for McHappy Day.

Debate Resumed

Mr B.S. WYATT: I return to the comments made by the Premier during that heated second reading response on the Barrow Island Amendment Bill 2013. I think the point made by the member for Cannington was quite right; I went on the Chevron website to see the statement it put out when the member for Cottesloe accused ChevronTexaco of behaving inappropriately as a major international company. The current Premier said in the Parliament at the time, when reflecting on a meeting he had with Chevron —

I said to ChevronTexaco Australia Pty Ltd that I am disappointed that it, as a major international company, would be party to such an arrangement. I say that now, and I will say it publicly ... It is not the way in which international business is conducted.

That is what the then Leader of the Opposition—the current Premier—said.

Extract from *Hansard*

[ASSEMBLY — Tuesday, 19 November 2013]

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

Mr C.J. Barnett: Did I use the word “corrupt”?

Mr B.S. WYATT: Well, yes, the Premier did.

Mr C.J. Barnett: No, I didn’t.

Mr B.S. WYATT: The Premier did.

Mr C.J. Barnett: No, I didn’t. Find the reference.

Mr B.S. WYATT: I again refer—responding to the interjection from the Premier—to *Hansard* of 16 October 2003. He was talking about the Argyle Diamond project and said —

That was the corrupt act.

The then Leader of the Opposition went on to say —

Several members interjected.

Mr B.S. WYATT: Obviously, Mr Acting Speaker, the rules have now changed, so I dare say I can wander far and wide. If you are going to call me to order, perhaps you can also call the Premier to order for some of those interjections. What the Premier said —

Mr C.J. Barnett interjected.

The ACTING SPEAKER: Member for Victoria Park, I will ask you to direct your comments to me. We are actually looking forward to listening to the document that you were quoting.

Mr B.S. WYATT: It is not a document; it is *Hansard*. *Hansard* records what the now Premier said during consideration in detail.

Mr N.W. Morton interjected.

Mr B.S. WYATT: I think the member for Forrestfield has some birthday cards he needs to go and sign; he is way out of his depth on this one! The then Leader of the Opposition said, “That was a corrupt act.”

Mr C.J. Barnett: What was corrupt?

Mr B.S. WYATT: As I said, when referring to the Argyle Diamond project, the then Leader of the Opposition said, “That was a corrupt act.” The then Leader of the Opposition went on to say, referring to the Barrow Island state agreement act —

It is not to the same scale, but it is exactly the same as Northern Mining and Argyle Diamond.

When the Premier says that one thing is corrupt, and he says that is the same as that, then he is calling that corrupt too.

Mr C.J. Barnett: No, I didn’t.

Mr W.J. Johnston interjected.

Mr B.S. WYATT: The member for Cannington did not go anywhere near as far as saying that during the questions he put last week—nowhere near as far as that! The Premier can say, “I never said it; I never said it” —

Mr C.J. Barnett: I didn’t.

Mr B.S. WYATT: — but this is the problem with *Hansard*—it stays around; we can search and check. But the then Leader of the Opposition, the now Premier, came into this place and admitted, “Well, not only was it a corrupt act, but I have since gone out and met with ChevronTexaco and I’ve berated them for doing the deal. I’ve told them off! I, as the member for Cottesloe, know all these things. I told Chevron they should not be doing this; that is not the way for an international company to behave.” He berated it, and then came into this place and said, “You’re compromised, ChevronTexaco.” I am assuming the Premier said Chevron was compromised because it had participated in a corrupt act. I am assuming that is what the Premier said.

Withdrawal of Remark

Mr C.J. BARNETT: I never at any stage, either in this house or outside the Parliament, said Chevron participated in a corrupt act, and I ask the member for Victoria Park to withdraw that.

Mr W.J. Johnston: Yes, you did! You did!

Mr C.J. BARNETT: Never.

Mr B.S. WYATT: Again, I will quote the Premier.

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

The ACTING SPEAKER: Member for Victoria Park —

Mr P. Papalia: On the point of order.

The ACTING SPEAKER: Yes, further to the point of order —

Mr P. Papalia: I just wanted to hear you say it.

The ACTING SPEAKER: The Premier has asked you to withdraw what you said, which was that what Chevron did was corrupt, or was a corrupt act.

Mr B.S. WYATT: Okay. The Premier can ask me to withdraw what he does not like; so be it—he can ask away. But when the Premier drew the link with Argyle Diamond, he said—I am being true to the Premier’s words—that this is corrupt and that “ChevronTexaco is compromised by this”. I am not sure what else I can do if I am simply going to use the Premier’s words. I do not think there is any problem with that; it is just reflecting what the then Leader of the Opposition said during the consideration in detail stage of the state agreement act on 16 October 2003.

Debate Resumed

Mr B.S. WYATT: But, as I said, the then Leader of the Opposition berated Chevron. He obviously met with people from Chevron and told them.

Mr C.J. Barnett: I did not berate them.

Mr B.S. WYATT: The Premier did. The then Leader of the Opposition stated —

I said to ChevronTexaco Australia Pty Ltd that I am disappointed that it, as a major international company, would be party to such an arrangement. I say that now, and I will say it publicly ... It is not the way in which international business is conducted.

That is what the then Leader of the Opposition, who is now Premier, said. As I said, someone who has not actually been involved in international business was berating one of world’s largest oil and gas companies about how it behaved in international business, because God forbid that a large oil and gas company should enter into an agreement with the elected government of Western Australia! What an outrageous thing for it to have done! That is what the Premier was saying. He went on to say —

I am ashamed of what has happened with this project ...

Not only did he berate ChevronTexaco, but also he was ashamed about the whole idea of the project on Barrow Island; a project that, of course, ultimately the Premier never sought to change once he became the leader of the state.

I was going to speak only briefly, but the Premier’s interjections inevitably keep these things going. I conclude with some comments that the Leader of the Opposition and I made in the second reading debate about the \$100 million that was promised by the then Prime Minister, Kevin Rudd. The Premier will say, “Well, we never saw it.” As I outlined in some detail last week, it was \$100 million a year when revenue started flowing from Gorgon. As the Leader of the Opposition said, it is a long way off, I dare say, before revenue to the federal government starts flowing as a result of the exploitation of the Gorgon gas field. The Premier wrote to the then Prime Minister of the former Labor government, which was either Prime Minister Rudd or Gillard, and asked that government to make down payments by bringing the money forward. There were infrastructure pressures and the state government wanted to bring that money forward and offset it for when the revenue started rolling in. The Premier and the Treasurer made great political hay of the fact that the then federal Labor government did not support the proposition put by the Premier. Last week I asked the Premier whether he had written to Tony Abbott, and he said, “No, no, no; that \$100 million is no longer up. We are not interested in that anymore; it no longer exists.” He has walked away from \$100 million a year. Remember, members, the deal was that the \$100 million would be exempt from consideration by the Commonwealth Grants Commission, which is the equivalent of, effectively, \$250 million.

Ms R. Saffioti: More than the future fund returns.

Mr B.S. WYATT: It is more than the future fund returns.

The Premier said that no longer exists, and I am stunned that the government would walk away from one of the biggest returns we could probably get. One of the greatest challenges that states face—the Leader of the Opposition outlined this—is how to get a fair return for the exploitation of gas reserves offshore. I have previously made some comments about Browse, and that is perhaps one of the big questions we had in not only Western Australia, but also Queensland and the other states. It is a big issue. There is a lot of expense for not

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necessarily a lot of revenue. The \$100 million flowing from Gorgon which was committed to by the former federal Labor government but which has now been abandoned is a missed opportunity.

I think the member for Cannington raised very legitimate questions last week; in fact, it could have sailed unnoticed, I dare say, had the Premier responded as I must admit I expected him to—by simply waving it off. The Premier's reaction is what generated the political heat for and activity on this issue.

Mr C.J. Barnett: So that's why you misled the media.

Mr W.J. Johnston: Who misled the media?

Mr C.J. Barnett: You did.

Mr W.J. Johnston: That's rubbish! What a load of rubbish!

Mr B.S. WYATT: Mr Acting Speaker —

Mr M. McGowan: Where's the misleading of the media?

Mr B.S. WYATT: We cannot argue with him!

Labor is very proud of the exploitation of Gorgon and of Barrow Island. It is something that all Western Australians should be proud of. It is not something that every Western Australian will be able to go and visit because of the nature of where it is and how difficult it is to get there, but it is a quite extraordinary project due to the revenue it will generate for Australians. It will, I think, be perhaps one of the great investments in Western Australia's history.

MR C.J. TALLENTIRE (Gosnells) [4.19 pm]: I rise to make a third reading contribution to the debate on the Barrow Island Amendment Bill 2013. I begin by perhaps helping the Premier put into context some of the feelings he had around this project back in the early 2000s. An issue that has not yet been spoken of in our deliberations surrounds the role of Shell, one of the three partners in the Gorgon project at the time. Shell had a substantial stake in the project. It is worth noting that Shell got itself into serious difficulties with this project because it claimed that it had reserves that it did not have. The project had not received approval and it was not in a position to meet the standards —

Point of Order

Mr M.H. TAYLOR: Mr Acting Speaker, you have already ruled on relevance in relation to the content of the bill. I ask that you bring the speaker back to the actual content of the bill.

The ACTING SPEAKER: Perhaps more than usual in a third reading debate, we have strayed off the bill a bit, so I ask the member for Gosnells to come back to the bill.

Debate Resumed

Mr C.J. TALLENTIRE: I was trying to put into context some of the comments the Premier made about the Gorgon project when it was first discussed in this place. It is important that we recognise that major projects are not without controversy at different stages. There was enormous controversy over Shell's involvement in the project. The chairman at the time, Sir Philip Watts, was required to resign very quickly because the company lost about £3 billion on its share price when the U.S. Securities and Exchange Commission found that the Gorgon reserves that Shell was putting forward to its shareholders as being reserves that the company had a legitimate claim to were not at a stage at which it had a right to do that. I think that might have influenced the Premier when he was speaking about this bill in the past. It could have inflamed debate. Obviously, I was not here at the time so I do not know to what extent.

Last night I was at the Chevron launch of a major offset contribution that surrounds this project. This is core to the discussion we had over the past week. We want to see substantial environmental offsets from a major project like this. It is recognised by the company as being the right thing to do and it is recognised by the people of Western Australia that we should have substantial good quality environmental offsets when a company is set to make so much money out of a project that has such a high level of investment. Last night's launch was of an exhibition put on by Chevron known as *Big Bugs of Barrow Island*, and the book *The Terrestrial Invertebrate Fauna of Barrow Island*. It was a splendid occasion. It is fascinating to contemplate that when the initial environmental work began on this project, very little was known about the invertebrates—the insects—of the island. There was a general understanding that there would be something unique about them because of the isolation factors that I spoke about in my speech on the second reading. Last night the company announced that it has acquired knowledge that a staggering 2 397 insect species have been identified on the island so far. These have been documented.

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Last night the general manager of Gorgon, Colin Beckett, launched the exhibition. He handed over to Professor Jonathan Majer, an invertebrate conservation expert based at Curtin University. I thought Professor Majer made an interesting comment. He said that during the campaign around this project, there was discussion that Barrow Island was Australia's Galapagos Islands but he contested that idea. My recollection is that during the campaign the word was that Barrow Island was our ark because of the fact that we mentioned earlier about the number of animals that have been safe from feral predators and because of the 10 000 or so years of isolation from the mainland. He contested the use of the notion that it is a Galapagos. He said, quite rightly, that the Galapagos Islands are infested by weeds. That changes the whole ecology. That can have an impact on the fauna, as weeds compete with other flora species. Barrow Island is in a much purer state. As fascinating as the Galapagos are in terms of evolutionary history, Barrow Island has an even more unique role when we look at that ark side of things—the preservation of what was once there. Professor Majer made that point. To my knowledge, at the moment Barrow Island still has some weed species. The quarantine procedures, which I will come back to in a little more detail, are designed to keep out further weed-type incursions. There is buffel grass on the island. Members of this place might look fondly upon buffel grass as a livestock fodder in station country. It has its role to play. There were times when the Department of Agriculture and Food was commissioned to throw out buffel grass and to seed the rangelands with this stuff. In a place like Barrow Island, it is a weed. There is an attempt to get on top of it but once it has been introduced, it is very hard to get on top of. That was an interesting comment by Professor Jonathan Majer.

The Chief Scientist of Western Australia, Professor Lyn Beazley, also spoke. She pointed out her association with the project. She talked about when she first became aware of the project and how she heard and learnt about it. Then she handed over to Dr Harry Butler. As many of us know, Dr Butler has a very long history with Barrow Island, going back to the West Australian Petroleum Pty Ltd days, and, as I mentioned in my speech on the second reading, to his documentary series *In the Wild with Harry Butler*. One of the most interesting things that Dr Butler said when he talked briefly about the ecology of the island was when he finished his remarks with the plea that we all continue to care about Barrow Island. I saw how that resonated with all those Chevron workers and employees who were at the QV.1 building last night.

It was very timely that this exhibition was launched last night. I thought it was perfect timing, in fact, given that I could make special note of it in this third reading speech and really acknowledge the company's work. I note that the exhibition will stay at the foot of the QV.1 building until 22 November. It is open to the public. There are interactive displays. We are talking about very tiny invertebrates that are sometimes only millimetres in size, yet the quality of the photography was excellent. The photographers use the very latest equipment for photographing very small organisms; they were almost microscopic in some cases. We really get to see the amazing detail of animals that we would not normally notice, let alone consider. That was fascinating. I also note the contribution of the Western Australian Museum and its CEO, Mr Alec Coles, who also spoke at the launch last night. That is an indication of the quality of things going on there. I also want to acknowledge the work of one of the principal photographers, Ms Pia Scanlon, who I think is based in the Department of Agriculture and Food.

When we are talking about Barrow Island, the Department of Agriculture and Food has an involvement in the biosecurity area. It is all about understanding the biosecurity implications of what we are doing on Barrow Island. I mentioned earlier the need for us to really consider the offset potential with this project and my disappointment that yet again the Minister for Environment is not in the chamber. This is one of the biggest environmental issues that the state is facing in terms of the significance of the location and the potential for it to drive other environmental benefits. As has been said, the minister has been out to Lorna Glen Station and seen some of the animals that were translocated from Barrow Island to the sanctuary on Lorna Glen Station. There are huge implications for the environment portfolio, not least of which is the biosecurity aspect.

I refer to the environmental offsets. The real threats with this project were not the footprint and the additional 32 hectares; losing parts of the terrestrial flora and environmental values of the area were lower order risks that went with the project. What was really at risk was the potential for quarantine breaches to occur. Big risks were also associated with the dredging exercise and the CO₂ aspect of the project, but the biggest risk was always the quarantine risk. This project has the very highest of quarantine maintenance standards and a whole process has been put in place. Last night's discussion involved talking to scientists in this area. It is fantastic that we have a framework and a set of principles and protocols that can be used to deal with a transitory workforce of 4 000 to 5 000 people coming onto the island. We have made sure that people are educated on the implications of the environmental value of the island so that they adhere to the procedures that limit the chance of exotic grass species getting on the island. There is already buffel grass on the island, but we need to make sure that nothing else gets there. Similarly, vertebrate and invertebrate species should not get on the island. We need to make sure that a tiny insect does not get there in the bag of someone working a fly in, fly out shift on the island. A system is

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in place so that a worker with specialist skills for doing a particular job who is needed for only a matter of days is inducted through a process that helps them understand the significance of taking on the responsibility to act in a way that does not compromise the importance of the island. I am getting to the issue that the biggest offset, potentially, is one that we can still develop further—that is, the biosecurity principles.

Chevron has summarised the biosecurity principles that have been established in a document titled, “Quarantine Expert Panel: Terms of Reference”. The panel at the time was chaired by Dr Roy Green. Some of the panellists are leading scientists whose names would be familiar to some members. For example, Dr Andrew Burbidge, one of Western Australia’s leading fauna experts, was formerly employed by the Department of Conservation and Land Management and Department of Environment and Conservation and is now recognised as a leading consultant. The panellists who still work for the Department of Parks and Wildlife include Dr Peter Kendrick; Mr Russell Lagdon, the Chevron general manager of environment; and Mr Johann van de Merwe. People of that order really understand the significance of the system that they have developed to protect the island from quarantine breaches. There is a concern that we could lose this good work and we are looking for somewhere else it can be applied. Here is the opportunity; we are looking for an offset. In this case, an offset is justified because the company has asked for an extra 32 hectares.

How can we roll out this biosecurity practice that has been established? In discussion last night with experts from Chevron and associated academic institutes, universities and other organisations, I learned that the common view is that much of Western Australia’s ecology is at stake because of biosecurity threats. We can understand that quite readily when we think about losses in agriculture because they are very easy to quantify. We can easily measure the impact of a starling invasion on wheat crops or on viticulture. There is an exciting potential for this knowledge from the Gorgon project to be used on the mainland, but there is a fear that it will not happen. That biosecurity practice could very well be applied elsewhere.

Members would be aware of the work led by Dr Syd Shea on the Peron Peninsula when he was head of the former Department of Conservation and Land Management. A very good feral-proof, predator-proof fence was built around part of Shark Bay and the area was cleared of goats, foxes and cats so that the Peron Peninsula could become something of an ark and a sanctuary for native species. We could apply these same quarantine principles that Chevron has developed in other areas of the state to great effect. My plea is that we consider the protocols that have been developed and use them more widely. We should not just say, “Well, it’s been successful in keeping away animals such as rats and mice from Barrow Island over the course of the construction phase of the Gorgon project, but once that project is done, we will just level that knowledge and let it dissipate.” That would be a great shame. We need to roll it out further. That is important because much of the system that has been established is about continuous improvement. We are always looking to see what the general standard is and to build upon that. We need other projects with which to make the comparisons so that we can develop it into the future.

One of the key elements of the quarantine expert panel’s work is the development and implementation of the terrestrial and marine quarantine management system to prevent the introduction of non-Indigenous terrestrial species and marine pests to Barrow Island through all proposal-attributable introduction pathways. The panel wanted to determine the location of the pathways and that was a very effective way to protect the island. Major components for the project have had to come in from overseas. I recognise the debate about the extent of work that was done overseas, and I am certainly disappointed by the amount of work that was done overseas. Components that came in had to go to the Australian Marine Complex at Henderson and all sorts of processes were in place to wrap the equipment so that it would arrive at Barrow Island free of contaminants. Pathways were used to ensure that there was not an incursion, which makes perfect sense. We had to go through the very rigorous and methodical process of looking at all those pathways.

Another part of the quarantine expert panel’s work was to detect non-Indigenous terrestrial species and marine pests and any environmental change caused by their presence. This led to the interesting idea of blocking all the pathways while recognising that there was still the potential for something to get on the island and to monitor the changes. What sorts of things could be seen? I know from talking to people who have worked on the island that a tomato plant was found near a septic tank area. Things from a kitchen can literally get through the system and emerge in the environment. Observation is needed to detect environmental change and is also part of a good quarantine process.

Control and eradication measures involve detecting something and eradicating it. I note the earlier discussion on sea squirts. It would be very difficult if sea squirts were found to have come in on vessels and needed to be removed. I talked to one expert last night who suggested that perhaps the sea squirts were already coming in.

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We are seeing changes in water temperature with the strength of the Leeuwin current these days. Dramatic environmental changes are occurring for other reasons, and it is sometimes difficult to attribute a particular cause for a problem.

The quarantine expert panel is doing a lot of work about improvements to effectiveness—that is, the continuous improvement side of things. The panel is looking at biological baselines and survey work. It is looking at the sources. It is constantly tracking around, looking overseas, looking at where materials are coming from, and even looking at where workers are coming from to see where things that may eventually come on to the island could have come from. There is also all the auditing of the effectiveness. There is then a review and recommended quarantine study. The final point on Dr Green's checklist was to look at any other quarantine matters as requested by the proponent or the minister. Again I say it is a shame that the Minister for Environment is not here to advise us whether there have been any other issues that the minister has involved himself in, taken an interest in and directed the quarantine expert panel to look at. That would be interesting information to have. In the absence of that knowledge, we can say only that the system in place has proved itself so far. I think that is valuable. We want to see it rolled out further. We do not want to let all that information just dissipate.

I wanted to say a little bit about other aspects and risks on Barrow Island. I note that in the last week or so the island had a lightning strike. One thousand hectares of land were burnt, but recognising that the island is crisscrossed with pipelines and there are Lufkin pumps, it was incredibly fortunate that none of that caught fire; I think one bit of equipment burnt. However, this is a fire-prone environment, especially at this time of year. There have been lightning strikes in the Pilbara, and I know there has been a lightning strike and a fire in Karijini National Park. Last night I heard about a fire on Barrow Island. I am concerned that once we have a major LNG plant in operation, with three trains, four trains or however many trains, and we have that sort of lightning strike, there is a real risk. I am sure that the design of the project has taken great account of that and that the project has been designed in such a way that there would not be a disaster, but it is not unheard of for LNG plants to have these sorts of problems.

During the course of debate—I think it was in the Premier's response to second reading contributions—the Premier mentioned a previous gas-to-liquids project that was talked about for the island. My understanding is that we will no longer see a gas-to-liquids plant on the island.

Mr W.J. Johnston: That was at a particular moment in time. The technology has moved on.

Mr C.J. TALLENTIRE: Right. So gas-to-liquid plants —

Mr C.J. Barnett: It was in the original agreement to allow for that.

Mr W.J. Johnston: Yes, because Shell was proposing that, but the world has moved on.

Mr C.J. TALLENTIRE: Right. I also was interested in the discussion to do with geosequestration around the original need for the company to be on Barrow Island. I think there was some discussion suggesting that the Dupuy saline aquifer was immediately under Barrow Island. My understanding is that it is slightly offshore, just to be precise about that point. It is a very interesting project that we have there. We hope that there will be the capacity to sequester, I think, about three million tonnes of CO₂ a year. That will make it the biggest geosequestration project in operation in the world. In previous debates we have heard about other geosequestration projects—certainly, the Sleipner project off Norway has about one million tonnes a year of CO₂ sequestered there. I understand it is a similar geological formation, being a saline aquifer, so that will be interesting to see as well.

We have canvassed the things that are at risk, such as the plant species, the various bird species, the various terrestrial fauna and the conservation status of those animals. We have also talked about some of the problems that have occurred during the construction phase. I am mindful that we have heard about the deaths of animals on the island during the course of construction. I think we should hear a little more about that from the Premier. If we are nervous about asking the company for offsets, perhaps we should ask the company how many deaths have occurred. I gave a figure in my second reading contribution that well over 1 000 spectacled hare-wallabies, I think it was, had been killed. What repercussions have there been from that high death rate, and could it have been avoided?

I can let the Premier know that I will be submitting a question on notice, or he may wish to respond to me now about things. My question will be to the Minister for Environment, who I see is still not in the chamber to deal with these things or to benefit from the foreshadowing. My question will ask: How many of these deaths were of specially protected animals? How has the minister dealt with the death of animals that were listed as threatened or vulnerable and thus protected under state and national laws? Have any fines been issued with respect to the

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death of specially protected fauna? My understanding is that we have not done anything about it, but I wonder why we have not. Again I say that there was scope to make some broadening of the offsets to include recognition of the fact that those deaths have occurred. There is no doubt that when we were going through the approvals stage, there was no mention of these large numbers of deaths of particular types of animals. That is something that has cropped up since the original offsets package was applied; it is new.

Mr W.R. Marmion: So what do you recommend the minister should do?

Mr C.J. TALLENTIRE: I have outlined extensively, Minister for Mines and Petroleum, that I believe an offsets package could be delivered in terms of an extension of the quarantine program. That, to me, would be a sensible extension of —

Mr W.R. Marmion: So that's what you would do.

Mr C.J. TALLENTIRE: That is something I would certainly look at. I am happy to give the minister further advice on how to develop the offsets package, and we can have that as another discussion. But, clearly, there is scope for offset work to be done, especially when there is an impact that was not anticipated in the original offsets package and something new has emerged. With the 32 hectares of extra land that is being asked for, there is further justification for that broadening of the offsets package.

I also look forward—I have waited, hoping that the environment minister would come into the chamber—to hearing from the environment minister what level —

Ms R. Saffioti: He's trying to get his \$4 million from the Treasurer.

Mr C.J. TALLENTIRE: He does have a budget black hole to deal with—that is true—because he thought that he would be able to charge for environmental impact assessments, but he has not made the necessary legislative change to do that. So he does have a budgetary problem. But I was hoping to hear from him about the level of assessment on the 32 hectares. I was looking forward to getting some clarification of that. Perhaps the Premier can tell me. Clearly, it is an issue that would trigger, in my view, the provisions of the Environmental Protection Act. When we have an existing project and a bit more land is wanted, it is not an uncommon situation, but there is a correct process for dealing with it. At the moment, from what I am seeing and what I am hearing, we are just going to carry on as though we are dealing with exactly the same project, when there has been an extension to it. There was an opportunity to bring into play a process, which need not have been a lengthy process, but it certainly needs to be a public process so that we can canvass the expertise that is out there in the community.

I would like to conclude my remarks. I support the additional 32 hectares going to Chevron, but with the proviso that we really should make sure that we get the best offsets package to go with the additional area being given to the company.

MS R. SAFFIOTI (West Swan) [4.50 pm]: I like following the member for Gosnells because he always gives such a polite contribution to Parliament while also being very insightful. His knowledge of the environment is second to none. It was quite fortuitous that last night he attended a function that considered some of the significant environmental benefits delivered through the original Gorgon agreement.

I rise at the third reading stage to again support the Barrow Island Amendment Bill 2013. The bill seeks to extend the project's footprint by about 32 hectares. Today we have heard that no new environmental offsets are part of the agreement. The member for Gosnells highlighted the fact that some of the quarantine arrangements could be looked into. This project is supported by Labor; indeed, it was initiated by Labor. There has always been gas there—former governments looked at it—but it was Labor that opened the door in 2001 to use Barrow Island as the site for processing gas. Geoff Gallop, the Premier at the time, and Clive Brown, the Minister for State Development, took a recommendation to cabinet that Barrow Island not be excluded from discussions about a site for processing gas. In addition, they established what I think everyone would agree is one of the most thorough processes in this state to consider environmental conditions and safeguards. In 2003, Labor brought a bill to this place to facilitate the Gorgon project.

As the member for Cannington said, Labor supports jobs. One of the key reasons that we brought the Barrow Island legislation before Parliament was the project's capacity for significant job creation. The figures are varied, but the second reading speech states that currently there are 6 000 jobs in construction and up to 10 000 jobs across the nation. Of course, there are challenges in trying to ensure that we maximise local content. The member for Cockburn will probably make more comments about that. Those challenges are real and we need to do better to ensure that Western Australian companies are able to participate. We understand that this is a globalised business and that it is a very competitive place to do business but we need to do better to ensure that particularly small to medium-sized manufacturing companies—high-end manufacturing companies can

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participate at the appropriate time—are able to participate. Labor introduced legislation to improve the transparency of the process, but it was rejected by the government. We all acknowledge that we need to do better to maximise local job opportunities.

As we have discussed, the original agreement contained significant environmental offsets. Like other members in this place, I have had an opportunity to visit Barrow Island. It is, in a sense, an ark in its purest form, with perenties, flatback turtles and other animals living on the island. The environment is amazing, but the island was an oil production field for 40 years. It is about trying to balance economic development with protecting the environment, and the balance that we struck was right. We need to continue to manage the environment to ensure that economic opportunities continue to grow.

I will mention the royalties issue again. As with so many of these types of projects, WA faces the challenge of trying to ensure a return to Western Australian taxpayers. As I recall, an agreement was reached with the federal Labor opposition, which then became the federal Labor government, for in-principle support for a Gorgon infrastructure fund. A certain percentage of royalties that flowed to the federal government would be put aside each year to create the WA infrastructure fund. As I recall, the initial amount was \$75 million, growing to \$100 million. The opportunity to secure that fund is not lost and should be back on the agenda. The project is not delivering royalties and will not deliver them for a few years—I am not sure exactly how many.

Mr C.J. Barnett: Ten to 20 years.

Ms R. SAFFIOTI: Ten to 20 years? The other day the Premier said it was 20 years.

Mr C.J. Barnett: It is probably closer to 20.

Ms R. SAFFIOTI: The government has a massive opportunity to negotiate with the government that it helped to install—the Abbott government—to secure royalties for WA, but we have not heard whether the Premier is keen to do that. The Barnett government advocated for and cheered on the Abbott-led opposition; now that it has the government it wants in Canberra, it has an opportunity to secure a deal, and the infrastructure fund should be back on the agenda. If the royalties are not set to flow for a number of years, there is time to sit down and make sure that the infrastructure fund for WA is locked in—it is as simple as that. For years we have heard how this government got a raw deal from the Rudd and Gillard governments. Now it has an opportunity to fix its so-called raw deal and secure a better deal through discussions with the Abbott government. I think both the Rudd and Gillard governments gave WA significant infrastructure funding with the Great Eastern Highway upgrades, the City Link project and a number of road upgrades throughout Western Australia. I invite the Premier to comment on that and to advise us whether the infrastructure fund will be on the table during his discussions with the commonwealth.

I will raise my last point as the shadow Minister for Planning. When the Minister for Planning made his second reading contribution, he highlighted the process involved in Chevron's purchase of the land. I wish the Minister for Planning was in the chamber to help me with the time frame. Nothing that was said last week has been proven to be wrong. The opposition has not changed the story of what was said or claimed last week. The member for Cannington simply asked some significant questions and then the current debate started in the way that it did. However, the Premier interjected and created a hostile environment in this place, which he often does. He volunteered information that led us all to ask considerable questions about his conduct and the conduct of the government. It was his interjections, and his interjections alone, that created the story.

Mr C.J. Barnett: Backtrack!

Ms R. SAFFIOTI: The Premier cannot help himself. He cannot control himself, and he has never been able to. He proved last week and today that he cannot control himself in a public debate, especially one in this place.

The time frame seems clear. The Minister for Planning said that Chevron approached the government two and a half years ago about purchasing land or building an office tower on the Elizabeth Quay site. Then what made us all curious, including the media, and I think a number of developers around town, was that in May this year an agreement was signed for office space in the QV.1 building. We know that the Minister for Planning then talked to the Premier about some issues regarding the Chevron-Elizabeth Quay deal. In August the phone call happened when Chevron rang and, thinking it might be quite difficult to get the 32-hectare extension, was worried about whether it would be possible. Then that phone call was made. In that same conversation the Premier said he supported the extension of the agreement and then the issue of the Elizabeth Quay tower was raised. Of course, in September the formal proposal for the Barrow Island agreement change was put to government and now we are debating it in this Parliament. No-one is backtracking.

Mr C.J. Barnett: Yes you are.

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Ms R. SAFFIOTI: No-one is backtracking.

Mr C.J. Barnett: The media backtracked; they corrected it.

Mr W.J. Johnston: The only person who ever backtracks is the Premier.

Ms R. SAFFIOTI: Possibly the Premier is backtracking from 2003 when he made some outrageous claims about the \$3 million environmental offset fund. Other parts of *Hansard* have been quoted, but let me quote the following —

We in this House who have a little understanding of politics and the timing of elections know that this —

That is the \$3 million —

will be used blatantly by the Labor Government and the Labor Party for self-promotion in a pre-election year.

I put the point, but maybe not so bluntly, to the ChevronTexaco proponents that they have now been drawn into a political process because they have allowed themselves to be party to an arrangement like this.

I remember what that arrangement was; it was a \$3 million allocation to an environmental fund being administered by a department. It was not a \$3 million fund for the Labor Party. It was a \$3 million fund set up through the department by a democratically elected government.

Mr C.J. Barnett: Whoever suggested it went to the Labor Party?

Mr W.J. Johnston: You did.

Ms R. SAFFIOTI: Did the then Leader of the Opposition honestly think that a \$3 million fund set up by a department would influence political decision-making? The then Leader of the Opposition said there would be political decision-making, which implied that it would not be administered by the department and there would be no rules or proper administration of it. The then Leader of the Opposition said, “We all know that a political decision will determine how this money will be spent.” He said that a \$3 million fund was purely about politics and that it would involve political decision-making and that ChevronTexaco had allowed itself to be drawn into a political process, and he told them that much. He was outrageous in his comments in 2003 and he is trying to walk away from those comments.

Mr C.J. Barnett: No, I’m not; not at all.

Ms R. SAFFIOTI: He is trying to walk away from those comments by saying that he did not say those things, when it is on the record.

Mr C.J. Barnett: I haven’t said I didn’t say it; it’s on the public record. I haven’t denied it at all.

Ms R. SAFFIOTI: I mean —

Mr C.J. Barnett: I haven’t. And I did not deny it last week.

Mr W.J. Johnston: Yes you did.

Ms R. SAFFIOTI: The Premier denied it. He denied it today and he denied when the member for Cannington —

Mr C.J. Barnett: I denied using the word “corrupt” because I didn’t use the word “corrupt” in the context of Chevron.

Mr W.J. Johnston: You did; you said that it was exactly the same.

Ms R. SAFFIOTI: Let us read *Hansard* yet again. In 2003 the then Leader of the Opposition said, “It was a scandal.” And in relation to the \$50 million Argyle Diamond project, “That was the corrupt act.”

Mr C.J. Barnett: That was the start of WA Inc.

Ms R. SAFFIOTI: He continues —

If this Bill is passed, on 1 January \$3 million will be handed over for the icon project.

He did not say that it would be put into a fund properly administered by a department; he said “handed over”. He continues —

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What is the icon project? I do not know, but it will be announced by Dr Geoff Gallop, Premier of Western Australia, in a major publicity event in a pre-election year. That is what this is about. It is not to the same scale, but it is exactly the same as Northern Mining and Argyle Diamond.

Mr W.J. Johnston: Exactly the same as a corrupt act.

Mr C.J. Barnett: I did not say exactly the same as a corrupt act; it is not in the *Hansard*.

Mr W.J. Johnston: You did; you did. That is exactly what you said.

Mr C.J. Barnett: It's not in *Hansard*.

Mr W.J. Johnston: You can't be that stupid.

Mr C.J. Barnett: No; I'm not that stupid.

The ACTING SPEAKER: Member for Cannington, you do not have the floor.

Withdrawal of Remark

Mr P.T. MILES: The member for Cannington has used an unparliamentary term to the Premier and I ask that he withdraw.

Mr W.J. JOHNSTON: I withdraw. He is that stupid.

The ACTING SPEAKER (Ms J.M. Freeman): Member, I ask you to withdraw without reservation.

Mr W.J. JOHNSTON: I withdraw.

Debate Resumed

Several members interjected.

The ACTING SPEAKER: Members! The member for West Swan has the floor. Let us not have the cross-floor banter.

Ms R. SAFFIOTI: Thank you, Madam Acting Speaker. The then Leader of the Opposition called a particular deal corrupt and drew an exact comparison with the \$3 million fund. I do not know how many times we need to repeat this but that is what he said in Parliament. As we said, he did everything he could to undermine the Gorgon project, which was before the Parliament and which he is now taking credit for. He went into Chevron Texaco and said, "Do you know you're being used as political pawns."

Mr C.J. Barnett: Did I say that?

Ms R. SAFFIOTI: The Premier said that he was being drawn into a political process.

Mr C.J. Barnett: When did I say that?

Ms R. SAFFIOTI: The then Leader of the Opposition said —

I put the point, but maybe not so bluntly, to the ChevronTexaco proponents that they have now been drawn into a political process because they have allowed themselves to be party to an arrangement like this.

Mr C.J. Barnett: Yes they have.

Ms R. SAFFIOTI: That is what he said.

Mr C.J. Barnett: You said I said they were political pawns.

Ms R. SAFFIOTI: I was paraphrasing. I will quote the Premier again —

I put the point, but maybe not so bluntly, to the ChevronTexaco proponents that they have now been drawn into a political process because they have allowed themselves to be party to an arrangement like this.

Mr C.J. Barnett: Yes.

Ms R. SAFFIOTI: I will say it again —

... they have now been drawn into a political process.

He was trying to undermine the project. He did everything he could within some constraints to undermine that project. He came in here and said that a \$3 million fund—a fund set up through proper administration of government—was some sort of political grandstanding and that all it did was give the then Premier some sort of

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

pre-election boost. Yet in the past couple of weeks he took part in signing a major agreement, he introduced this bill, and he talked about the new tower and this 32-hectare extension in the same conversation. Seriously, the Premier volunteered that information.

Mr J.H.D. Day: Because there was absolutely nothing wrong whatsoever in what he did. He was doing his job as Premier and trying to get out of an issue that I had raised with him and it had been going on for some time.

Ms R. SAFFIOTI: I think the Minister for Planning feels partly responsible because he said to the Premier, “Hang on; there seems to be some issues with this Elizabeth Quay deal.” I think the minister feels partly responsible and that is why he is interjecting.

Mr J.H.D. Day: I am feeling partly responsible for getting a successful outcome for the project.

Ms R. SAFFIOTI: It is not like the Minister for Planning to interject like this. He feels partly responsible because he came in here and said “Hang on, there seems to be an issue with this deal.” If he is saying that the MRA undertook —

Point of Order

Mr M.H. TAYLOR: Point of order, Madam Acting Speaker.

Mr P.B. Watson: What’s the standing order?

Mr M.H. TAYLOR: It is standing order 197, footnote 100, member for Albany. We have been quite lenient all day; we ask that the third reading —

Mr P.B. Watson interjected.

The ACTING SPEAKER (Ms J.M. Freeman): Member for Albany, you have been told, and you should know that there is no interjecting during a point of order. I call you to order for the first time. Actually, I call you for the third time.

Mr M.H. TAYLOR: Members opposite have been asked throughout the afternoon to relate the third reading debate to the content of the bill, and that does not seem to be happening much. I ask that they be drawn back to the content of the bill.

The ACTING SPEAKER: Member, that would be a relevant point of order had your minister not interjected. I ask the member for West Swan to note what I understand the previous Acting Speaker (Mr I.C. Blayney) drew to her attention.

Ms R. Saffioti: It was not me.

The ACTING SPEAKER: I can draw the member for West Swan to the guideline, which states —

At this stage the bill can be reviewed in its final form after the shaping it may have received at the detail stage. When debate takes place, it is confined strictly to the contents of the bill, and is not as wide-ranging as the second reading debate. When a bill has been read a third time, it has passed the House.

Therefore, the debate on this stage is not as wideranging as other stages and the member for West Swan needs to keep her comments to the bill.

Debate Resumed

Ms R. SAFFIOTI: As the Acting Speaker said, if members want to interject, I will respond to those interjections. In summing up, I have another quote by the Premier from 2003 about negotiations between Chevron and the government at the time. He said —

I said to ChevronTexaco Australia ... that I am disappointed that it, as a major international company, would be party to such an arrangement. I say that now, and I will say it publicly. Members ... will run out and repeat it. However, ChevronTexaco knows my views on that. It is not the way in which international business is conducted. That is the sort of deal that oil companies must do in Third World nations; it is not the sort of deal that is done in a First World nation. If the Government wanted to negotiate an environmental aspect or royalties, by all means it should have done so. However, it should have been up front. It should not have asked for \$40 million, almost on the side, to spend pre-election. That is what it is about. The Government should not do that. It should not negotiate like that. It should deal with a project on its merits.

So here we are —

Mr W.J. Johnston interjected.

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Ms R. SAFFIOTI: That was from the debate about the Barrow Island Bill in 2003.

Last week we heard that those negotiations about Elizabeth Quay were not going that well, so the Minister for Planning approached the Premier. We heard that the Metropolitan Redevelopment Authority was totally responsible for negotiations—remember, that is what the minister said. If the MRA was totally responsible, why did the minister have to raise the issue with the Premier? The minister admitted in this place—he should not have spoken in the second reading debate—that there were some issues and he raised them with the Premier. That is what he said. On one front he said that all negotiations were being undertaken by the MRA; on the other front, he said there were some issues and he had to raise them with the Premier. The Premier used the opportunity of that phone call to raise those issues.

Mr J.H.D. Day: You are implying that Chevron, as well as the government, has acted improperly.

Ms R. SAFFIOTI: No, I am not.

Mr J.H.D. Day interjected.

Ms R. SAFFIOTI: Does the minister think it would be inappropriate to say Chevron was involved in a political process? Does he think it would be wrong to say that?

Mr J.H.D. Day: They were certainly not involved in a political process.

Ms R. SAFFIOTI: Does the minister think it would be wrong to say that?

Mr J.H.D. Day: That they were involved in a political process?

Ms R. SAFFIOTI: Yes.

Mr J.H.D. Day: Absolutely; they were not. They have acted entirely properly.

Ms R. SAFFIOTI: Yet in 2003 the current Premier said those sorts of words in relation to this agreement. I did not say that; the current Premier said it in 2003. If the minister is so shocked by that, maybe he should have done something in 2003. I have not said it. I am only quoting what the Premier said in 2003.

Mr W.J. Johnston interjected.

The ACTING SPEAKER: Member for Cannington, you do not have the floor. Member for West Swan, can you get back to the bill?

Ms R. SAFFIOTI: The minister interjected and said that we were making some allegations. All we are doing is quoting what was said in 2003.

The ACTING SPEAKER: If the member for West Swan does not want the minister to interject, she should probably not put a question to him; she should bring herself back to the bill.

Ms R. SAFFIOTI: Thank you, Madam Acting Speaker.

As we said, we support this bill because we support the jobs and the opportunities that this project creates. We created the first agreement. In October 2001, cabinet gave in-principle support for not objecting to the use of Barrow Island. In 2003, the bill was given support by the then cabinet, sent for drafting and introduced in this place. We support the project. It is a significant and major project on the world economic horizon. It will deliver significant revenues to the commonwealth government, and I think we should be at the table trying to secure a portion of those royalties for the Western Australian budget and Western Australian taxpayers. Again, we support the bill and I conclude my comments.

MR R.H. COOK (Kwinana — Deputy Leader of the Opposition) [5.15 pm]: I rise to make some brief comments about this Barrow Island Amendment Bill 2013 because it raises a number of very important issues to do with the way we manage such projects. I have not participated in debate on this bill to date, but I am very conscious of the fact that this is the third reading debate. I want to reflect upon just three aspects of the debate that I observed very closely during the previous week's sitting.

First, I particularly want to talk about environmental offsets. If we were contemplating today the first act in relation to a mineral or resource development on Barrow Island, I dare say we would conduct ourselves in a very different way. Our understanding today of the science associated with Barrow Island and its environmental values that drive a lot of those considerations are very much more enhanced, and we probably would not be contemplating those sorts of industrial developments on what is an extraordinary piece of real estate. I draw the chamber's attention to the speech given just a short while ago by the member for Gosnells about some of the environmental values of Barrow Island. Indeed, he made the comparison with the Galapagos Islands and how

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important Barrow Island is for worldwide environmental heritage. In extending the footprint for this particular project by 32 hectares on this extraordinary piece of environmental heritage, it is astounding that we have not taken the opportunity to further extend the environmental offsets that relate to this development. During earlier debate, the minister confirmed that the extension of the environmental offsets were not part of his discussions with the company. I find that an unusual arrangement. The negotiations around such developments are always very finely balanced between the public interest associated with protection of the environment and the creation of jobs and economic development benefits that come with this project and the other side of the equation—that is, the exploitation of resources and the impact that that has on both our physical and living environment. If the government of the day says it wants a second bite of the cherry, is it appropriate, is it not, for the government of the day to take the opportunity to further extend those environmental benefits?

The ACTING SPEAKER: The voices of those members sitting at the back of the house are coming up to the front because of the acoustics. If they want to discuss things, they might want to take themselves outside.

Mr R.H. COOK: The Premier has confirmed that there are no extra environmental offsets in relation to this bill, and that is unusual. My experience of negotiations with mining companies is in the area of native title, and in native title, when another opportunity arose to engage with the company to build in the benefits associated with a project, we always took it. Many members will be aware that with native title legislation, those leasehold arrangements in mining leases that were in play at the time the native title legislation was struck could not be influenced by negotiation. However, if the mining company then required other easements or access to that mining lease or there were other aspects that would trigger the native title process, the whole project was back in play. We all know that we must support this legislation. The Gorgon development and project is a very important project, not only for our economy now, but for generations in the future. We all know that this is important legislation to ease through Parliament to ensure that we can keep this process going forward. However, we are all, even now, more acutely aware of the environmental impacts associated with this development, and we should take the opportunity to ensure that we have extra measures in place so that the impact of this development on the environment is reduced further. We should take the opportunity to ensure that those impacts result in further public benefit, be it the protection of the environment or other aspects.

Since the original Barrow Island deal was struck, the mining industry has developed over the past five years or so in a way that the member for Cockburn and I find disturbing. I refer to the modularisation of the mining and resources industry, which resulted in the export of a range of jobs that we would have otherwise taken for granted. When the original Barrow Island deal was struck, there was an understanding about the kind of jobs that would eventuate from the project, and the negotiations with the mining companies reflected that. Now that the mining company has come back to us and said that it needs further approvals, it is the government's obligation to say, "Look, while we are at it, we have noticed that the number and type of jobs coming from this development are significantly lower than we originally envisaged and the company portrayed in the original discussions." Why did the government not go back to the Gorgon joint venturers and talk about the local content issues and the sort of jobs generated from this kind of project? The government should ask about this because when it originally struck the deal, it was told that there would be this many and this type of jobs, and in the context of those discussions that was understood. The government now knows, by the way that this venture has been conducted, that a significant number of jobs have been exported—jobs that the government anticipated would occur with this project—and it should say that it wants another discussion about that aspect; that is, the government wants to have a discussion about the economic benefits to be derived from this project.

It is not Gorgon's fault that it has come back to ask for another 32 hectares, although I have heard analysis that it could have avoided this if it was not modularising the project as it has. But it is also not the WA government and the WA public's fault that the changes in the resources industry were not anticipated. Roll forward to the current circumstances in which the Gorgon partners have come back to ask to renegotiate this deal. The opportunity was there for the government to say that it wanted to talk about jobs for Western Australians—jobs that will come from this legislation. If the government was wise, it would say that it would take the lessons learned from the Labor Party's Skilled Jobs Bill 2012 and make sure that it utilised the principles in that bill to increase local content in this project. Of course, as the Premier has demonstrated in debate on this bill, such discussion did not take place.

Another issue raised by the opposition about this bill—I think it was raised by the member for Gosnells—was native title. The question posed is whether the granting of access to this particular 32 hectares of A-class reserve is a future act. The Premier replied that his advice was that it was not a future act. Although my understanding of native title law is a bit rusty nowadays, I concur with the Premier on that point. He was saying that granting access to these 32 hectares does not extinguish native title; it is a suspension of native title. If I understand the

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Premier's argument correctly, the government is granting leasehold over the 32 hectares of the A-class reserve that will revert to A-class reserve once the lease has finished.

Mr C.J. Barnett: My answer to you was that when the A-class reserve was created, it had the effect of extinguishing native title then.

Mr R.H. COOK: That is an interesting point. There is also argument that a conservation reserve can coexist with native title and therefore native title is not extinguished. I take the Premier's point and simply comment that the opposition's understanding concurs with the Premier's in that it is not a future act—but it may be a compensatable act. Another opportunity that may have been missed in the negotiations with Chevron is the impacts on the enjoyment of native title as it might exist in terms of a compensatable act through the suspension of those native title rights, such as they exist under an A-class reserve title.

The opposition has also sought some clarification—I think it was raised by the member for Cannington—on the reports that land clearing of the 32 hectares has already started. Assurances were sought from the Premier on that, and we are grateful for those assurances. It would obviously be quite an improper arrangement.

The final point is the issue of the discussions that occurred with Gorgon, which resulted in a rather heated exchange between various members of Parliament. This turns on the perception of the Premier engaging in a discussion with representatives from Chevron about the acquisition of land at Elizabeth Quay at the same time as he was discussing the characteristics of and negotiations around this bill. As the Leader of the Opposition said, it is one thing to be able to exclude impropriety; it is another to manage the perception of impropriety. I have had considerable experience of this in negotiations on native title with resource companies and other proponents. In the context of native title, the perception of the discussions that took place between native title parties and proponents was almost more important than the actual discussions themselves. That is because when native title parties engage in these discussions and negotiations, they do so on behalf of a group that has invested trust in them. There is a positive obligation on the person who engages in these negotiations to do so in a manner that is not just proper, but that is so proper, transparent and manages any perception of impropriety that they are very difficult, structured and appropriately formal discussions.

When entering into negotiations with anyone, there are differing levels of obligation and ways to conduct oneself. If a small business owner conducts negotiations with another business, and they are the only ones injecting capital in the particular company, they have a very low level of obligation because they are only negotiating on their own behalf. They are at ease to negotiate the length and breadth of discussions and can wander into other discussions; it can be over lunch with a glass of wine if they like. There can be wideranging discussions touching on a whole range of issues and no-one is impacted negatively by that. The only obligation the small business owner has is to himself or herself as the investor and the owner of that capital and that company. The level of obligation for propriety is increased when a representative of a company represents investors and shareholders are involved.

There is a whole new level of obligation around the way representatives of companies conduct themselves to ensure that what they do is not only in the shareholders' interests, but also seen to be so and working in the interests of investors in that company. A whole new level of formality applies with that. Some of it is around notice to the stock exchange, some of it is around declarations and some of it is around the conduct of formal meetings or the availability of the nature of those negotiations. Indeed, there are particular obligations to the shareholders of a company to make some of that information available. Public officials and members of the executive of the Western Australian government have higher obligations concerning how discussions and negotiations are undertaken; they have an obligation to the WA taxpayer. It is simply not good enough to say, "Trust me; I am going in there to do the bidding", and carry on in a manner that is loose and slack in the way those discussions are conducted—we have already heard no notes were taken at that meeting. Public officials must also not conduct themselves in a manner that could be seen to be or perceived to be possibly giving rise to acts of impropriety. In this case the member for Cannington raised the issue of whether it was appropriate for the Premier to conduct a conversation about the interests of the WA taxpayer in relation to Elizabeth Quay and this company's access to an extra 32 hectares of A-class reserve on Barrow Island.

Mr C.J. Barnett: He said a lot more than that. If he had just said that, there wouldn't have been an issue. He and the Leader of the Opposition said far more than that.

Mr R.H. COOK: But that is essentially the nub of it, is it not?

Mr C.J. Barnett: No. I think if that was all they'd said, you wouldn't have had a public statement made by Chevron last Friday.

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Mr R.H. COOK: I think the public statement by Chevron on Friday was an appropriate response to the public debate that was then going on. I think it would have been more proper to have had the discussions separately, even though the opportunity may have presented itself to have concluded two discussions that the Premier had to have with Chevron. The fact that the discussions occurred together and the fact that the optics were so what the Premier would declare wilfully twisted, gives rise to questions around the sorts of obligations upon the Premier as a public official.

Mr C.J. Barnett: The question was asked and it was answered, but the accusations then followed.

Mr R.H. COOK: Government officials often meet with businesses, particularly businesses that move in a fast environment and have a much lower obligation in how they conduct themselves, and the temptation is to fall into the same sort of fast-flowing discussion and connect different issues up where business interests and advantage might exist in a range of discussions. That gives rise to members of the private sector being able to have a range of discussions in a very short period of time, and they might be able to connect up those advantages. That opportunity does not exist for a public official. That is why we have to constantly remind ourselves that it is not just how we conduct ourselves; it is the perception of how we conduct ourselves, and that we do so in a formal manner that does not give rise to the sort of unsightly debate that occurred the other day.

As the opposition, it is our job—as it was that of the current government, the then opposition, in October 2003—to ask questions, some of the answers to which will be known and some will be hypothetical or rhetorical. But it is the obligation of an opposition to ask those questions, and very appropriately so on this occasion. It is our role as opposition to closely scrutinise the conduct of government and to ensure that when a negotiated settlement is struck, it is free of encumbrances around political obligations or advantage, as the current Premier highlighted in 2003, or in this particular case, that it is unencumbered or not caught up in other discussions that the business might be having with the government. There should be squeaky clean, formal, rigid, documented, transparent and accountable discussions. We cannot go in there with loose language; we cannot go in there with opportunities to connect up these discussions.

Point of Order

Mr M.H. TAYLOR: Under standing order 197, I ask you, Madam Acting Speaker, to bring the member back to the content of the Barrow Island Amendment Bill 2013, please.

The ACTING SPEAKER (Ms J.M. Freeman): The point of order is, as I have read to the member for West Swan, that the third reading is not a wideranging debate; it is strictly related to the contents of the bill. I draw you to the bill and show you that the bill is about the variation to the agreement and schedule 2 to the agreement. Therefore, you need to look at what is in the bill to be able to bring your comments into the contents of the bill, member. The point of order is understood; it is not a wideranging debate, and so you need to keep it within those terms of the bill.

Debate Resumed

Mr R.H. COOK: Thank you for your guidance, Madam Acting Speaker. As I said at the beginning of my contribution to the third reading debate, I am purposely sticking to the three—although I may have strayed to four—specific issues with this bill—namely, the environmental offsets, the native title arrangements and the negotiations with the company in this regard. From that point of view, I am reflecting directly upon the second reading debate. Indeed, I am grateful for the Premier's interjections, and from that perspective, I have sought to not stray too far from the subject matter and to stick to the very issues about which there was a debate in the consideration in detail stage. I conclude my comments in that regard.

We have to support this bill. Had we been debating this bill at the beginning of the project's inception, understanding the impacts that it has had upon the pristine nature and biodiversity of the environment, would we have gone down this path in relation to Barrow Island? I suspect not. Are the native title issues with the expansion of the 32 hectares of the leasehold impacted upon? I do not think they are. Has this deal been negotiated in an appropriate way? To some extent, we will never know, but we have sought the reassurance of the Premier in relation to that; he has given us those reassurances. But I will defend the right of the opposition to ask questions, even if those questions are uncomfortable. I will defend the right of the opposition to be able to debate these things at length to make sure that the conduct of business of this place by the government on behalf of the people of Western Australia is done in an appropriate, legal, transparent and accountable manner.

I touched upon the fourth issue, which was local content. It strikes me that this is another great opportunity to look at the level of engagement of the Western Australian workforce in this development. When this project was first embarked upon, we thought it would have been much greater than has been the case. It has now been significantly reduced because of the modularisation of its physical elements. Obviously a historic opportunity

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was missed by this government when it did not go to Chevron and say, “We now wish to have a talk about the sort of employment outcomes that have occurred as a result of this project.” The Kwinana strip is shared between my electorate and that of the member for Cockburn, and we are constantly made aware of the disappearing job opportunities for young people with apprenticeships and other such things as we see the industry change. Clearly, this would have been a good opportunity for the government as well. We hope to see further outcomes with this project so that we can enjoy the benefits of this sort of boom; there are some great benefits to be enjoyed, but, goodness me, there are an extraordinary number of costs.

MR F.M. LOGAN (Cockburn) [5.39 pm]: I wish to say a few words on the third reading to conclude my remarks on the Barrow Island Amendment Bill 2013. The comments that I made during the second reading debate related to the reasons Chevron needed 32 hectares in the first place, which, as stated by the Premier in his explanation, was because of the need for an extra lay-down area. I then referred to the logistical challenges of undertaking the construction of one of the world’s largest industrial projects on an island—an A-class reserve off the coast of Western Australia—that requires the sterilisation and sealing of all pieces of equipment taken to that island—that is, the sterilisation of every piece of mobile equipment and engineering equipment and the sealing of those pieces of equipment that cannot be sterilised internally. That process alone ramps up the cost of doing business and constructing a project of that size on an island off the coast of Western Australia. As has been seen from the statements made by Chevron and others who wish to jump on the bandwagon of bagging Western Australia and Australia, the overall cost of bringing that project to a conclusion has blown out significantly—over 300 per cent so far.

The doomsayers and the people who are so quick to criticise doing work in Western Australia or Australia immediately point to the Gorgon project as an example of why the oil and gas industry will never invest any more money in Australia for further LNG projects because of the poor productivity ethos and the massive cost of fabrication and construction costs in Western Australia. They use this project as an example of that. During the second reading debate I was trying to bring some rational debate back to this subject by pointing to the logistical challenge of undertaking the construction of one of the world’s largest industrial complexes on an island off the coast of Western Australia—not any old island but an A-class reserve. Hopefully, I put the points as appropriately as I possibly could in the second reading debate. I will not go over them again in the third reading, apart from saying that the logistical challenges that Chevron faces, even with the extra 32 hectares that it will get from the passing of this legislation, will still be there. Those problems will still be there and the control of cost for this project will still be there. That is why I raised during the second reading debate the issue of why Chevron constructed this project on the island in modular form. Most of those modules were constructed, fabricated and assembled overseas. Chevron can certainly not point the finger of blame to Western Australian fabrication and construction for the blowout in cost because the modules were not made in Western Australia and they were not made in Australia; they were made in other parts of the world, primarily in Asia, yet as far as Chevron is concerned, the fabrication costs have blown out. This bill will not fix its problems; those problems will continue to occur. I believe that the very root cause of the problem comes down to the decision-making by Chevron itself about the way it went about this project and the fact that it should have been stick built rather than modular built. Stick built would have provided a far smoother logistical supply chain to the island, which would have allowed construction in a more timely and appropriate manner. It would almost certainly have provided a lot more work for Western Australia and Australia because the projects would have been broken down to a size and a scale to which Western Australian companies would have had the capacity to tender for that work. But Chevron made that decision and, consequently, it is in the position that it is in, and it then came to the government of the day requesting a greater lay-down area to cope with the logistical problems it has on the island and hence we have the Barrow Island bill.

I turn to a couple of other issues that were raised in the second reading debate and that directly relate to the Barrow Island —

The ACTING SPEAKER: Member, I bring you back to the fact that the third reading is restricted to the bill. It is not a time to reopen or repeat debate on matters you raised in the second reading debate. You need to contain yourself to the bill and discuss the clauses of the bill. The debate is restricted. It has been limited to the contents of the bill—that is, the matters contained in the clauses and the schedule of the bill. I take you to the fact that the bill has a schedule on a variation agreement, just so we are clear about the third reading.

Mr F.M. LOGAN: Madam Acting Speaker, with respect, if you can take me to the point where I have drifted off —

The ACTING SPEAKER (Ms J.M. Freeman): You were just going to repeat the issues that you raised in your speech on the second reading.

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Mr F.M. LOGAN: Madam Acting Speaker, I am not challenging the position of the Chair but I would also like your guidance to point to where I drifted from the bill. I was dealing particularly with the aspects of the bill, the way in which the bill was structured and some of the comments that I had made in the second reading debate relating to those aspects of the bill.

The ACTING SPEAKER: That was my point—not to relate to your speech on the second reading.

Mr F.M. LOGAN: I raised the issue of why the bill does not contain clauses relating to environmental offsets. This has been raised before in the house. Some of the comments made related to the possible manner in which the original Gorgon bill was negotiated with \$3 million in environmental offsets. One of the things that we have to take into consideration—the Premier certainly did not mention in his interjection the original environmental offsets that were initiated by the Gallop government in the original bill—is what the environmental offsets were spent on. They were spent on protecting some of the same animals and plant species that exist on Barrow Island today. The money was not taken from Gorgon and then put into consolidated revenue or spent on another environmental project entirely; it was initiated by way of the environmental offsets provision in the original Gorgon bill and used on other offshore islands under the control of the department of environment to help save species of animals in the protected vermin-free environment that currently exists on Barrow Island. That is what the money was used for. That is directly related to Barrow Island. Is that a good thing? Of course, it is a good thing. It ensures that the species that occur on one island and had existed on many of the other islands off the coast of Western Australia continue to thrive and possibly inhabit other islands that have been depopulated by infestations of feral vermin. That is what the money was used for. That is a good thing. It is not corruption or standover tactics. It is not using a leverage of government to extract money out of Chevron. It is encouraging a major multinational corporation that wants to do one of the world's largest industrial projects on an A-class reserve—something that Chevron admits it would not be able to do in its home state of California as it certainly would not get the approval—to further protect the wildlife on Barrow Island. It is an offset with which Chevron has been very proud of being involved.

I laugh about the fact that in this debate many members have stood and talked about the pristine environment of Barrow Island. I do not know how many times members have been to Barrow Island, but it is certainly not pristine. It has been used as an oil extraction facility for the past 45 years and it has over 600 nodding donkeys on top of wellheads all over the island interconnected by pipelines that criss-cross the island. It is certainly not a pristine offshore environment. It is unique because the work done by Chevron and its predecessors, such as West Australian Petroleum Pty Ltd, has not interfered with the flora and fauna on the island at all.

Mr C.J. Barnett: It is not all over the island.

Mr F.M. LOGAN: I understand, Premier, that the oil installations are not all over the island, but they are certainly over a significant proportion of the island, so it is not a pristine environment by any stretch of the imagination. Parts of it are in very, very good condition, but it is a unique situation in that an oil and gas company has been able to operate on an island with unique flora and fauna, which has continued to not only exist but also thrive under the protections put in place by the oil and gas company to stop feral species coming onto Barrow Island. The offset money that came in by way of the original Gorgon bill was to replicate that exercise on another offshore island. That is why I question why no-one thought to include in this bill a provision to further encourage Chevron to be involved in this type of environmental rescue and saving of species. It was not raised with the company and put to it to further enhance the environmental offset fund as part of this request for an extra 32 hectares. I think the environmental offset is a good thing. The company certainly thinks it is a good thing, and it has achieved great things. That is why we raise the issue.

I refer to the request for extra land in clause 4 of the bill, which amends the long title of the act to refer to 332 hectares instead of 300 hectares. There was further discussion about possible offsets to that, which related to the Elizabeth Quay debate. The member for Kwinana raised the point—it was also raised earlier during the second reading debate and the Premier got quite hot under the collar—about perceptions of why the Premier raised the issue of Elizabeth Quay in the same conversation that covered Barrow Island. *Hansard* shows that Elizabeth Quay was raised by the Premier at the same time as the conversation on the need for the extra 32 hectares for a lay-down area. It is not so much the perception of the general public, because the Premier and the Minister for Planning have responded to that issue.

Mr C.J. Barnett: So has Chevron.

Mr F.M. LOGAN: Chevron has also responded to it, and I am glad it has, because it is the perception of Chevron that is the issue. All big companies who have issues such as this raised in the one conversation. I do not know who from Chevron was at the other end of the phone, but whoever was representing Chevron would have had in their head, “What is the Premier saying to me here? I know he’s saying two things to me, but what is he

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saying to me?” I know and the Premier knows that that is how companies operate. When big companies deal with governments or other companies that are trying to indicate something to them, they pick up on body language, tones of speech and the way in which debate is structured and phrased. The other party in the debate would have wondered, “Is the Premier trying to send me a message here, or is he trying to explain something to me or is he making a request of me?” They were trying to work it out, possibly, in the meeting. That perception may well have been completely finalised by the statement by Chevron.

Mr C.J. Barnett: The original perception was what the Labor Party put around.

Mr W.J. Johnston interjected.

The ACTING SPEAKER: Member for Cannington!

[Quorum formed.]

Mr F.M. LOGAN: As soon as I stood up, everyone left!

As I was saying prior to the quorum being called, the issue is about how other organisations perceive statements made in conversations similar to the one to which I referred earlier; the negotiations for land at Elizabeth Quay were mentioned in the same conversation as Chevron’s request for the expansion of land on the A-class reserve at Barrow Island. Chevron may well have cleared all that up now with the statement it made. Nevertheless, it is still quite appropriate for the opposition to raise this issue in the debate on this bill, or at any other opportunity, to ensure that the government is aware that we continually look at the way in which it behaves to ensure that it does things in an appropriate and proper manner. From all the criticism from the government, it appears that as soon as we raise any issue such as this, this type of behaviour can be done only by the Labor Party; it is never a Liberal government or a Liberal–National government. That sort of impropriety can only ever be done by Labor.

Sitting suspended from 6.00 to 7.00 pm

Mr F.M. LOGAN: Before the dinner break I was addressing clause 4 of the Barrow Island Amendment Bill 2013 in my contribution to the third reading debate and speaking about the request by Chevron for an extra 32 hectares. Clause 4 deals with replacing the figure “300” in the Barrow Island Act 2003 with “332”. I also addressed why the bill contains no offsets clause, as was contained in the original Barrow Island Act 2003. There were also discussions around the expansion of the A-class reserve footprint from 300 hectares to 332 hectares and about the perceptions built around that request. I concluded by saying that that matter might now have been cleared up to a certain extent. Nevertheless, it is something that the opposition has every right to raise because, whenever there are conversations between not only the Premier and companies that are seeking benefits from the state in the way that Chevron is, but also ministers and these companies, the perception may be that a trade-off could be taking place on another issue. That is the perception, no matter what the Premier says about this issue being raised only by way of an aside.

I have been going back through *Hansard* to read the debate in this house on the original bill, which clearly was feisty, to understand what could have been perceived. I started off my contribution to the second reading debate by saying that politics sometimes has an ironic flavour and that things come back to haunt members when they have said one thing and then done another. I think we have all been caught by that. I think the Premier has even caught me saying one thing in government and the opposite in opposition. Therein probably lies some of the hallmarks of politics; members sometimes have to float with the flavour of the day to make their point either in here or outside the house to members of the general public. That is not to say that they should deliberately go about doing that or misleading people, but it does provide us with an opportunity to point out those issues with a bill such as this, and particularly with clause 4. I pointed out to the Premier that some of the things he said during the debate on the original Barrow Island Bill 2003 and subsequently about the way in which the government of the day handled the discussions with Chevron—the offsets that were put in place, which I have referred to already, and the whole concept of the construction of LNG infrastructure on Barrow Island itself—showed that he was strongly opposed to those things. The Premier did not show that opposition in the way in which he voted, but he certainly showed it both inside and outside the house by way of comment. He was strongly opposed to it and certainly had different ideas on state development for LNG and where the Chevron LNG plant should be located. Yet, ironically, the person who was opposing it then and had other ideas about where the plant should be located is now in the house supporting an expansion of the existing plant on Barrow Island.

Mr C.J. Barnett: To be fair, as I said during the debate last week, what I suggested clearly in that speech in 2003 was that the separation of the CO₂ should occur on Barrow Island and be reinjected, if technically possible, and that the major LNG plant should be onshore. Had that been done, I suggest it would not be a \$53 billion project but something well under that.

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Mr F.M. LOGAN: That could be the case. If my argument is taken to its ultimate conclusion about the logistical problems of building a plant like this on an island, then that may well be the case. I have been fairly straightforward in pointing out that at the time, the Premier did argue the case for the separation of the CO₂ injection component from the plant itself and that his idea was to have the plant located onshore. The point I am making is that regardless of that, that is not what happened, yet the Premier is today seeking an expansion of the existing plant.

Mr C.J. Barnett: There would be no record of this, but what I said in this house, to the best of my knowledge, was that I was the first person who actually suggested the use of Barrow Island on this project as a minister in the Richard Court government. It was laughed at at the time, but Chevron looked at it and developed a case for the use of Barrow Island.

Mr F.M. LOGAN: I have no idea whether that is right.

Mr C.J. Barnett: It is right.

Mr F.M. LOGAN: I cannot contradict what the Premier is saying whatsoever. The Premier has now obviously put that on the record in *Hansard*. I assume that what he is saying is absolutely correct.

Mr C.J. Barnett: It was seen as a bit fanciful at the time.

Mr F.M. LOGAN: I cannot comment. That is the Premier's argument. I am referring to the irony that sometimes emerges in politics. This is a quote from the Premier in *Hansard* from 14 September 2004, when he said —

... if someone says something on behalf of a political party and then does the opposite in the most blatant and crass way, that is a political lie. That is my standard.

Given some of the things that have occurred between the election and today, I suggest that the Premier go back and read those words very closely indeed. In particular he should look at the Verve–Synergy merger, which we dealt with earlier, and where we are tonight on this Barrow Island Amendment Bill. Our words can come back to haunt us! That is a very good quote, Premier.

Mr C.J. Barnett: I accept your principle, but I do not feel haunted over this bill. You could accuse me of that over trading hours, when I was forced to promote a position of the party that was not what I agreed with.

Mr F.M. LOGAN: There are quite a few things, Premier. It is a fantastic quote from 14 September 2004. I will bring it out regularly from hereon for the rest of his government! I now look forward to the contribution of the member for Willagee.

The SPEAKER: Member for Willagee.

MR P.C. TINLEY (Willagee) [7.08 am]: Thank you, Mr Speaker; I think this is the first time I have spoken when you have been in the chair.

The SPEAKER: There is a first time for everything, member for Willagee.

Mr P.C. TINLEY: I hope it will not be the last time.

Mr C.J. Barnett: I hope you are not suggesting that the Speaker does not sit in the chair enough!

Mr P.C. TINLEY: What is the Premier suggesting? My goodness!

I will be the last speaker from this side of the house on the Barrow Island Amendment Bill 2013. I certainly will not dwell on my contribution to the second reading debate, as uneventful as it was, but there was something I omitted from that contribution that I wanted to touch on tonight. I might have been out of the house when the Premier responded to this, so I am more than happy to receive an interjection. One thing that occurred to me when we looked at the amendment in this bill to add 32 hectares was the role of the traditional owners of Barrow Island. It is my understanding, according to the advice of the Department of the Premier and Cabinet—I thank the Premier for that—that native title was considered to have been extinguished due to past acts, including the grant of the A-class reserve in 1908; the vesting in 1986 of that reserve in the then National Parks and Nature Conservation Authority, subject to section 33 of the Land Act 1933; and the grant of a petroleum lease to Western Australian Petroleum Pty Ltd, subject to the repealed Petroleum Act 1936 and its subsequent renewal in 1988 under section 134A of the Petroleum Act 1967. Those three actions served to extinguish native title, along with the fact that a majority of the full court of the High Court of Australia held that any native title right or interest to hunt or gather over land in a nature reserve created before 1975—the year the Racial Discrimination Act came into operation—was extinguished. That is interesting, but I do not for a moment doubt the government's legal advice in relation to native title claimants.

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I note that that did not extend to the Kuruma Marthudunera people who, through the Yamatji Marlpa Aboriginal Corporation, on 24 June 2010, signed an agreement for the future construction of a domestic gas pipeline from Barrow Island through their native title claim area. It is my understanding that their claim area extended four kilometres from the coast, and I am wondering how they were catered for, because I understand that native title extends four kilometres into the sea. I thought it was a bit odd; through the passing of this legislation, there will be many opportunities, as other members have mentioned, for the government to revisit a range of things under the state agreement in relation to anything from local content to native title, but that does not seem to have been extended in this case.

Nonetheless, Chevron has shown great sensitivity in dealing with the traditional owners of the land. In April 2004, it undertook its own cultural heritage assessment and published its findings in a document titled, “Technical Appendix E1 Cultural Heritage Assessment and Management Plan — Proposed Gorgon Development, Pilbara, North–Western Australia”. It is quite a detailed and voluminous document in relation to both native and European heritage, and other users of the island. Under the heading “4.4 Conclusions”, the document states —

It is clear from the above assessment that Barrow Island and other islands in the immediate region like the Montebello’s and Lowendal’s hold an unusual place in the pre-history and history of Western Australia. While some cultural heritage assessments have been undertaken on Barrow Island and mainland pipeline route it is concluded that additional site specific cultural heritage studies are required to identify cultural heritage sites that may exist within the development.

The major conclusions of the assessment are:

1. Three Indigenous communities (Yabburara/Mardudhunera, Kurama Marthudunera and Thanlanyji) have expressed an interest and need to be consulted in relation to cultural heritage management within the proposed Gorgon Development. This consultation may include inspection of the proposed development on Barrow Island and on the mainland.
2. That at present:
 - a) Two identified cultural heritage sites may be impacted on Barrow Island by the proposed Flacourt Bay Feed Gas Pipeline Option (see Map 41).
 - b) Four identified cultural heritage sites may be impacted on the mainland (see Map 4-1).
3. Owing to the low level of formal investigation, prior to construction all proposed ground disturbance areas including the seabed should be systematically surveyed for Indigenous, historical and maritime cultural heritage.

I will not go on, but the point I am making is that there was very clear evidence, from Chevron’s own report, of Indigenous involvement in and around the islands and their waters for traditional purposes, and it also identified on an attached map several cultural heritage sites. Chevron is to be applauded in this instance for the sensitivity with which it went about consulting and conferring with the traditional owners of the land, when it did not necessarily have to.

It seems to me that, if we accept the advice, native title was not extinguished but, in fact, this amendment to the act will potentially open up any and all possibilities for renegotiation which were not necessarily undertaken or acted on. It could have actually invoked a commonwealth “future act”—an act done after 1 January 1994, which affects native title. Even though native title might have been extinguished, I was hopeful that maybe this might have been something that could have been acted on. It is something that I omitted from my contribution to the second reading debate, and obviously we could not get any detail. I understand the Premier made some comments; I may not have been in the house at the time, but I wanted to add something for the record about Barrow Island. We have all heard about it being a unique place where native flora and fauna have been able to thrive relatively unimpeded by outside influence, while species on many parts of the mainland have become extinct. Given that this is amending legislation to the act, there was a potential opportunity to revisit some of the local content provisions that I alluded to in my contribution to the second reading debate in relation to how much skilled work accrued to the businesses of Western Australia; that appears not to have been taken up in this legislation.

I just wanted to add those comments in relation to the Indigenous owners, and on that note, I will conclude.

MR C.J. BARNETT (Cottesloe — Minister for State Development) [7.17 pm] — in reply: I thank members opposite for their support of the Barrow Island Amendment Bill 2013 to allow Chevron and its joint venture partners to have access to a further 32 hectares on Barrow Island in addition to the 300 hectares it currently has

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access to. That area of 32 hectares is about 80 acres, which is not a very large amount of land on an island that is described as having an area of 200 square kilometres. In fact, of those 32 hectares, 20 hectares will be rehabilitated. As I said during the second reading debate last week, I expect that there may be an application for further land at some stage in the future relating to the development of a fourth LNG production train; however, I expect that that issue is probably at least two years away. In that case, and at that stage, there will potentially be another bill along these lines.

Without retracing the debate of last week, I intend to respond to a few points that were made today. I have to say that, from where I was sitting, there was a fair bit of backtracking taking place today on this issue, with opposition members trying to reword and re-present what they said last week. I made no secret—in fact, I think I voluntarily made the point—of the fact that I received a phone call from Chevron, which I knew was coming, seeking to find out whether the government would make available that extra land. It had already been under negotiation for some time through the Department of State Development, and I said that yes, in broad principle I supported that, and that we would take a submission to cabinet and therefore legislation to Parliament. During that conversation, I did raise what seemed to have become something of a sticking point over long-term negotiations that had been going on for more than two years about Chevron purchasing two adjacent blocks on the Elizabeth Quay development. In no way was I involved in negotiations over Elizabeth Quay. Indeed, as I understand, an agreement had basically been reached between the Metropolitan Redevelopment Authority and Chevron about price and all sorts of other areas, but there was a sticking point. There was a condition relating somehow to when construction would commence. It seemed to me to be a fairly minor point, and it had become a bit of a sticking point or a barrier to the final conclusion of a negotiation that was basically agreed. I simply urged Chevron, if it was able, to try to do what it could to find a middle ground on that aspect, as I urged, through the minister, the Metropolitan Redevelopment Authority also to be a bit more flexible. This was one tiny related condition to the overall purchase, but to suggest that I somehow negotiated or put pressure on Chevron is simply false. Again, as I said last week, one of the jobs that a Premier does, and a minister does, is try to encourage economic development, whether it be on Barrow Island or the construction of a major new office tower on Elizabeth Quay.

Last week the opposition tried to build a fairytale that there was something improper, perhaps even something corrupt, about that. I am going to make a few comments about this. The opposition was assisted by what I could describe as some naive or even gullible journalism, in which facts were not checked, and stories were written and printed. That is a fact, and I will come back to that. The backtracking occurred today. There is nothing wrong with asking a question, but the opposition went a lot further than asking questions. A number of quotes were read, principally by the Leader of the Opposition and the member for Cannington. I will read from *Hansard* of Thursday, 14 November 2013. The Leader of the Opposition said —

What did the Premier say to Chevron in these meetings? Did he link the fact that it would get approval for expanding its footprint on Barrow Island with the purchase of land at Elizabeth Quay; and, if it purchased that land at Elizabeth Quay, it would be at a price elevated above market price?

That is a false statement—absolutely false. It is asserting a fact that there was a deal and that they were related; that is, “If you give approval on Barrow Island, Chevron will buy the land”, and it also asserted at an elevated price because of that. There is no substance to either of those propositions. It was not a fact, it did not happen, and there was no relationship to the price. I did not even know what the price was. There was no discussion about price and there was no fact as asserted by the opposition. It was a false and misleading representation to this Parliament.

Mr B.S. Wyatt: Wasn't that a question, though, Premier?

Mr W.J. Johnston: It's rubbish.

Mr C.J. BARNETT: The member may say it is rubbish. It is there in *Hansard*.

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington!

Mr C.J. BARNETT: The member says it is rubbish. It was significant enough that he made those sorts of comments repeatedly in the house last week, and it was written in both *The West Australian* and *The Australian*, and the stories were wrong—they were wrong. It was that that led to a statement issued by Chevron last Friday. I want to read it to the house. This statement was issued publicly to the media by Chevron on Friday, 15 November 2013. It is a short statement that states, according to my notes —

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“Contrary to assertions made by the WA opposition and reported by some media, negotiations for the land at Elizabeth Quay commenced over two years ago and were conducted on behalf of the Government by the Metropolitan Redevelopment Authority.

Separately, proceedings to acquire additional land on Barrow commenced six months ago through the Department of State Development.

Any inference the two matters were connected is wrong and is not supported by the facts. At all times the negotiations were conducted separately and in an honorable manner by the parties involved.

The attempts by the WA Opposition and some media to connect the two matters is incorrect and disappointing.”

End of story. Yet the opposition tried to repeat it again today.

Mr W.J. Johnston: I thought you said we ran away from it.

The SPEAKER: Member for Cannington!

Mr C.J. BARNETT: The member for Cannington can giggle over there.

Ms R. Saffioti: He wasn't giggling; I was.

The SPEAKER: Okay, member for West Swan! I am going to ask you and the member for Cannington to both settle down.

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington, I am telling you now; okay.

Mr C.J. BARNETT: I will not go through this, but the opposition suggested last week that I used the term “corrupt” in connection with any arrangement negotiated at the time of the state agreement for Barrow Island.

Mr W.J. Johnston: You did. Read the *Hansard*.

Mr C.J. BARNETT: The allegation was made that I used the term “corrupt”. I certainly described it as grubby—I think that is the word I used—in that respect. There were aspects of the environmental package of \$40 million that I thought were ill-defined or undefined, and 10 years ago I expressed concern about that. I am flattered that my speech of 10 years ago would be quoted so much, but again, for the record in *Hansard*, let me read out the one context in probably a 10-page speech in which I used the word “corrupt”. Let me read the sentence. It was in reference to an issue relating to fringe benefits tax and how that impacted on the Argyle Diamond Mine in the 1980s. I was referring to the fringe benefits tax. The sentence reads —

It changed the economics of the Argyle Diamond project. However, the point I make is that Brian Burke and the Labor Government extorted \$50 million. It was a scandal. Members should talk to some of the Rio Tinto executives of that period. That was the start of the corruption of the previous Labor Government. That was the corrupt act. It was extortion.

The comment and the use of the word “corrupt” was only in relation to the Argyle Diamond deal.

Mr W.J. Johnston: Read the rest of it.

Mr C.J. BARNETT: I remember it well, because at the time I was a co-author, I think, of a two-page article on that deal in the then *National Times*. Going right through, I think the story was headed “Diamonds are a government's best friend” or something like that. I knew something about it. Indeed, the structure was very similar to what happened under the Argyle Diamond act, but never did I use the word “corrupt” in the context of the arrangement —

Mr W.J. Johnston: You did.

Mr C.J. BARNETT: I did not, Mr Speaker.

The SPEAKER: Member for Cannington!

Mr C.J. BARNETT: Again he continues. He is wrong; it is as simple as that.

Mr W.J. Johnston: No, I'm not wrong. Read the rest of the quote.

Mr C.J. BARNETT: The member is wrong.

Mr W.J. Johnston: Read the rest of the quote. Why won't you read the rest of the quote? You have no ticker.

Mr C.J. BARNETT: You are wrong!

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The SPEAKER: Member for Cannington! If you take such issue with this, call a press conference tomorrow morning and take it up. I call you to order for the first time.

Mr C.J. BARNETT: The proof that the Labor Party, particularly the Leader of the Opposition and the member for Cannington, were wrong, is, first, that Chevron —

Mr W.J. Johnston: No, I'm not. I'm not wrong. I'm 100 per cent right.

The SPEAKER: Member for Cannington! I am just going to repeat: if somebody talks about someone else in this house, it does not give the opponent the right to interject incessantly.

Mr C.J. BARNETT: In response to what the opposition implied last week in some of the statements it made, Chevron decided it was necessary to release a public statement, as a publicly listed major United States and global economy company. In that statement, it made it very clear as to what it thought of the sort of assertions being made by the opposition and how disappointed it was in that. Such was the statement by Chevron that *The Australian* wrote another article on the issue very openly to correct the situation—I think on page 2 at the weekend. *The West Australian* made a somewhat half-hearted correction. Nevertheless, both media outlets made a correction to the stories that had been written.

Mr W.J. Johnston: No, that's not true.

The SPEAKER: Member for Cannington, I call you to order for the second time.

Mr C.J. BARNETT: That is what has happened. When the member is wrong, he should be big enough to admit it.

Mr W.J. Johnston: I'm not wrong.

Mr C.J. BARNETT: I think Chevron thinks you are wrong, as does every reader of the newspapers. My message to the journalists concerned is: do not accept at face value what the Labor Party says or what it tells them in briefings, because it is not to be relied upon. Even today, the Labor Party continues to imply the same sort of accusations. The truth of the matter is that there was nothing to it. It was a fairytale, and the opposition has been caught out in a fairytale.

I will go on to some of the other issues raised. The member for Cannington and other members raised issues about the environment and the lack of offsets, as they saw it, in this case. I will make just a couple of points on that. This bill raises the cap on land utilised from 300 hectares to 332 hectares. It is important to expedite this. There has been no agreement on environmental offsets for the additional land. However—this is the point—it remains the case that Chevron will still be required to lodge its proposal for the use of the extra 32 hectares with the Environmental Protection Authority for an environmental assessment. While not pre-empting that process, the issue of environmental conditions, including potential offsets, may well be considered at that point. That is when it will be considered. That will be a matter for the EPA. So when the EPA assesses this it may well come back and suggest conditions or offsets. We do not know that. That is the EPA process, and it is not to be done at this stage. Can I say that it concerns basically a net 12 hectares—a small amount of land.

Other questions were raised in that regard about the level of assessment. That has already been made public. I do not have the date of that, but that does not matter. An EPA bulletin received on 15 November states —

The Environmental Protection Authority (EPA) has decided to assess the above proposal and determined that the level of assessment be set at Assessment on Proponent Information (API) Category A — EPA-prepared scoping guideline.

Mr C.J. Tallentire: So no public input?

Mr C.J. BARNETT: No; it has set the level.

Mr C.J. Tallentire: No opportunity for public input.

Mr C.J. BARNETT: It has set the assessment. The member for Gosnells asked the question; I am telling him. The matter has been referred to the EPA. The EPA set the level of assessment, not the government, and that is the level of assessment it has set for what is an additional 80 acres on a 200-square kilometre island, of which 20 hectares will be rehabilitated. I do not know what the assessment will be. I hope it does it quickly. I do not know whether it will attach any conditions to it. That is up to the EPA, and it will provide advice to the government accordingly.

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

Questions were asked and, again, assertions were made that the land has been cleared or partly cleared. That is not correct. The land has not been cleared and it will not be cleared until such time as there is an EPA recommendation and approval.

The question of native title was raised by a number of members. I simply make the point here that the advice I have is that native title is considered to have been extinguished due to past acts, including, firstly, the grant of the reserve in 1908, which made it an A-class reserve; secondly, the vesting of the reserve in the then National Parks and Nature Conservation Authority, subject to section 33 of the Land Act 1933, in 1986; and, thirdly, the grant of petroleum lease L1H to Western Australian Petroleum Pty Ltd, subject to the repeal of the Petroleum Act 1936 and its subsequent renewal in 1998, under section 134A of the Petroleum and Geothermal Energy Resources Act 1967. Those acts are considered to have extinguished any native title should native title be claimed for Barrow Island. Further to that, a decision of the majority of the full court of the High Court of Australia held that any native title right or interest to hunt or gather over land in a nature reserve created before 1975 was extinguished, that date being the date of the Racial Discrimination Act. The High Court affirmed that the granting of leases and the declaration of reserve extinguished native title on Barrow Island. That is the answer to that question and that was obviously considered.

I do not need to say much more. They were the main issues. The environmental process will be underway once this legislation proceeds through the Parliament. The issues with respect to native title are clear. I am not sure about the issue about the pipeline raised by the member for Willagee. If he wants to pursue that, I will try to get him a response. Other issues were canvassed by members, including costs of construction and the like.

This is a robust chamber. I do not mind good debate and people having a go at each other—I am not some sort of innocent in that regard—but members do have a responsibility in this house to present things as fairly as they can. Last week, and again to some extent today, the Labor Party deliberately sought to present an incorrect view. It deliberately went out to imply things that simply were not true. It may have had a theory and may well have asked questions about that theory, but it went on to repeatedly assert that there was wrongdoing, that somehow it was a matter of fact that these two were connected, that the Barrow Island land and the Elizabeth Quay sale were connected, and that it was a demand for a higher price. There was no substance to that. The Labor Party could provide no evidence and yet it ran with that, and, to my disappointment, some of the media—at least a couple—did not challenge it. They just took it as though it was true, and it was just wrong.

Several members interjected.

Mr C.J. BARNETT: We hear the giggles opposite, because the opposition has been caught out. It ran an argument with no facts or evidence. It asserted incorrect things. I imagine it probably briefed the media. The media fell for it, wrote a couple of articles that editors had to rewrite and retract in following issues. That is what happened. This government—the government that got the Gorgon project going—stands on everything it has done, because the opposition does not like to hear it. I do not deny the Labor Party played a role in environmental conditions. I do not deny that the former Labor government played a role in this agreement act—it introduced it—but Gorgon did not start with the Labor government in 2001. It had a history going a lot further back, in which I and others were involved. When this government was elected in 2008, Gorgon had stalled. I well remember, soon after becoming Premier, the conversation with Chevron, when it asked who was going to take responsibility for Gorgon. I said that we will re-create basically a department of state development to concentrate on major projects. I would be the minister and I would take responsibility. That is when Gorgon reactivated itself. The intensity of work in my office, the Minister for Environment's office and the Minister for Mines and Petroleum's office got Gorgon going. The company was keen to proceed, but it had stalled under Labor. I give the Labor Party credit for what it did, but the project had stalled.

Several members interjected.

Mr C.J. BARNETT: And mindlessly and unintelligently, members opposite giggle.

The SPEAKER: Thank you very much. Member for West Swan, you seem to be fixated on space. I call you to order for the second time.

Point of Order

Mr B.S. WYATT: In respect of your calling members of the opposition to order, Mr Speaker, you are no doubt aware that throughout the entire debate—the second and third reading debates—the Premier interjected incessantly on the opposition. This has not been —

The SPEAKER: There is no point of order.

Extract from *Hansard*

[ASSEMBLY — Tuesday, 19 November 2013]

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Mr Colin Barnett; Mr Bill Johnston; Mr Mark McGowan; Acting Speaker; Mr Ian Blayney; Mr Ben Wyatt; Mr Chris Tallentire; Mr Matt Taylor; Ms Rita Saffioti; Mr Paul Miles; Mr Roger Cook; Mr Fran Logan; Mr Peter Tinley; Speaker

Mr B.S. WYATT: All we ask for is a measure of consistency from you, Mr Speaker, in how you deal with this.

The SPEAKER: Order! I am now in the chair.

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park, I asked the member for West Swan and the member for Cannington to settle down before.

Debate Resumed

Mr C.J. BARNETT: I conclude my comments on that. What we saw last week was some pretty poor politics by members opposite. They set the standard very low. They decided to have a week of attacking me. Good on them. They have done it, but they have fallen flat on their faces because they did not have any substance.

Mr W.J. Johnston: You are an embarrassment.

Mr C.J. BARNETT: I am not embarrassed, but the Labor Party has embarrassed Chevron and the Western Australian resources industry.

Question put and passed.

Bill read a third time, and transmitted to the Council.