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**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON CLIMATE CHANGE, WATER,
ENVIRONMENT AND THE ARTS

Reference: Climate change and environmental impacts on coastal communities

WEDNESDAY, 26 AUGUST 2009

BROOME

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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**HOUSE OF REPRESENTATIVES STANDING COMMITTEE
ON CLIMATE CHANGE, WATER, ENVIRONMENT AND THE ARTS**

Wednesday, 26 August 2009

Members: Ms George (*Chair*), Dr Washer (*Deputy Chair*), Mr John Cobb, Mr Dreyfus, Mrs Irwin, Ms Liv-
ermore, Ms Marino, Mr Murphy, Mr Scott and Mr Zappia

Members in attendance: Mr Dreyfus, Ms George, Mr Murphy, Dr Washer and Mr Zappia

Terms of reference for the inquiry:

To inquire into and report on:

Climate change and environmental impacts on coastal communities. The committee will inquire into and report on issues related to climate change and environmental pressures experienced by Australian coastal areas, particularly in the context of coastal population growth. The inquiry will have particular regard to:

- existing policies and programs related to coastal zone management, taking in the catchment-coast-ocean continuum
- the environmental impacts of coastal population growth and mechanisms to promote sustainable use of coastal resources
- the impact of climate change on coastal areas and strategies to deal with climate change adaptation, particularly in response to projected sea level rise
- mechanisms to promote sustainable coastal communities
- governance and institutional arrangements for the coastal zone.

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Committee met at 9.58 am

CHAIR (Ms George)—I declare open this public hearing of the House of Representatives Standing Committee on Climate Change, Water, Environment and the Arts. The committee is inquiring into climate change and environmental impacts on coastal communities. The Minister for the Environment, Heritage and the Arts and the Minister for Climate Change and Water have asked this committee to examine the environmental impacts of coastal population growth as well as the impact of climate change on coastal areas and strategies to deal with climate adaptation, particularly in response to the projected sea level rise. The committee has also been looking at existing policies and programs related to coastal zone management, mechanisms to promote sustainable coastal communities and governance arrangements for the coastal zone.

[10.00 am]

PROCTOR, Mr Anthony Edward, President, Broome Chamber of Commerce Inc.

CHAIR—Welcome. Although the committee does not require you to give evidence under oath, I advise you that this hearing is a legal proceeding of the parliament and warrants the same respect as proceedings of the House itself. In that regard, the giving of false or misleading evidence is a serious matter and may be regarded as contempt of parliament. Thank you very much for coming along to appear before the committee. Predominantly the committee has been taking evidence from a range of organisations, individuals and groups who submitted when the terms of reference for the inquiry were made available, but it is true to say that most of our considerations and visits have focused on the capital cities and in close proximity to the capital cities. We have taken the opportunity to visit a couple of regional areas and today we are in Broome because we are particularly interested in getting a better handle on development along this wonderful stretch of coastline in the Kimberley region generally.

We have been looking at what role the federal government might play in the protection of the coastal zone. We have been considering the impact of population growth in many of the coastal areas that started as little villages and now are facing the pressures of a growing population. We are looking at land use and how one can marry sometimes conflicting interests over the way that land should be used. We are looking also at the impact of development on the environmental and biodiversity features of a coastal area.

We are here in Broome to hear from the local people about issues that really are of concern for the whole nation and also to test out with the community and the stakeholders their feelings about development in this zone and in particular whether people have views about the proposals that go to the LNG development and the processing site at James Price Point. The committee will not be recommending specifically to the government, because there is a process, but we want to know whether you feel the process has enabled the voices in the community to be properly heard and considered. That is a summary of where we are heading.

I now invite you to let the committee know about some of the issues of concern to the Broome Chamber of Commerce and what role you might see the federal government playing in the protection of the coastal zone.

Mr Proctor—I want to say at the outset that, while there is an environmental bent in just about every person who lives in Broome, I for one am not qualified to speak in terms of coastal zone management or other issues directly affecting the environment. As I said, we have a deep concern for the environment and partially that is why we live up here. Fundamentally, I am a businessman. The Chamber of Commerce represents businesspeople in Broome and some of those have particular environmental based businesses, particularly in tourism, which rely on the maintenance of the pristine Kimberley for the conduct of their businesses.

When I first came to Broome in 1989 it was a town of about 4,000 people. It now has a population of some 16,000 or 17,000 people. So there has been rapid growth. That growth has come from three main sectors: firstly, the pearling industry; secondly, the tourism industry; and,

thirdly, the influx of government services to the region, ranging from health to policing and a whole range of services.

So it is a growing town. In the last five to seven years in particular, that has put considerable pressures on the development of Broome, which is recognised as a highly expensive town in which to live. That in itself creates pressures in terms of getting people to come and live here as professionals or experienced tradesmen to having choice in schooling and education—all those things that make a vibrant community.

To a large extent, some of the growth in Broome and the resolution of those issues have been held back by native title determinations. They are now largely in the final stages of management so that there is new land being made available for future residential and industrial growth in Broome. That, hopefully, will take some of the pressure off the cost of housing and the cost of living in Broome so it will become a more desirable place in which to live.

I think the fundamental issue facing Broome at present is that it needs another economic base from which to continue to grow. The pearling industry has had some difficulties in the last few years and there has been a significant cutback in some of its activities. The tourism industry continues to be quite buoyant, in my view, but it is subject to the vagaries of the Australian and US dollars, the cost of airfares to Broome and the cost of accommodation here, reflecting the fact that every built form that comes into this town is trucked in one way or the other, and there are significant fuel imposts on that. Tourism alone will not sustain further development in growth in Broome. We need a further activity.

The chamber and many businesses in Broome are wholeheartedly behind the establishment of an LNG processing facility at James Price Point. Equally, there are a number of businesses in Broome that are against the establishment of an LNG facility by Inpex at the Maret Islands. That is an example of the balance that Broome people, or regional people in the Kimberley, represent in the protection of the pristine Kimberley.

The view of most businesspeople in Broome is that the James Price Point area north of Broome has no real significant environmental or heritage issues which cannot be managed. I think the thrust of the Broome businesspeople is to say that development at that site can go ahead with proper management in place. It is such a small area of the Dampier Peninsula and of the Kimberley region, it would be very difficult to justify not going ahead with such a development on the basis of small environmental issues which, at the end of the day, probably can be managed. That is not to say that some of the environmental groups do not have some points to make, quite properly, in relation to the protection of some of these areas. So our view is that it must be a balanced and sympathetic development but it can be managed.

We believe the James Price Point area best suits Broome from a business perspective, because it will enable business and trades in Broome ready access to the site or the development for the provision of a whole range of goods and services. While many major projects of that nature have a high degree of imported modules for the infrastructure—which, clearly, regional people will not have the technical or business skills to manage—there is still a whole range of activity that can be undertaken by local business and which can support local business. I will briefly mention a few of those. They are the provision of internal roads, the laying of water and sewage pipes, electricity, landscaping, the construction of visitor centres, toilet blocks and administration

buildings—all the sub-infrastructure that is necessary to support the high-tech nature of an LNG processing facility that will be in place.

As I said, I am not across all the environmental issues but, from the discussions I have had with Woodside and from the briefings they have provided and the seminars and presentations from the Northern Development Task Force, I think it is quite clear that any coastal development in the region of James Price Point will be properly managed and will be of significantly small impact on the actual coastal area within the James Price Point precinct. Again, that is not to say that some people will have views on that, because that is traditionally where they like to go camping for the weekend and have done so for 20 or 30 years or more. But it is a large coastline and there are other areas. As members will probably know, it is a part of the Kimberley coast where there is very little habitation. In fact, one of the chairmen of one of the local communities up there just puts it down as ‘plain scrub’. That is not to say that there might not be some marsupials in the area that are well worth while protecting.

In terms of the coastal management, I would suggest to the committee that companies such as Woodside have an unquestionable track record in management of the environment. You will probably find down at the Burrup Peninsula some of the activities that they have placed there, and the suggestion that part of that coast might become a marine reserve is due to the efforts that Woodside have put in in encouraging the conservation of the marine environment and fishing, which has increased in the area. I fully admit that it is a complex area and there are many people taking different views.

But getting back to the central issue: what is a sustainable coastal community? If Broome does not have a further economic base, there is a substantial risk that it will wither. If there is a substantial change in the appetite for Broome as a tourism destination, that will severely undermine the level of investment here and there will be a lot of heartache if the people who have developed the new resorts here cannot fill them at a price which supports at least the servicing of their debt on their projects. So Broome does need to look at another economic base from which to maintain its present position and continue to grow.

The chamber has looked long and hard at other opportunities. There will always be some demand, I guess, from people who want to live here from a sea change point of view. That will support a lot of small-business people who are builders or providers of air-conditioning or repairs and maintenance type services, but that in a sense, as you may have thought about in other coastal communities, largely illusory in the long-term outlook for economic growth of a particular region.

The chamber believes that not enough emphasis has been placed on the technical innovation which currently exists with state-of-the-art LNG facilities. Notwithstanding the issues of the oil and gas blow-out in the Timor Sea, they tend to be relatively rare. As Mr Don Voelte mentioned yesterday, they do reflect on the whole industry. Quite frankly, I see that as a positive—that it will encourage Woodside and its co-venturers to be even more cognisant of the need to make sure that the high technology they use will totally protect the local environment.

One other aspect of having a sustainable coastal community in a place like Broome is that tourism is very much dependent upon the price of airfares coming into Broome. You might say, ‘Yes, there are some very attractive airfares being offered at present,’ but those airfares are there

because of the contribution which is made by the premium market. The oil and gas industry has a lot of fly-in and fly-out people at present who pay the premium airfare for the convenience of being able to get on a flight and have a guaranteed seat. Without that underpinning, tourism fares will become much more expensive and they will drop away. In fact, 18 months ago one of the major carriers to Broome was thinking of withdrawing from Broome service because it had its product mix wrong. It was too reliant on competing at the low end of the tourism market without encouraging the high, pointy end, if you like, to subsidise those fares. I have been told that that situation has been retrieved and, as you may know, we now have five jet air services into Broome, providing 57 flights a week—many direct flights from Melbourne and Sydney. There is the possibility in the next tourism season of direct flights from Brisbane to Broome. Skywest Airlines, the West Australian regional airline, has announced it is seriously looking at Broome to Singapore flights. We are very much dependent upon the provision of air services, not only for the conduct of business generally—getting people in and out, people like you who have tight schedules and need to get in and out of a town for the purposes of business at an efficient time—but also to underpin tourism.

It is not hard to imagine, if airfares become too expensive, that competition from other parts of Australia, particularly the east coast, will make it much more attractive for families to access those services, and Broome could potentially stagnate or wither, with a lot of heartache for those that have made significant investments in tourism facilities here. I am not just talking about the hard infrastructure; it is all those that have made investments in boats and fishing and hydrofoils and all those sorts of things to provide entertainment activities for tourists.

One of the other issues that arise out of the LNG plant—and the government is well aware of this, and I think it is a continuation of programs established by the former government—is COAG agreements for the encouragement of Indigenous employment. That is a significant issue for the region. The LNG facility, if Woodside make the investment decision for James Price Point, will create many opportunities for Indigenous employment. The big issue with that is getting Indigenous people to become what is called work ready, rather than trained. The local terminology for work readiness is to create the environment where Indigenous people will turn up to work five days a week from 7 am to 4 or 4.30 in the afternoon and not, as many people experience, that they will come to work and just disappear during the course of the day. It is a major risk, and it is something where a lot of time and effort are being put in by local business in conjunction with various government agencies. But growth also will come from higher levels of Indigenous employment, because that will raise the overall standard of living. There will be more education opportunities and more housing for them, which will again turn into more opportunities for local business.

The overall economic outlook for Broome and the Kimberley is very positive. The chamber is hosting its annual economic forum in Broome in the middle of September. Two of the speakers there are examining the leadership role of government in creating the right economic environment in the Kimberley, and we are testing how effective Indigenous employment can be and the extent to which tourism can coexist side by side with an LNG facility. Again, the views on that can be quite polarised. There will be those that say an LNG plant will kill tourism in the Kimberley. There will be others that say, 'If I'm lying on the beach at Cable Beach and I can't see the plant, it doesn't affect me.' Again, it is a very small area of land. Perhaps that is all I need to say. You might like to ask me some questions. I have this tendency occasionally to ramble on a little bit.

CHAIR—That is fine. It is very interesting. Thanks, Mr Proctor. You mentioned that there had been a substantial boost in population in the last decade, from 4,000 to 16,000 or 17,000 or thereabouts. What do you think have been the main drivers to date of that population increase?

Mr Proctor—As with any economic growth, you get involved in this argument as to what is a multiplier effect. In my view, the multiplier can come from various trades that come here. As I said, tourism has been a contributor. There is no doubt that the impetus given to Broome by Lord McAlpine with the establishment of the Cable Beach Club brought tourists to Broome. That put Broome on the map. That requires people to serve in restaurants, to be chefs, gardeners, housemaids, et cetera. That obviously leads to more housing for people who work there, for more places in schools for the children, for more medical services, for a greater police presence—the whole ambit of the economy starts to become engaged. Back in 1990, there was only one small supermarket in Broome. We now have two shopping malls. It is an incremental approach, but the incremental approach started to go very, very fast—

CHAIR—But you think tourism has been the main driver?

Mr Proctor—Tourism and pearling. There was a huge contribution from the pearling industry, and that should not be underestimated. But as I also said, a lot of government business came to town in preference to towns like Derby—particularly the impetus to look at Indigenous affairs. So people were located here, they required housing, they required schools, they required food and clothing. There is nothing unique about Broome in terms of an influx of people. It is no different from people moving from Melbourne to the Gold Coast. Clearly there were people who came here for lifestyle, living and retirement, but I would suggest to the committee that these have been largely overtaken by people who come here to work and live in the environment.

We have Kimberley TAFE here, we have the University of Notre Dame and we have a large independent school. We have got all the infrastructure that a regional town requires. Plus we have all the attributes that Broome is renowned for: the great weather and the lifestyle. That will continue to attract people to come and work and live here. If we can make sure that development is sympathetic to the environment, we will get more people here. We will get that critical mass which will help keep costs and the cost of living here under control.

CHAIR—You mentioned the positive spin-offs that you thought would come if the plant were to go ahead. Are there any downsides for the affiliated businesses in your organisation? I noticed that there were a couple of ecotourism operators that you could identify in that list. Are there potential consequences of a negative nature for some of the local businesses?

Mr Proctor—Yes, there will be. I have no doubt about that. But I still believe that they are manageable situations. I think people will need to think about doing things differently. My general understanding is that there are a few ecotourism businesses, particularly Indigenous businesses, up on the Dampier Peninsula that may well be affected. But they will be affected based on how they currently do their business. I do not believe anyone has stopped and said, ‘If there is an LNG plant in the James Price Point area, what else can you do with your business to attract businesses?’ I am someone who believes that a major industrial facility will attract tourists. It has been proven down in the Burrup Peninsula. A huge number of visitors go through the visitors centre there. I, for one, as a school kid, travelled from Adelaide to the Snowy

Mountains to see the Snowy Mountains Scheme. I think there is a natural inquisitiveness in human nature to see something that is big and operating.

I think that part of tourism can be maintained. I do not work in the tourism industry. I am not a tourism operator. For a while we owned a boat that plied the Kimberley coastline, but even then most of those boats travelled overnight from Broome to Cape Leveque, getting up into the real Kimberley. Land based people possibly will have some impact, but the challenge will be how they re-engineer their business. The LNG site is going to be such a small site in relation to the Dampier Peninsula that, in my view, there will still be plenty of opportunities for Indigenous tourism and general tourism to re-engineer their businesses to bypass that area.

CHAIR—Finally, from me: the federal government together with the state government have attempted to put in place a more proactive engagement about this with community and stakeholders. It is called a strategic assessment under the EPBC Act. How do you think it has worked? Do you feel that the local voices are being heard and considered in the process? I guess you cannot speak on behalf of all local voices, but what is your feeling about the process? Is it working well?

Mr Proctor—In some ways I would be ashamed to say that I know very little about that part of the process conducted from the Commonwealth's perspective. I am certainly aware that there is the joint assessment process which is being undertaken between the state and the Commonwealth. I have been an active follower and participant in each of the forums which have been conducted by the state under the strategic assessment process, so I am generally aware what is going on.

CHAIR—And have they sought the views of the business community about the development?

Mr Proctor—Yes and no. Yes in the sense that those who have shown interest have been briefed, but there is a real catch-22 situation there as I see it. This project is so complex. There are so many facets to it from an engineering point of view—let's forget about marketing and sales of LNG—

CHAIR—And from an environmental point of view too.

Mr Proctor—Yes. For example, the last briefing we had under the strategic assessment process made the very valid point that some of the technical decisions about where to bring the pipeline in from the coastline to the LNG part depended upon the outcome of environmental, heritage and cultural studies. So on a piece of paper you might think it goes from there to there, but in fact it might need to go from there to there to there; that in itself creates technical problems in terms of the flow and pressures of the as and where it actually comes onshore. That is why I say it is from my understanding a catch-22 position. A proponent such as Woodside cannot come out and say, 'We are going to build the LNG plant there,' because there are too many dependencies that are still being worked through which will determine whether in fact it can go there or whether it has to be 200 metres that way. I am talking about '200 metres that way', from what I have been told, to potentially avoid a sacred site. It is very complex and many people simply do not understand the complexities of it, what the catch-22 positions are, and, once you resolve those, how you then move to the next stage.

At a seminar just recently, which was run by the chamber of commerce, I tried to explain it this way. Take the example of building a house. Someone will say, 'Right, we are going to deal with the bathroom. We are going to have those fittings, those tiles, and we going to have that fan and those lights et cetera.' That box is then ticked off. We then move to the next one: let's deal with the kitchen or the bedroom or wherever. So it is a building block approach. But sometimes you cannot deal with the bathroom issues until you know what tiles are available, whether the tradesmen are there, or what the prices are. So it is very complex and, as a consequence, many people in the community are saying that they do not know what is going on, and that is a fair comment.

Woodside for their part, as I understand it, are saying, 'Until we have made our investment decision, we do not want to make too much of a statement as to what we are going to do there. We might be wrong; we might have to change that view as a result of environmental or technical or other issues.' The WA government on the other hand in much the same way is saying, 'Until we get all these studies out of the way—the environmental studies, marine studies et cetera—we do not want to commit too much and we have still got work to do with the KLC.'

So in the middle there you have this void and this is where in the chamber's view there are many people creating a fear campaign. A good example of that is where one group is saying, 'This will be the first stage of the total industrialisation of the Kimberley. Broome will not be an acceptable tourist town because Broome Port will become a dirty port.' It will not become a dirty port. Or they will say, 'Whales are going to be affected along their migration routes.' Yet there is a lot of satellite technology that can be used including the buoys that are put in the ocean to detect tsunamis that have the ability to detect the sonar sounds of whales and transmit them by satellite to Perth. This information can then be transmitted to ships in the area indicating where the pods of whales are and how they can be avoided and at what speed they are travelling. So there is all that going on with some people saying that it is going to be big and dirty and it is going to be the end of the Kimberley.

A good example of that is the recent program—and I have got to be careful here that I get the right program—run by one of the commercial television stations. In my personal view—not a view necessarily of the chamber members—it was very mischievous in the sense that they painted the view of the Kimberley and they had pictures of the Bungle Bungles. The Bungle Bungles are a thousand kilometres away. They showed shots of the Kimberley coast up around the Hunter River right up in the pristine Kimberley area, not the James Price Point area which is low-level cliffs and some sand dunes.

So that is part of the emotional bit that is going through. Some of the groups will say, 'We will pull out whatever we can to give an impression that this is going to be bad for the Kimberley,' and it has been happening because there has been a lack of information. But to get back to your point in terms of the Commonwealth's assessment process, I am not aware, personally, or is the chamber, of any attempt of engagement by the Commonwealth people in terms of briefings as to what is going on and where they are heading.

CHAIR—And that would be a positive thing if they were to do that, to engage with—

Mr Proctor—I believe so. And, let me tell you, there is very little information coming out of the state government as well. There are many, many groups of people up here undertaking studies.

CHAIR—It could be that they are waiting till the finalisation of a number of those studies.

Mr Proctor—That is right. Again, it is what I call the catch 22: how far do you go in giving information to the community without the community running the risk of saying, ‘This is gospel; this is it’?

CHAIR—I think the philosophy behind the more proactive strategic assessment is to get in on the ground early and get the input from the different stakeholders in the anticipation that it makes for better outcomes when everybody is involved.

Mr Proctor—Am I able to speak off the record for a moment?

CHAIR—You may wish to make some informal remarks after we finish. That might be easier.

Dr WASHER—We have not had a lot of input from Indigenous people. You mentioned two things I was interested in from an Indigenous point of view for a development like this and how they may benefit from it. One was this work-ready statement. We know that traditionally a lot of Indigenous people do not make it completely through a full working day. They tend to get distracted and wander off. I wonder about what thoughts you have had about trying to overcome that problem for the benefit of employability of people. The second thing you mentioned was native title, which Mr Dreyfus and I discussed as we were walking around the track today. You alluded to native title as being quite an impediment to the development of land release for housing here. Would you talk to us about those two issues.

Mr Proctor—The Broome Chamber of Commerce has entered into a strategic alliance with the Kimberley Land Council to assist them with the resources of the chamber. We are a small chamber with just under 200 members. And Broome is a small business town—we have very few big businesses in the sense of big businesses that exist in the capital cities. That alliance is to provide our resources in a sounding board for the activities of the KLC. I hope I am not misquoting him, but I believe Mr Bergman’s view is that the transition will be a long period—it will be a generational change. The issue has to be focused at the young people at preschool to school and to development. The reason I say that is that, if you start with the preschool people, they start to learn discipline and have a culture of going to day care, kindergarten and primary school and sitting down and doing lessons for five days a week and engaging in sport. It is very structured environment so that, as they grow, they become better educated. They will go to TAFE or university and then take their place in the community.

I think I agree with him in the sense that the environment that currently exists will gradually disappear over a long period of time. That is not going to help the Woodsides and other contractors at this point in time that might want some resources. Clearly, a large percentage of the Indigenous people are not trained to have a high level of technical expertise at this point, but there will still be valuable jobs and opportunities for them. But, I think, in the longer term, achieving the real structuring of the education and living standards in Indigenous people will be a long process. Does that answer your question?

Dr WASHER—That is fine.

Mr Proctor—Dealing with the land issue, the whole of the Kimberley area was tied up with a claim by the Rubibi group. Again, I am not competent to speak on highly technical issues such as the native title claim, but it is clearly set out in Mr Justice Merkel's decision—probably two years ago now. As a result of the abandonment of certain appeals by the state and other changes, native title over large parts of Broome has been extinguished. I do not know how well you know Broome but, for example, last week there was a four-day workshop here sponsored by LandCorp, which is the Western Australian government's land development agency, to deal with an area of land just out of town called Broome North. It is about 700 hectares of land, and they are proposing to bring housing lots in stage 1 to the Broome market in 2011, so that is a very fast-tracked process. It is not to say that only new people going out there will be located there. There is a general expectation that there will be some churning within the community; existing residents might want to move out to a new suburb with a new landscape, a different size of block et cetera. That will take the pressure off land availability, but one of the management issues there is clearly that it has to be managed in such a way that people who have paid high prices for land—some have paid between \$300,000 and \$400,000 for a block of land—will not be significantly disadvantaged by a large volume of land coming onto the market at significantly cheaper prices.

Just as an aside there, one of the points that were made by a participant in the LandCorp thing last Thursday was that, when land in Broome was \$250,000 a block, people would put a \$200,000, \$250,000 or \$300,000 two-bedroom home on it. Once land became in short supply and the price went up, they said, 'If I'm paying \$300,000 or \$400,000 for a block of land, I need to build a four-bedroom, two-bathroom home on it.' So you are starting to get an escalation of an affordability crisis. I think that is where the LandCorp release, in their expectation and in the views of the planners who were there, will help wind back some of that and give a better mix of one- and two-bedroom homes, community housing et cetera. It is still going to be expensive, because everything comes in by truck.

CHAIR—So it must distort the demographic of a township when you have those issues, so you do not get the young people who want to have families in the future coming to live in Broome, because the cost is just—

Mr Proctor—I would disagree with that.

CHAIR—Okay. I am just asking, because you were saying that if the standard price for a block is \$250,000 or \$300,000—

Mr Proctor—A consequence of that is that Broome is very much a two-income-family town, where both partners work. They still manage to have families. There is a high growth rate of families in the town. In fact, there are four—

CHAIR—We have someone coming from the shire, so we will probably explore that a bit.

Mr Proctor—There are four large childcare centres here, which is an indication of the demand for that. So it is very much a young person's town. But one of the implications of that is that we suffer a brain drain. The brain drain occurs through lack of educational opportunities and

choice in education. There is one Broome Senior High School. Let us forget about choice which might occur at the primary school level. At the senior high school, you have senior high, and then there is a choice of TAFE or having the children go down to Perth.

The problem for Broome or for the Kimberley region in the long term is that, once children go to Perth for school, they will naturally just transition to tertiary education there and then they will get jobs down there and they will find it very hard to come back to Broome. One of the other consequences of that that we have found is that families will feel divided and they will often cease their employment here or they will sell up their small business and go and live down in Perth. For a period of time, that can create a void—until someone sees a market opportunity and then they will come back. So one of the challenges for a community like Broome is to make sure that we have the structure in place for education, to ensure that there is greater choice, that it can lead to the right mix of tertiary education in Broome which can be offered by, say, TAFE or by Notre Dame University, and that those kids or children can then be educated at a level where they will become the business leaders of Broome and the Kimberley in the future.

I am a member of the governing council of Kimberley TAFE and one of my concerns is to make sure that we do create the environment where there is that level of business expertise over and above TAFE's traditional role. For example, if you look at the growth that is going ahead in the Ord River of Kununurra, within a year businesses there will be potentially selling into Asia. Fresh fruit and vegetable flights will be leaving Kununurra at four o'clock in the afternoon and will be on the tables in KL, Singapore and Hong Kong the next day. So those people will need to have the business skills for international trade, finance et cetera, which are currently not available. So you can see how this all starts to work. Again, there are a number of catch-22 positions there. How do you create the environment where you have a sustainable class, say, doing a bachelor of business degree in Broome where there might be only six or eight people? Is that a sustainable number to support a lecturer and potential tutors?

CHAIR—Mr Dreyfus has a question before we finish this section.

Mr DREYFUS—I have a question about climate change impacts. What is the position of the Chamber of Commerce or the business community here in Broome about likely possible climate change impacts on either housing or commercial activity?

Mr Proctor—I think if you polled the majority of members of the Broome Chamber of Commerce they would take a view that climate change may not affect us very much. I guess the rationalisation for that is very simply that we have wet season and a dry season. The dry season runs from early mid-May right through to the end of October, where we have weather day after day just like today—fine, sunny with temperatures overnight of a minimum of 15 and tops of 29 and 30 and light sea breezes. The wet season runs from October through to May, with roughly the same temperatures—very seldom does it get over 35 or 36 degrees—but it is very humid. The humidity varies throughout the day. Because we are a desert environment, we do not get the continual tropical rainfall that most people think we get. We get most of our rain either in early December or in February/March, although a good part of our rain comes from small tropical cyclones that track down the coast and go overland in the Pilbara. So, by and large, people say, 'If there is an extra two- to three-degree increase in temperature, it is probably not going to affect me all that much. I've come here for the warmth and the outdoor activities.' If it gets down to 20 degrees, a lot of us put pullovers on.

Mr DREYFUS—I appreciate that it is the cold time at the moment.

Mr Proctor—But there will be impacts. There will be more demands on air conditioning and other services. How do you manage that? You need to create a better environment for people to access, on a more cost-effective basis, solar power generation for houses, for hot water services et cetera. Now, the Commonwealth and the states have progressively been reducing some of the subsidies for solar power, which makes it very unaffordable. For example, I am doing an extension of my house and I am putting on 36 solar panels to generate a significant amount of power for my home, and that is going to cost \$77,000 without subsidies. If you take subsidies away, people will say, 'I don't want to spend \$77,000 now; I'll continue to pay the extra 3c or 4c a kilowatt hour that Horizon Power are going to charge.' But then that creates a higher level of demand on someone like Horizon Power, and that requires a capital investment and, fortunately, the use of more LNG. So it is a melting pot of a whole range of things.

Mr DREYFUS—Are there any perceptions in the community here about possible sea level rise affecting Broome?

Mr Proctor—I have not polled our members on that.

Mr DREYFUS—Has there been public discussion about possible sea level rise?

Mr Proctor—Not in the environment that I get around the town in. There may well have been by a number of environmental groups; they may have addressed those issues. But looking at it from a business perspective and stepping away from it, you could say, if there is a rise in sea levels, yes, we have a huge coastline, we have large tides, we have high cliffs for most of the area, but there are estuaries that come in, and some of them are very dry for most of the year; they might benefit from sea water. But, again, I am not the person who can give you a definitive answer on that.

Mr DREYFUS—Sure. No, I am more interested in community's perception of these things.

Mr Proctor—Yes. Apart from, as I say, some of the environmental groups that might have addressed it, not one of our business members has said to me, 'Hey, we ought to be addressing this issue.' The way I have the chamber structured, every committee member has a portfolio they are responsible for. So we have one committee member in charge of energy and natural resources and in fact we have one for the environment. The gentleman for the environment has not raised this as an issue that the chamber ought to get involved in. Maybe he has dealt with it in another forum, but it certainly has not come back to the chamber. But Broome is very insular in many ways. The weather is nice, you have a great lifestyle, you go fishing; sometimes there are not the drivers to have an impact on people if you say, 'You need to address this issue.' That is my personal view on that.

CHAIR—Tony, did you have a question?

Mr ZAPPIA—Mr Proctor, you said earlier on that the population of Broome is around 16,000 to 17,000. I assume that that is the resident population. Can you tell me what the population is inclusive of tourists, on average.

Mr Proctor—Yes. At present, it is probably some 30,000.

Mr ZAPPIA—In total?

Mr Proctor—In total.

Mr ZAPPIA—Thank you.

Mr Proctor—There is a high occupancy level in most of the accommodation places. The caravan parks are full, and if you drive around Broome you will see caravans and tents in people's backyards and beside their driveways. Some people say at this time of year Broome's population gets to 34,000. I think it is probably less this year, but certainly it is still pretty full.

CHAIR—One last question, from Mr Murphy.

Mr MURPHY—In your view, what area of the Kimberley coastline would be potentially the most vulnerable as a result of rising sea levels brought about by climate change?

Mr Proctor—That is a difficult one for me to answer. If you are talking about the Kimberley, many believe that even though Broome is the gateway to the Kimberley we are really not. If you look at the geological structure of the Kimberley from Broome up to the Dampier Peninsula, it is really more part of the Pilbara than the Kimberley. In the view of most people, the Kimberley starts north of Derby and runs around through the King Leopold Ranges and right up to the coast. That is the true Kimberley, even though we say Broome is part of the Kimberley, because we are a stepping-off point for the Kimberley. Areas like the Buccaneer Archipelago that have a number of pristine reefs benefit from large tidal movements where the tide goes out and the sun shines on the corals and the reefs. If the sea level was to rise, the tide probably would not go out so much, so some of that sea life may not be exposed to the direct sunlight. I am afraid that is far beyond my scope of knowledge, but I could say that about the reef environment. Most of the rivers and streams within the Kimberley coastal area right up to Wyndham, in my judgment, may not be materially affected. But that is outside my experience.

Mr MURPHY—Thank you.

CHAIR—Thank you, Mr Proctor. We appreciate your time and making yourself available to meet with the committee and to present the perspective of the business chamber. In conclusion, I indicate that the secretariat will send you a copy of the *Hansard* for any corrections that need to be made. If there is any additional material that you would like to forward, could you do that as soon as possible. It is our intention to present our final report to parliament by the end of October, so time is of the essence. Thank you very much for sharing your perspectives with the committee this morning. I wish you well in your future endeavours.

Mr Proctor—My pleasure, Madam Chair and members.

[11.03 am]

BROWN, Mr Hugh, Save the Kimberley

CHAIR—Welcome. I should advise you that the Minister for the Environment, Heritage and the Arts and the Minister for Climate Change and Water have asked this committee to examine environmental impacts of coastal population growth as well as the impact of climate change on coastal areas, and strategies to deal with climate change adaptation, particularly in response to projected sea level rise. We have also been asked to look at existing policies and programs related to coastal zone management and mechanisms to promote sustainable coastal communities and governance arrangements for the coastal zone.

In a sense, that is a wide brief, but we are also particularly interested in looking at the processes that the federal government has embarked on in terms of the strategic assessment for the proposed LNG plant for this area. I would advise that the committee has no specific brief to make recommendations about that, but we are interested in the process and the views of participants in the community. I point out that we do not require you to give evidence under oath, but the committee is akin to the legal proceedings of the parliament itself and warrants the same respect as proceedings of the House. In that regard, the giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament.

We would like you to make a brief opening statement, if you so wish, and then we will move on to questions and discussion. The role of the committee here in Broome is to hear from a diverse range of stakeholders. We have just heard from Mr Proctor from the Chamber of Commerce. We have looked at your website. We will be hearing some of the arguments from people who are involved in the Save the Kimberley campaign and other environmental groups.

Mr Brown—Obviously, we are not exactly rapt about the gas plant they are proposing for just north of Broome. The founders of Save the Kimberley have never been involved in an environmental cause before. I have a business background and now I am a photographer. One of the other founders is a cameraman and two of the others run fishing camps at the Kimberley coast. While we are obviously opposed to the gas plant going in the Kimberley, we are not opposed to the exploitation of Browse gas and it is not our aim to oppose all development in the Kimberley. I am very clear on that. I could go on as to why we are not exactly enamoured with the nomination of Price Point for the gas hub, but I am quite happy to take questions on that if that is the way you would rather go.

CHAIR—You talk about the aims of your organisation. One of your purposes is to disseminate information about the Kimberley's globally unique cultural importance and the threats created by uncontrolled development. While we are not here to make any specific recommendations about the proposed siting of the processing plant at James Price Point, nevertheless we would be interested in your views about how you get the balance right between preserving what to us, as visitors, is a very unique part of Australia with the pressures of population growth and development—not just the plant that has been proposed but other development too. Would you like to give us a bit of an overview?

Mr Brown—The Kimberley is obviously a large area. It is about 450,000 square kilometres. The Kimberley Coast is considered to cover a distance of anywhere between 1,800 and 3,000 kilometres. Those numbers can be misleading, though, because you have all the coastal inlets and rivers that feed into that. The number is probably much less. We were set up to deal with the large-scale industrialisation of the Kimberley. Fundamentally, it comes down to how people want to see the Kimberley look and what they want from the Kimberley. That is not just people based in the Kimberley; it is people outside of the Kimberley.

What a lot of people do not have a handle on is the scale of the development proposed up here. There is obviously the gas plant. I will talk about that in a minute. There are large coal reserves at Liveringa and also at Paradise. They are talking about rail routes into Derby. There is bauxite in the Mitchell plateau on Cape Bougainville. A Norwegian company, Hydro, has a person in Perth now representing their interests. In a meeting the other day they indicated to me that the resource was too big and would not be developed. It is their preference that they take either Mitchell Plateau or Cape Bougainville. On top of that you have very slow proliferation of iron ore mining around Cockatoo and Koolan Island. I do not know whether any of you have flown over that area, but it is one of the most spectacular areas in the Kimberley, if you have been through there in a boat. Cockatoo and Koolan stand out as eyesores. We also have a massive lead zinc deposit about 180 kilometres south of Broome. That is said variously to be among the largest undeveloped lead zinc deposits in the world.

What all that means is the Kimberley is going to come under enormous pressure. The question becomes: do we want another Pilbara in the Kimberley or do we want the Kimberley to remain the Kimberley? In my view, large-scale industrial development and the feel that we have in Broome, the tourism, cannot coexist. There is just no way. Why do I say that? I have spent 11 years travelling around the Pilbara, I have worked in many of the major mines around there—I have been on virtually every major mine site in the Pilbara—and I have a good relationship with the mining industry.

If you look at Port Hedland, Newman, Tom Price and Karratha, tourism does not exist there any more. Why? You cannot get seats on aeroplanes, or, if you can, they are too expensive; and you cannot get accommodation in town because the resource companies and the oil and gas companies block book accommodation. I was in Newman recently and one of the accommodation places down there, which was fairly new, had been block booked. They do that regardless of whether or not they need all those rooms. Housing and accommodation becomes prohibitive. I do not know how familiar you are with Karratha, but rents are anywhere between \$1,500 and \$2,500 a week. I think you are paying \$800 for rental of a caravan down there.

The government said that the Kimberley is going to be different—that we can learn from Karratha. The reality is that they have been getting reports on what needs to happen and on the consequences of inaction in Karratha for the last 20 years, and they have done nothing. I am not saying that is out of a lack of will; there just seems to be a big breakdown between intention and delivery on the ground.

We are already seeing the front impacts of oil and gas development in Broome. How is that the case? Obviously there is a lot of exploration activity happening in the Browse, but there is also a creep in house prices because of the speculation in property going on. People are already finding it difficult to recruit staff up here and to pay staff. The reality is that, in the oil and gas

industry, the average salaries probably start at \$120,000 a year, and people are not going to work in a restaurant or a tourist venture earning 40 grand a year when they can earn 120 grand a year.

In terms of the other impacts, one of the things that was put forward by the state is that they will miss out on royalties if the gas plant goes offshore.

CHAIR—Or that Broome might die if there is not—

Mr Brown—Or that Broome might die. There is a lot of misinformation out there and, although I represent Save the Kimberley, I would like to think that a lot of what I say is founded in fact. Royalties, federal and state, are based on where the fields are located—whether they are in state territorial waters or federal territorial waters. They have nothing to do with the gas is landed. You could land gas up at the North Pole and the state and the federal government would still get the same royalties from the project. Someone challenged me on that the other day; I told them to go and have a look at the legislation. The state wants the gas landed north of Broome to open up the Kimberley to large-scale industrial development. Why do I say that? Gas is a cheaper form of energy, and it has been a major constraint on some of the larger projects going ahead up here.

I come back also to the perception out there that this gas plant will be a pinprick on an elephant—‘We have 1,800 kilometres of coast; what difference is 6,000 or 3,000 hectares going to make in all that land?’ The Kimberley, as I said a minute ago, is such a huge area, around 450,000 to 500,000 square kilometres. That said, the most spectacular area of the Kimberley—and I have travelled virtually all of Australia; I have been to the Barrier Reef and into some of Australia’s most remote parts, in the Kimberley and elsewhere—is the stretch of land between the Gibb River Road and the Kimberley coast. That is as good as it gets anywhere. In my view, it is better than the Barrier Reef.

CHAIR—Just explain that a little where that is for people from outside this area.

Mr Brown—The Gibb River Road runs from Derby to in-between Kununurra and Wyndham—it comes out about 50 kilometres out of Kununurra. The country west of there, just north of the King Leopold Ranges, right through to Cape Voltaire, which is on the north Kimberley coast, and there is hinterland, obviously, between the coast and—

CHAIR—I can see Cape Voltaire on the map.

Mr Brown—That is some of the most spectacular country you will see anywhere in the world—and I have been to the Congo Basin and through New Guinea. It is unbelievable. It has one of the richest proliferation of rock art sites in the world—tens of thousands, at least, possibly 100,000 or a million. Every time scientists go up there they find flora and fauna that is new to science. There are no known extinctions in the north-west Kimberley.

People say, as Tony said a minute ago, that the Kimberley does not really start until north of Derby—that is as much to do with the geology as with people’s perception. I disagree with that because, if you worked on that basis, you would not include Halls Creek or the country basically west of the Kimberley Plateau. The Kimberley Plateau to some extent runs from north of Halls Creek. It comes in a band like the Kimberley boundary itself but just further in.

Why wouldn't the gas plant be a pinprick on an elephant? In some respects, the gas plant itself would be a pinprick on an elephant. What people fail to grasp—and I am talking of the people both on the environmental side and on the development side—is that you are not just talking about the gas plant. It is not even about the downstreaming of the gas plant. I have modelled the shipping movements, and I am talking large vessel movements, and the number coming out of James Price Point will get up into the thousands if it happens there. These are vessels that a whale going past would have to sort of dodge. The other part that people do not grasp is the pollution cloud that comes out of these gas plants. I do not know how many of you have been to Karratha, but that pollution cloud extends for a minimum of 100 kilometres in every direction. There is an inversion layer and then the smog sits on top of that. I got photos of it last year down around the Fortescue roadhouse. On that, if you get a chance, have a look at the Bureau of Meteorology site and the radar site around Karratha. It shows up as rain on the Burrup—the pollution is that thick.

Woodside is the largest emitter of carcinogens and CO₂ in Australia. I am not making that up. If you look at the National Pollutant Inventory, it is the highest emitter of benzene, toluene, cyclohexane—the list runs on. If you want to see the human health impacts of those, just click through on the National Pollutant Inventory. Government tells you all about it. To give you an idea, the North West Shelf gas plant emits 25 times more benzene than the Shell oil refinery in Geelong. The Shell oil refinery in Geelong was sued for alleged links between its benzene emissions and cancer in the local residents. To put that in perspective, Woodside North West Shelf emits 25 times that amount. The only reason we do not know the cancer implications is that we are looking at a transient population and they did not take baseline data—the whole box and dice.

The other thing I will talk about briefly is housing and rental prices. Broome has a permanent population of 15 to 16 thousand people. In Karratha, as of a year or two back, Woodside owned 612 houses. Transport ownership of 612 houses into Broome and you have major problems. That is part of the reason you are getting the property speculation here at the moment. A lot of people have already left because rents are going up and a lot of people cannot afford to live here—the wages do not allow it.

To some extent, I do not talk a lot about the environmental impacts because they are only one aspect of the equation. That said, if you do the modelling on CO₂ emissions coming out of this gas plant, from 2021 there are going to be 15 million tonnes of CO₂ equivalent coming out of the gas plant. That translates into over two per cent of the projected emissions in Australia in that year.

I have talked about the health impacts. The Indigenous impacts are probably the other main area that you guys would be interested in. We do not want to see private sector welfare replace public sector welfare. Look at the royalty payments that are getting paid to Indigenous people. One was \$1.5 billion and I think there was another place down in the Pilbara where it was \$540 million. Those royalty payments just get—excuse the words—pissed up against the wall on Toyotas and alcohol. If you want to see an example of that, look at Newman. It has one of the largest open-cut iron ore mines on its doorstep and one of the most impoverished communities of Aboriginal people anywhere in Australia. What I am seeing is that big resource developments have not improved the living standards of Indigenous people in Karratha, Newman and even Port Hedland.

The job side of things is another area that is not talked about. There is a perception out there that this is going to create a whole swag of Aboriginal jobs because it is local. Look at the state government report—the social impact study, which is part 1 of that report. It says that all the workers they are going to need in construction are going to come from outside the Kimberley because they have not got the skills set here. The reality is that the oil and gas sector is one of the most specialised in the world. You cannot just train people within a year or two to be employed there. They are flown in from all over the world. We are looking at having 3½ thousand people working in this gas plant. I think that will last for quite some years. After that, you are looking at an ongoing operational workforce of 550 people. You will hear numbers bandied around for Gorgon of 10,000 people, and they say there are 3,000 permanent jobs. Those numbers are deceptive because they are adding the multiplier in there. They are not talking about direct jobs; they are including indirect jobs. They usually work on a multiplier of about 3.75 to four, so you divide those numbers by four and that will probably give you a more accurate estimate of the direct jobs in these industries.

So what is our solution to it? We cannot just highlight all the problems and say that the gas cannot be developed. We think it should be developed. It is part of the transitional fuel equation. There are two options on the table. One is floating LNG. The technology is developing rapidly there. When I met with Shell last year they said that floating LNG was only large enough for 3½ million tonnes per annum production. They are now talking about combining a number of ships so that you have four, five or six ships together. The workforce is not going to be any different from a land based facility. There will be just as many jobs, but a lot of those jobs will be based at sea rather than on land. So the impact on Australia of floating LNG, in my view, is marginal.

The other option is to pipe it to existing infrastructure in the Pilbara. The interesting issue there is that Woodside say it is cheaper to come to the Kimberley and the joint venture partners—Shell, Chevron, BP and BHP—are all saying that it is cheaper to go to the Pilbara. The reality is that they are probably both right. Woodside are modelling a larger gas plant than the guys at the North West Shelf are. We have the infrastructure down there already. We do not need to stuff up an area. You can still breathe in the air. You do not see as much smog, apart from during the fire season. It is a no-brainer, and the joint venture partners are saying it is cheaper to go there.

CHAIR—So they would pipe it to where, Hugh?

Mr Brown—They would pipe it to the Burrup. That is not a perfect solution. To be honest, I would rather see that than the floating LNG option. The reality is it is about the lesser of two evils. If it comes down to a greenfield plant 60 kilometres north of here and an industrial precinct, yes, some more rock art would be destroyed. Do I like that? No. But you have got the infrastructure down there now and you have got all the ships set up down there. To me and others it seems crazy that we are pushing ahead with the Kimberley option. The only reason we are pushing ahead with it is so that it opens up the rest of the Kimberley to large mining developments. It provides cheap power.

CHAIR—Mr Proctor said in evidence before your presentation that Broome needed another big major economic driver, otherwise it might wither on the vine, although I cannot remember his exact words.

Mr Brown—The chamber have been saying that for years. The population keeps growing.

CHAIR—Yes, I asked him that question, about what had been the driver of the last decade's growth. Do you want to comment on that from your point of view?

Mr Brown—Yes. There is tourism and pearling. There is the pastoral side. There have been some mine developments in the region. The reality is that with those mine developments there is a limited number of jobs and most of the royalties phase out. A lot of the work force is fly-in fly-out. In terms of substantial benefit from resources in the Kimberley it is probably limited. Do I think Broome needs to diversify its economic base? Yes. Is large resource development the way to go? No. I keep coming back to this, that large resource and oil and gas developments cannibalise other industries in the Kimberley. The pearling companies are already moving out of pearling because they can afford to pay only \$35,000 to \$40,000 for a shippie. Shippies are saying, 'Well, I can go and earn \$120,000 somewhere else.' Unless you love being at sea, you are going to go and work in the resource industry and the oil and gas industry. It is the same with small business, particularly the tourism industry, up here. They cannot get the people—and that is even now so imagine what is going to happen in 10 years if this development goes ahead. Tourism is growing. Obviously, tourism has got its own issues. Tourism is going to be a slower ramp-up. The reality is that Broome's population is continuing to grow. As for other parts of the Kimberley—Kununurra, Wyndham and Halls Creek, but not so much Derby—a large gas development is not going to help them. It will be too far away. Take the travel thing. They are saying this gas plant is going to enable all these Indigenous jobs. But at the moment they cannot get enough Indigenous people in the Pilbara to work. To go to the Pilbara Indigenous people would need to travel. The Kimberley is about 1,000 kilometres from one end to the other. If they are not going to travel to the Pilbara for work why are they going to travel to Broome when it is totally different from their lifestyle and the type of living that they have, given it would be two weeks on and one week off with 12-hour shifts? It is not going to happen now. It might happen in 30 or 40 years, but I cannot see it happening now.

CHAIR—Finally from me before we go to the other members of the committee, I note the federal government's involvement in what is happening in the proposed development has come through the use of the strategic assessment provisions of the EPBC Act. Our committee will be looking at a range of future governance issues and at what role the federal government might play in protecting the coastal zone particularly against the consequences of climate change. Do you know much about the process and how it has worked on the ground? Do you think it has provided for a range of stakeholder views to be given proper consideration in the development of the different reports that are looking at heritage issues, environmental impacts and the like? Is it a good process? Has it worked? How could it be better now and in the future?

Mr Brown—If you want my honest view, at the end of the day it is a political process. You guys know the dynamic that exists in federal cabinet at the moment. You have got Ferguson, Macklin and McClelland and you have got Garrett. Garrett might be trying but at the end of the day the way this works is that they say, 'Well, what do we give to industry and what do we do to protect the environment?' and probably in a lot of that some of the best areas are being overlooked. I probably cannot say a lot more than that.

CHAIR—Has your organisation had the opportunity to be part of the debate and discussion?

Mr Brown—Yes, we have been involved in all of that. Now, the state wants to say to the feds, ‘Well, butt out of our business.’ But the feds are saying, ‘You can’t tell us to butt out.’ So they are ploughing ahead and no-one really knows what is going on at the moment. I had to make some phone calls the other day to find out exactly where it was at.

Mr MURPHY—What impacts or potential impacts of climate change on the Kimberley coastal community most concern your organisation, Save the Kimberley?

Mr Brown—Of most concern, obviously, is this development, the planned future development, Mitchell Plateau and Prices Point. But also the smaller stuff like Irvine Island, because there is an incremental impact that happens over time that they do not factor in. As for sea-level rises in the Kimberley, I heard you ask Tony before about the areas most likely to be affected. Wyndham is virtually at sea level now. Derby is virtually at sea level now. Even Broome could stand to be significantly affected. A year or two back they had water lapping the runway here. That is how precarious, in some respects, Broome is.

Mr MURPHY—That is what we are most interested in, in terms of this inquiry. Do you have any thoughts on how it should be addressed?

Mr Brown—Specifically, no. Obviously, there was a case in South Australia not that long ago that, for the first time, incorporated sea-level impacts into planning and zoning—as to where they would allow development. We have all seen the stuff on Byron Bay, I think, recently. In terms of addressing that in the Kimberley, planning has to be thought about a lot more carefully. A lot of that comes down to the views of those who believe in sea-level rises. In the Kimberley over the last—crikey, I’ve forgotten the number!—17,000 years has seen sea-level falls of about 200 kilometres. So the shoreline went out by 200 kilometres and dropped in height by about 180 metres, I think. I do not think anyone has really thought about it extensively up here because they do not know enough about the Kimberley.

Mr DREYFUS—Who are the groups that would be involved, at a governance level, with climate change coastal management?

Mr Brown—Local government, state government and federal government. It operates at every level of government. There is shire planning and state planning as well. The states have the ability to legislate and determine what the shires do. And then the federal government obviously has an impact as well. As to what legislative power the feds have I could not tell you.

Mr DREYFUS—We have the shire coming, so we can ask them directly but in a sense I am also interested in your perceptions of this. It is not a general knowledge test; I am really asking: how have you at a practical level related to these different levels of government? How far does the shire go north of Broome?

Mr Brown—The shire extends up the Dampier Peninsula to half way between Broome and Derby and a bit south of Broome. I do not think anyone really takes it seriously up here.

Mr DREYFUS—What responsibility does the shire have directly for the coast?

Mr Brown—The zoning of land.

Mr DREYFUS—Up to the high-water mark?

Mr Brown—I think it even extends below the high-water mark, because recently on Cable Beach they banned vehicles during the wet season. So there is obviously some extension. Whether it extends to the low-tide mark I do not know. Obviously, it would not extend below the low-tide mark, because the state has power, I think, within three nautical miles of the coast.

Mr DREYFUS—I think we were slightly at cross purposes. You started to say something about zoning, which is going to be to the high-water mark, but between high- and low-water marks you will have local government responsibility for things like vehicle management.

Mr Brown—Yes; sorry about that.

Mr DREYFUS—Has the shire got special expertise or a planning department that has a range of skills in this area, or has it done work on climate change impacts?

Mr Brown—To be honest, I do not know.

Mr DREYFUS—We can ask them; that is okay. As I said, I am more interested in what has filtered through to you. Do you think there is a role for the state and federal governments in managing the effects of climate change?

Mr Brown—Certainly the feds. You have got this tension between the state having responsibility for planning and development, and then even on the environmental side there is a natural tension. If they feel that there are opportunities for a development to happen close to the coast, and if they change planning rules and all that sort of stuff to allow it, they are more likely to do that, because they see an economic benefit to the state. With the shire it is even more so, because development has a much larger commensurate impact. I think there is a role for the feds in overseeing that. There needs to be something to resolve some of those tensions between the need for people to think forward and the ability to think past the nose on their face.

Mr Dreyfus—To put it another way, you have got a concern about that keenness for economic development that we have seen demonstrated recently by both local and state governments in this area?

Mr Brown—We have got to think forward on this. I am probably stating the obvious, but things need to be put in place now so that if and when sea levels do come up, then the cost of fixing things is not prohibitive.

Mr ZAPPIA—Thank you very much for your presentation, Mr Brown. I would like your opinion on this question: it seems to me, from what you have told us, and also from what Mr Proctor told us earlier on, that much of the growth in Broome has been driven by tourism. What is going to be more damaging to the pristine nature of the region: additional tourists coming in or a facility like the LNG plant?

Mr Brown—They both have their issues. We have got two tourism operators in our organisation. Two of the founders run fishing camps. I was asked this by one of the mining companies I met with last year. Tourism has a significant impact that needs to be managed. I was

up at a burial site on the Kimberley coast last year, and people on the charter boat had moved the skulls into a place out the front so that they could photograph them. The mining has its own issues. It has socioeconomic issues and obviously environmental impacts. In terms of which is the lesser of two evils, tourism may take longer to stuff it, but down the track it is still going to stuff it.

Mr ZAPPIA—Thank you.

CHAIR—Just as a matter of interest to someone who has been here on only this one occasion, I was interested yesterday evening to see a procession of four-wheel drives obviously coming up from Cable Beach. Is that an issue that has caused any local concern in terms of potential environmental impacts? I am thinking of some of the shore birds and the nesting grounds.

Mr Brown—Cable Beach is not so much home to the shore birds; people talk about turtles. To be honest, I like driving people on Cable Beach. You go down and have a beer on sundown, and it is great. The thing that has had an impact and created the tension over the last few years is the volume of vehicles. Tourism has grown so rapidly up here, and it is a problem during the wet season, which is when the turtles nest. I am not 100 per cent sure about Cable Beach. You do not know whether it is one of the arguments the greenies put forward. I do not know.

CHAIR—You said earlier that you were not against the development of the Browse Basin and the floating LNG option might be a preferable one. Is that form of technology and development being considered as part of this strategic assessment process? Has that been properly examined?

Mr Brown—I do not think so. The strategic assessment process did not really take into account the Pilbara as an option for the gas. It was almost a case of saying: ‘We want it in the Kimberley. The question is whereabouts in the Kimberley it goes.’ So far as floating LNG is concerned, I think it has to factor into their thinking in whether or not they approve or knock back a gas plant in the Kimberley. There has not been a lot of talk about it. Shell have their Prelude facility and I think Santos are talking about floating LNG in the Bonaparte Basin. Woodside have factored floating LNG into their planning as well.

CHAIR—What do you think would be the positive benefit of the floating LNG plant? You would still have, I guess, some of those impacts that you talked about in terms of the whale population.

Mr Brown—It would depend on where you located it. Most of the whales come up from Antarctica and they hug the coast. James Price Point is a transition zone for them. They go up to Camden Sound and further up the North Kimberley coast to breed. Yes, you will get whales out there but nothing like the quantities you get close to the coast. There is another thing that has been highlighted in the last few days, especially with the incident along the lines of what has happened with West Atlas up in the Montara field. People say it is rare and all that sort of stuff and government has really strong regulatory processes in place.

The oil and gas industry is probably one of the most overregulated yet underenforced industries in the world and even the large-scale resource industry. But over the last few years we have had the explosion at Varanus Island; the government oversaw the maintenance of those pipes. We have had an oil tanker run aground just near Barrow Island which is something that is

not widely known. We have had the West Atlas incident up the coast. I think in Asia recently we have had oil tankers collide with other ships. In the US we have had two ruptures on the Alaska pipeline. We have had a Texas oil refinery explosion. Even if the regulatory regime is tight, right through history government has failed to manage the risk. I am talking in terms of their monitoring of maintenance and the whole box and dice.

People refer to the North West Shelf as not having had a major accident, but it is too early to say because what happens with the plant is that as the gas field run out it makes less money, so they cut back on repairs and maintenance. If they do that, it is going to be interesting to see what happens in the North West Shelf. The other thing that happens is that the larger developments get sold off to smaller players and those small players do not have the money to handle the maintenance. If something goes wrong, they have not got the money to cover the environmental costs of the clean-up.

The Kimberley is home to the second or third largest tides in the world. There are still a huge proportion of unsurveyed reefs up on the Kimberley. They sank a boat there a year or two back—one of the major cruise vessels. If something were to happen on the Kimberley coast it would be potentially catastrophic. You can go up there now and see whales, big crocodiles, tuna and mackerel jumping out of the water. It is as though man has never come along and stuffed it up. The opportunity we have now is more so than that available in, say, Third World countries. You can go to places like the Congo Basin. They are pristine as well, but there is not the oversight and regulatory regime in place to protect those places going forward.

CHAIR—When we are looking at the issue of sustainable communities, obviously employment is one of those underpinnings for a good community. We have heard this morning from Mr Proctor about some of the challenges that would come with this development in terms of Indigenous employment. I am interested in your perspective. I read somewhere that the Shire of Broome contains around 5,000 Indigenous people. What proportion of the Indigenous community has meaningful employment opportunities in Broome and the surrounding area?

Mr Brown—Not many. The opportunities are there. The problem is fundamentally about a culture and a people in transition. It is not something that is going to be sorted out in the next 20 years. It is going to take generations. The jobs are there at the moment if they want them. They are in tourism. They are in the resource industry in the Pilbara and even the Kimberley.

CHAIR—I am thinking specifically about Broome itself.

Mr Brown—There are opportunities in tourism. The larger resorts are always looking for Indigenous people. They are looking for tour guides. It is a question of whether they want to work. I am not having a crack at them; it is just the reality that a lot of them do not want to work. I have employed them before. I know that, if you want something done, you probably have to employ eight or nine people because six or seven will not turn up—for cultural reasons, for funerals, to go hunting for bush tucker or whatever it might be. It might be that they are not feeling so good because something has happened. I am not having a crack at them; it is just the reality. Will a larger development solve the problem? No. They will still have to go through what will be a 40-, 50- or 60-year process. Yes, they will give them training and job opportunities, but it is not going to change things a whole lot in terms of how they live on the ground.

CHAIR—It is one of our briefs to look at how you manage land use in the coastal zone—and Mr Proctor raised the issue of native title. Do you have any observations about how that issue is being played out in the Broome area?

Mr Brown—Where I see that going is not dissimilar to what has happened in the Territory. The Kimberley Land Council have become more powerful because they are seen as the representative body and moneys have to go through them. That is going to mean tighter regulation of things like the charter boat industry. There is going to be a lot more tension in terms of what the Kimberley Land Council might want out of a development and what the developers might want out of a development. It is going to be harder to achieve a meeting of the minds. That is the key thing that I have observed.

CHAIR—Thank you very much for coming along and sharing your perspectives with the committee this morning. The secretariat will send you a copy of the transcript for any corrections that need to be made. We would be grateful if you could send us any additional material that you think might be useful, because we do plan to have our report tabled in parliament by the end of October. Thank you for making yourself available. We will continue to follow the campaign of the Save the Kimberley group.

Mr Brown—It is certainly turning into an interesting experience. When we got involved 3½ years ago we did not think it would still be going now. To be honest, it is a pain in the bum!

CHAIR—Thank you.

[12.00 pm]

CAMPBELL, Councillor Graeme Thomas, Shire President, Shire of Broome

BUTCHER, Mr Darryl Keith, Director, Development Services, Shire of Broome

CHAIR—Welcome. As you know, the Minister for the Environment, Heritage and the Arts and the Minister for Climate Change and Water have asked our committee to examine the environmental impacts of coastal population growth as well as the impact of climate change on coastal areas and to look at strategies to deal with climate change adaptation, particularly in response to projected sea level rise. Our committee has also been asked to look at existing policies and programs related to coastal zone management, mechanisms to promote sustainable coastal communities and governance arrangements for the coastal zone, in particular what role the federal government could and should be playing in that space. We are very pleased to have two representatives from the Shire of Broome.

Although the committee does not require you to give evidence under oath, I should advise you that these hearings are legal proceedings of the parliament, and warrant the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. We invite you to make a brief opening statement if you so wish before we proceed to questions and discussion.

Councillor Campbell—Unless Darryl has something, we would prefer to answer the questions if we may.

CHAIR—Thank you. We are at the tail end of our inquiry and we are hoping to present a report to parliament at the end of October. We have come to this part of Australia because we want to get perspectives from shires such as yours in regional Australia, in particular areas that have a substantial influx of tourists during the tourism period, and to explore some of the pressures that that creates for local governments and shires. Also, in the process of doing the report, we are looking at governance arrangements for the future. A lot of local authorities that we have spoken to see an important role for the federal government in terms of the science of climate change and assisting local government authorities to cope with adaptation strategies to deal with some of the potentially negative consequences of climate change. We are also interested to be here because the federal government has been involved with the WA government in what is described as a strategic assessment process under the federal environmental act, particularly in relation to all the details in the lead up to the decisions regarding the proposed siting of the LNG industry and processing plant at James Price Point, not far from the city of Broome. That is another form of pressure on the coastal zone that we have not had much dealings with in other parts of the inquiry.

Councillor Campbell—Could I ask a question. Is this the first time that you are considering the matters of resource development in terms of coastal areas? I have come to this inquiry after reading the headline and the purpose of it. It says nothing about James Price Point. I am just curious as to whether it is mere curiosity on your inquiry's behalf or are there other factors?

CHAIR—The committee will not be making any recommendations about that specific development but, because we were asked to look at the factors that affect Australia's coastline and the pressures, and the environmental consequences of pressures, then obviously large-scale industrial development is one of the areas of potential pressure on the coastline, so we are exploring that.

Councillor Campbell—I appreciate that. I will make a comment with regard to that. It would be very difficult for us, as a local government, to comment on that. I asked the question, 'Is there an identified site?' There is a generic area. The answer was, 'No, there's not an identified site.' 'Is there a proponent?' 'Yes, there's interest from a proponent.' 'Is there a development plan for that area?' 'Not that we've seen.' 'Is there precinct planning?' Apparently there has been some generic planning for an oil and gas hub, as it was called previously, and there was advertising as long ago as last April, I understand. We were appalled as a local government to see an ad in the paper calling for plans for a generic oil and gas hub. At that stage there was no site. There were 42 sites, in fact, possible. To my knowledge, and I am sure I am backed up by the director of development services, the Shire of Broome has not seen a) a generic hub plan or b) a development plan, and nor have we been consulted about it. To be quite blunt, that is quite often a normal process, where local government is treated as a mushroom: 'We'll tell them what they need.' I acknowledge that major resource development is done under state agreement acts. It is done between the government and the proponent in the main, in consultation, we hope, with traditional owners. It has been the practice for local government to be left out and, in this instance, we are probably as much in the dark as anybody. I am sure that does not help you, but that is about all we can say.

To be fair, we have had long-held concerns. We have had long discussions with Woodside about social impacts, particularly social impacts that will occur on the town of Broome. That continues to be our concern. In November last year, council had an 18-point resolution that they would not support the development of oil or gas anywhere in the Shire of Broome until such time that issues were addressed. There were 18 points, including environmental impact studies, social, economic, Indigenous—there was a raft of issues. We said, 'Until these are addressed, we're not prepared to make a statement in support, or otherwise, of oil or gas.' Subsequently, in December last year a motion was put forward by councillors, and it was adopted by a majority, that the Shire of Broome did not support oil or gas at all in the Shire of Broome.

Nevertheless, from that point on, Mr Barnett made an announcement: 'Yes, there will be a hub. Yes, it will be at James Price Point.' One of our factors was that we would request the Premier to not make an announcement until all these impact studies have been conducted. Subsequently he did that. We now battle on trying to get all these impact studies addressed—not the least of which is the social impact study. The format in which that is being conducted concerns. It is a wide-ranging process. There is a lot of discontent in the town that not everybody is being spoken to. It is a very difficult process to speak to everybody. Baseline studies are being done. I am well aware of the environmental impact studies that have been done and the processes being run jointly, on parallel, with federal agencies and state agencies. That is, I believe, a first. I am aware of tourism impact studies that have been done. The social impact studies are currently being conducted, and of course there are other studies being done by the Department of State Development.

But, in terms of us being able to throw any light on what is proposed, we are guessing as much as everybody. The area has sort of been alluded to and the size of the plant has sort of been alluded to. But then there is whether the pipe goes underground, under the heritage trail; whether it goes over the ground; whether the tanks are partly buried; whether they are not partly buried; or whether they are a kilometre and a half back behind the sand dunes. We do not know.

CHAIR—And it is not out there.

Councillor Campbell—I am not being evasive; I am being honest. We do not know.

CHAIR—That is interesting. You made the interesting point about what appears to be a lack of embracing of the perspective of the local government authority in the area.

Councillor Campbell—I would suggest that the Department of State Development find it very difficult to do so because they do not have a project as yet. Woodside and the joint venture partners are agreeing to disagree on whether it should actually be brought ashore here or taken down to Burrup or, in fact, Darwin, which is a possibility. There is even a fourth possibility: that they do it by way of floating LNG. So, without a defined site and a defined project, we have an identified LNG site—a hub—with some tacit agreement from traditional owners, albeit I would respectfully suggest that there are some issues yet to be dealt with there. So it is early days.

CHAIR—I appreciate that it is early days. I guess the committee is not looking at the details of the proposed LNG hub. What we are looking at is the act as it currently exists at the federal level and the approach that has been taken under the auspices of that act for this more strategic, proactive approach where all the voices of stakeholders are considered before consent is given to a particular industrial development and how you feel that is working on the ground.

Councillor Campbell—I have to comment in so much as, in my limited experience, the state government is approaching this in a different way. Previously with state agreements they have just been put in place. They have been done by the state and a proponent, definitely without any consultation, without looking at the ramifications for local government and without creating income streams for local government to be able to manage the infrastructure required and the costs associated with it. In this instance, there is talk that, if this project proceeded, it would be a rateable property and a rateable proposition and local government would be rewarded, by way of rates, for having a project in its area. In the past that has never happened. A lot of the local governments have been beholden, with cap in hand, to the resource company or companies in provision of services. In fact, in the north-west—in the Pilbara particularly—there are mining company towns that revert to local government, and the company has been controlling the town. That is certainly not the case here. For the first time ever, I understand, the state is conducting the social impact studies rather than having the proponent do it. One would suggest that that may be a good thing, because the proponent is going to be looking at itself, probably with the view, ‘We’re going to have to fund a lot of this.’ My belief is that if the state does the social impact study—and the other impact studies, but I continue to be concerned about the social impact, because that is wide ranging—and gets it wrong, the state government are the ones that will have to fix it, and they are the ones that are able to fix it by way of responsibility.

CHAIR—Could you just outline for us some of the challenges that you have faced as a shire. We heard this morning from Mr Proctor about the huge explosion in population here in

Broome—over the last decade in particular. What particular challenges has that brought with it for you at the council level?

Councillor Campbell—If I could, I will defer to Mr Butcher for a couple of comments, and then I will follow up if I may.

Mr Butcher—Yes. I think the best way to characterise that is that there has been a native title claim sitting across the town of Broome since the mid to late nineties, so there has really been no new land becoming available for urban development. Broome's population growth over that period has been generally a little above the state growth rate. It has not been mind boggling—nothing like the peripheral councils in the metropolitan areas—but there has certainly been a significant growth. No new land was becoming available for that. There were a couple of pieces of private land that were being slowly subdivided. That was almost completed.

The state government managed to negotiate a piece of land out of the title claim—that was Januburu—to bring that forward. But the end result was that there was a shortage of land, increasing demand and a perception by the market generally that land supply was a problem, and the prices got out of hand. We had rents go from \$500 a week to \$800 to \$900 a week within six months. There is no employment in town that can drive rents to that extent. People cannot afford to pay that sort of rent and earn the money that they earn in town. So people were leaving town. Families were leaving town. Things were looking pretty dire about 18 months ago. They have quietened down a little bit now but we are very apprehensive that unless we can get in front of that land-demand situation it can very quickly get out of hand and it will not be good for Broome.

I am not talking just about land for residential purposes; I am talking about land for industrial purposes and commercial purposes. We are feeling the pinch in all areas. The little bit of a slow down that we have at the moment is great because it is giving us an opportunity to catch our breath a little bit and get some other things in place. There was a determination made on native title in 2006 and there have been negotiations since then to put an ILUA in place. Once more, we are only the local government; we do not know the details! We believe that is coming very close to finalisation—to the extent that quite a large area of land has been released for development. We are currently engaged with the state in the structure planning of that area so that hopefully we can get the story out to the land market that we are well in front of the game.

CHAIR—Has most of this population growth come with the increase in tourism to the region, and to Broome?

Mr Butcher—I do not know that I would specifically lay it all at the door of tourism. Broome is a growing regional service centre. It is providing a lot of the state government services to the region and I think that it has as big a role there as it does in tourism. So I would not say that the population growth has specifically been related to tourism, particularly as a lot of the employment in the tourism industry is satisfied by a backpacker workforce.

Councillor Campbell—I will comment there. The prime driver in the Kimberley, by dollar, is mining. That is not so much the case in Broome. Basically, our next drivers are retail, government services, tourism, pearling and then agriculture—in that order. The bottom-line of those slide away pretty quickly. So in terms of our economy, government services are significant

and retail is significant. Retail and tourism get blurred, of course. Pearling is sliding away a fair bit because of the world economic climate.

I will turn to some of the issues that we face because of rapid growth. The Department of Planning and Infrastructure has said that there will be between 25,000 and 30,000 people by 2021 without oil and gas. Currently we are probably sitting around 16,000. The census figures in this part of the world, particularly in Western Australia with a large Indigenous population, are basically flawed. It has been recognised and acknowledged by the census people that there were some problems with it. From a Broome perspective, it flows on to all of the issues. We are a regional centre. We have got justice, regional dialysis, regional court systems and a regional flow of itinerant people to the town for a variety of reasons—not the least due to the alcohol bans.

The land is the key to it, though. If there is no land, we cannot get doctors, nurses or teachers. You probably understand all this. One of the issues out of any major redevelopment is how you handle the rapid influx. In Port Hedland in 1994, 1995 or 1996 when they built the HPI plant there, their population went from 11,000 to 20,000 in five months. There was absolute chaos. That is why we have been working very hard for the last 4½ years, in discussion with Woodside in particular, before the state got involved in having a single hub precinct, to plan for these events.

The issues are really wide ranging. One of the things that government can do, which would be extremely beneficial, is to be proactive in the way they look at things, rather than reactive. With every other resource development in Western Australia, all of the impacts—the social impacts, the environmental impacts, the infrastructure requirements—are all dealt with retrospectively rather than proactively and ahead of the pack. I think we have a chance in Broome of managing the impacts of oil and gas, if they come, provided we are proactive about it. That is the message I have been singing to anyone who will listen, but particularly Mr Barnett and other cabinet ministers of the state.

CHAIR—We heard this morning from the Broome Chamber of Commerce. Mr Proctor was suggesting that Broome really needed a new economic driver, and he said that, in the absence of the big industrial development and the LNG plant in particular, Broome might wither. Do you have a view on that?

Councillor Campbell—I am in tourism. I have a caravan park, and we have been in tourism for 20 years. The drive market is fairly strong in Australia. I am of the belief that we are at risk in Broome with the fly marketing. It is an expensive destination. Our accommodation is expensive. And, comparative to what is being done with low-cost carriers across the world and to other destinations in Australia, we are at risk in our tourism industry. Certainly pearling is struggling. You are now virtually down to about one or two pearl operators who have been bought out. Paspaley are by far the largest operators, and they are basically operating most of their stuff out of Darwin. So pearling is declining significantly. Our agricultural sector is minimal, apart from pastoral cattle. There are probably up to 100,000 head of cattle going out of Broome port every year. I see that that will probably continue, but that is only a minor part of our economy here. So we need, to use Mr Proctor's words, another economic driver. I think he is right on the mark there.

Mr Butcher—I would add that, in the past, there have been hiccups in the aviation industry that have severely affected Broome. Things like the pilot strike and—

Councillor Campbell—The Ansett collapse.

Mr Butcher—Yes, the collapse of Ansett. Any impact on aviation or on people's confidence in aviation could suddenly see tourism fall flat. That can have a severe impact fairly quickly. Another range of industries and employment in the town is certainly highly desirable.

Councillor Campbell—I am not advocating that we have an airport full of big, strong young blokes in orange uniforms with silver stripes and wearing boots, and some of them with attitude. That is not what we are looking at; we are looking at economic opportunity for this region. You have to bear in mind that almost 50 per cent of the population are Indigenous people. The average age in Australia is 37. I think the average age in the Kimberley is 28. The average age of Indigenous people is 22. The birth rate is about three to one. There is a heck of a lot of young kids in the Kimberley who will not be going anywhere else and economic opportunity and obviously education and all the associated issues are paramount. It is absolutely essential for the long-term future of people in the Kimberley that some form of economic opportunity arises. If oil and gas is done in the way that I think the KLC and the traditional owners are trying to do it then that could be seen to be a good thing. If I were cynical, I would say that the government is encouraging that because the oil and gas proponents would be paying for it rather than the government.

Dr WASHER—Thank you for your presentation. You sound a little peeved and I would be too if I was the mayor and I had not been consulted as the local government body. This printout says the strategic assessment agreement, which is looking at social, Indigenous and environmental issues, is to be completed and presented to the federal government by November this year which is not far away.

Councillor Campbell—To be fair, as one of the stakeholders we have had input into it, but it is very difficult to have input into something that you cannot feel and touch. There is no project at this stage.

CHAIR—I thought the two governments had signed off on Prices Point as the location.

Councillor Campbell—It is the location, but the location is 11 kilometres long. There are sensitive areas that are heritage areas that must not be disturbed. There are areas that are more environmentally pristine than others. In an 11-kilometre stretch of coastline, it is very hard to define simple things such as where the road is going to go? For us that is important as the local government authority and it is important for our planning. We are currently undertaking a review of our town planning scheme and also a local planning scheme for the whole of the Shire of Broome, and that includes the Dampier Peninsula. Long-term use of land and long-term planning is integral to what we are trying to achieve at the present time. You might think it is just a road to somewhere, but it is not; it is part of an overall, long-term future plan. That is why we are a little critical. We are being asked to comment on something that we are not right across and I do not think there is anybody across it at this stage.

CHAIR—It is a work in progress?

Councillor Campbell—It is work in progress and one would suggest, given time lines, it is work that is being expedited and certainly would need to be carefully considered in the shorter time lines that are happening.

CHAIR—You made the point that the impacts occur after the event—

Councillor Campbell—Absolutely. I will not bore you with all of them but you only need to look at the failures in Western Australia, particularly in Ravensthorpe and the nickel mine there. They did not have enough housing, sewerage, power or water. They gave the local government a building worth about \$700,000—and Ravensthorpe is a small town, mind you—and they did not give them any money for ongoing maintenance et cetera, and it just collapsed in a big heap. If you look at Karratha at the moment, you will find it is in disarray. They have lost a significant number of their staff. The local government is not coping with the pressures.

In the Shire of Roebourne, with the Pluto project, Woodside were under the belief that they would be flying everybody in and out, but suddenly 35 per cent of the people wanted to stay. In Karratha, some years before that, Woodside sold off all their houses, so the rents down there are between \$1,500 and \$2,000 a week. That could not happen in Broome. We would be decimated. The average take-home pay for a person working in hospitality in this town is just over \$500. If they are paying \$700 or \$800 a week rent, they are not going to get there. You cannot buy Chicken Treat in Port Hedland at the moment because they cannot get any staff. The rent is \$1500 a week, but the kids working at Chicken Treat get paid whatever.

Dr WASHER—This is an example of where local government should be involved but has not been consulted to the level that you would have liked. Those kinds of problems happen everywhere in WA—in Busselton and right around the coast. State governments put in infrastructure and say, ‘Have a nice day,’ and they leave it to local government to maintain it when they do not have the resources to do it. That is something we commonly hear. With the sea change phenomenon, it is a very common problem. Local government is closest to the projects and it has to look after the people. I would have thought you would have been consulted extensively on the social and other environmental impacts because you would be the best placed to give input to this.

Councillor Campbell—We have certainly had some limited input to it, but where it is going to end up is an issue for us. The answer that is being given to us is: ‘You’ve got to start somewhere. You’ve got to have baseline studies when you are doing impact studies.’ That is fine but, given the time lines, we need far more than baseline studies; we need more concrete information so that we can adequately plan for it. We recognise the coastal implications of the town that we live in. I mean, anybody can ride a pushbike in this town. I think there is one hill, and it is probably 40 metres high. This town is very flat and very coastal. For instance, with buildings, we require 400 millimetre pads for the future. The AHD building, down in Chinatown, is about 800 millimetres, and we have buildings that are less than that. With the inundation of buildings by tsunamis, cyclones surges or, in the long term, an increase in sea levels, we face severe problems. We are aware of that. We recognise the state regulations for building near the coastline. Under the regulations, you have got to have a setback of 100 metres.

Coming out of the global native title negotiations there will be significant coastal management plans put in place. Because these plans have not been signed I am not at liberty to fully disclose

how they will be managed and who will be doing the management, but I can say that there will be a significant coastal management plan put in place from Bard Creek, which is north of here, right around to Crab Creek, which is around on the bay. It is a significant coastal area. In all likelihood, that will be done in consultation with the conservation estate, the shire and the traditional owners. I have no doubt that that will address the issues of coastal inundation, building within the coastal strip and planning for the future. I will be extremely disappointed if that process does not take that into account.

Mr Butcher—Can I say a little bit there, Graeme?

Councillor Campbell—You certainly can; you are the expert.

Mr Butcher—If I could just add a little bit to what Graeme was saying there. Besides the anticipated and possible population growth of the town in the near future, we are already seeing some pressure on the population gaining access to the foreshore, and that is an extremely important element of recreation in the town. That is where most of the local population take their recreation. They go down to the beach in the evening. It is getting congested, particularly during the peak tourism time. The increase in population is going to make that a lot worse. In the future we are going to have trouble providing sufficient access, because it will have to be handled and controlled in a fashion that means it does not start to harm the very thing we are trying to get near to. It is going to be a difficult problem for the town, finding enough avenues for the population to access the beach and enjoy it.

Councillor Campbell—And ‘access’ does not necessarily mean by vehicle; there are other ways of accessing beaches. I go back to the point I made about a local planning strategy for the whole of the Shire of Broome. We will be taking into account building by Indigenous communities of tourism resorts in the peninsula. They are already getting built very close to the coast. Because there is a lack of control in these areas, we very much recognise that we need to take that into account in our local planning strategy in planning for the future for the whole of the Shire of Broome, not just for the town, in terms of where tourism facilities are located and where housing is located in relation to the coast.

Mr Butcher—That opens up another important point—that in a lot of these instances you have got reserves that are held by either ALT or some other government instrumentality specifically for Indigenous people. That basically means it is Crown land. There are then issues as to what controls apply to it and whether the local government has a say in it. We have tried at various times to have voluntary agreements in place with the various communities that they would come through the necessary planning and building type approvals, but there are real legal questions as to just how much of a right we have. As Graeme mentioned, there are quite a lot of developments that are just occurring out there in the bush. That is an issue that really needs to be addressed at some stage to ensure that—well, there are two sides to it: one is to make sure that the development that occurs is to the right sort of standard, because there have been instances of builders going through and doing a pretty poor job and nobody really caring, so that you end up with very sub-grade development in the region; and the other side is making sure that the development is in an appropriate location, not in areas that are too low or too close to the coast, and the necessary water supply and sewerage et cetera are properly looked after.

Councillor Campbell—If I could just expand on that as well. I would hate to be accused of federalism, but one way to maybe address these issues is with a uniform approach. We have an issue with the fact that a government agency does not have to submit plans and does not have to submit to any kind of local government regulation. Take the Department of Environment and Conservation; they can build on the reserves vested in them without any form of approval. In terms of ALT, the Aboriginal Lands Trust, we have no control over the health issues on their lands, even though we are expected to deliver municipal services. We have condemned some buildings on an ALT property in town; we have no right to do so, but the action has certainly brought the attention of relevant agencies to it.

It goes further if you cannot control your building or road locations. For instance, there are airport extensions going on in the area. There are 150,000 litres of fuel being stored right over the top of their water supply. To me, that seems to be absolute silliness, but we cannot control it. So, if you are looking at the long term—I will probably get shot down by some—a uniform federal approach in terms of how government agencies and government landowners have to be in accord with local government would probably be a good starting point.

Mr DREYFUS—Have you had enough assistance from the state government or the federal government, from your point of view, in grappling with the implications of climate change?

Councillor Campbell—I would say not. There are things that tend to happen. Bear in mind that there are a lot of local governments, so the federal and state governments cannot deal with them individually. I am a state councillor with the Western Australian Local Government Association, and there is some work being done by that group through the ALGA—the Australian Local Government Association—as well. There is some filtering down. I think the ALGA has a seat—it certainly has a place at the table—in COAG, so on a big, strategic picture there is representation. How far it filters down to a small municipality like us is another matter.

In terms of climate change, there is the carbon tax. You might say, ‘What effect is that going to have, perchance, on the shire of Broome?’ Look at the theory that comes out and the statements made about climate change that one person will generate around 10,000 tonnes of waste and that is equivalent to a thousand tonnes of CO₂. When the green paper came out, it was suggesting that towns of 25,000 people or more would pay a levy or carbon tax, and then that was going to be brought down to 10,000 people. That was us. If you look at the carbon payment you would have to make per permit, at \$20, for us that was about \$250,000. If it is going to cost you \$40, that is \$450,000 to \$500,000. That would have equated to about a 4½ per cent increase in our rates that we would have had to charge our ratepayers, and there is no opportunity for offsets in the proposal that went forward. Due to lobbying and urgent action through the state Local Government Association and through ALGA, I understand that has been taken back to 25,000 tonnes of rubbish, but that is still a huge imposition without being able to recover it from anywhere. If you ask, ‘Is there an effect on local government?’ a 4½ per cent increase in rates for the ratepayers of this town certainly would be an imposition by way of climate change.

Mr Butcher—Possibly I could add something there. Broome is at the end of a 2,000-kilometre supply pipeline. Everything we use up here is carted in by truck. If we started paying the real carbon cost of supplying this town, it would be very hard to see how it can survive out of that. So there is a lot to be looked at. I am not fully aware of all the offsets that were looked at as to how that would be managed across the economy, but it seemed to me that most of them were

aimed towards the metropolitan areas, with public transport and things like that. It seems to me that the towns in the regions, particularly the more remote ones like Broome, would be looking at some really hard times if that were to come to pass.

Councillor Campbell—Going back to an effective increase in population, possible oil and gas precincts and even the development of offshore floating platforms by Shell: they are generating significant waste streams domestically, industrially and, to a minor degree, in hazardous waste. We are already looking at the fact that we will need to provide a new waste management facility, if oil and gas come, within the next seven to 10 years. We probably have a life of 20 years. The state has a policy of zero waste by 2020.

Mr DREYFUS—What do you have at the moment, a landfill or an incinerator?

Councillor Campbell—We just have a landfill. In fact, it is to the point where we are no longer digging in the ground; we are actually creating our own hills in Broome. It will be a good vantage point to see across the flats.

Mr DREYFUS—A land pile-up rather than a landfill.

Councillor Campbell—Yes. I think the technical term is ‘mounding’. As a shire we are very aware of the necessity of a reduction in waste and of recycling. Recycling is nigh on impossible because of the cost of taking goods anywhere. We believe that out of the global negotiations we will end up with a greenfields site for our green waste and we will be putting in place mulching and treating that. That was recognised by the traditional owners as being a very worthwhile project and I am pretty confident that will proceed.

Our existing site will probably end up as a transfer station and we will need a greenfields site. We are looking at and exploring the opportunity of using that as a hub for businesses related to waste and recycling. There is plenty of land out there and it is away from lot, so there is a chance for us to set up an industry around that, bearing in mind that across the Kimberley it all goes in the ground. There are 226 Indigenous communities in the Kimberley, ranging from six or eight people to 800 people. The way their waste is treated is to dig it or not to even bury it, so there is an opportunity environmentally across the Kimberley to create an industry for treating waste properly. It could be backed up by an high temperature incineration facility to treat hazardous waste which is a by-product of oil and gas, but there is a significant amount of hazardous household waste that exists everywhere. It is just an opportunity we are looking at but it is relevant. Probably it would take around \$10 million to set up a new waste management facility, just as a basic facility.

Mr ZAPPIA—Mr Campbell, does your council have a climate change strategy in place directly or specifically relating to your planning and development of the city?

Councillor Campbell—I will defer to the head of planning.

Mr Butcher—No, we do not. We managed to appoint an environment officer this year. We created the position. We are reviewing some plans that were put in place about 10 years ago and bringing those up to date. We will be integrating those into all of our processes.

Mr DREYFUS—My question to you before about assistance from state and federal governments was really directed at what you said, Mr Campbell, about the shire developing a new local planning strategy and a planning scheme for the whole of the shire. I take it you do not have one at the moment, or not a comprehensive one?

Councillor Campbell—We have a town planning scheme and we operate under an IDO in the outside areas. From a state perspective, yes, the Department for Planning and Infrastructure—now the Department of Planning, under the new split-up—are assisting the shire in some of the reports and some of the work. Perhaps you could explain it, Darryl.

Mr Butcher—I can just go through that. We have a town planning scheme that is covering the town of Broome, basically from Willie Creek across to the roadhouse—

Mr DREYFUS—And then another part that is the balance of the shire?

Mr Butcher—and then the balance of the shire, the big piece of land, is covered by an interim development order. We are preparing a local planning strategy for the whole of the shire, and we will follow closely on that with a new town planning scheme over it, basically to get the administrative mechanism out there. We know there is a lot of investigation that is to be carried out, but, if we can get the administrative mechanism in place, that allows us then to source funding or whatever to do whatever studies are needed in the areas of most concern.

One of the questions you asked before was: in what ways could we be possibly assisted? As Graeme mentioned there, the state government are helping us put that local planning strategy together. They are providing some manpower and also drafting. That is an important thing because we do not have any GIS capacity at all, so it is very difficult to communicate with government agencies or anything like that because everybody else is using it and they will give you a plan, and we have great trouble accessing that and integrating it with other aspects. But things that are necessary for the future, particularly with the climate change, are to get some really accurate mapping of the coastal areas. We get very infrequent aircraft photography, and it costs us a lot to get hold of it when it is done. I know that in our metropolitan area the flights are done on a regular, annual basis and it is available basically almost over the internet to be looked at. We do not have that luxury here, but I think the climate change aspect will require a finer degree of mapping than that. We have a lot of coastline here, so there is that aspect of it.

Another important issue is that there needs to be some agreement around the country as to what amount of change we are likely to expect. We have public infrastructure going in that has federal money, state money and local money going into it, with different useful lifetimes of that infrastructure, so we need to have an acceptable level of impact right around the country—

CHAIR—That is a common refrain that we hear from NGOs, yes.

Mr Butcher—so that we can start to say: ‘Yes, we’re looking at that infrastructure. It’s going to last for X years. What provision do we need to make to ensure that we are not wasting it?’

CHAIR—We will certainly address that in our report.

Councillor Campbell—In further answer to your question, Mr Dreyfus, about what can be done, later this year council have approved the CEO to do a capacity audit of our staff and our capability to deal with our growth as it is and our projected growth should oil and gas come and the ability of our staff, the capacity of our staff, to deal with it. We have indicated to the Department of State Development that we will be putting our hand up for some help. I had an absurd situation in an inquiry that was being conducted through the northern task force, which was a group set up to look at the hub and oil and gas. They had the audacity to say to me, ‘Does the Shire of Broome want to be part of the planning?’ I said: ‘Excuse me; we are the planning. This is our shire.’ Then the question was raised, ‘Well, do you have the capability to do that?’ I said, ‘Resourced properly, of course we have.’ Resourcing it properly is the key to it.

We will be doing a capacity audit in October. That is a significant capacity report being done by professionals with a view to ensuring that we, the Shire of Broome, are capable of dealing with all of the issues, not only climate change. I saw in another municipality where a resource company paid for a couple of people to be employed by the shire and responsible to the shire but to deal with matters arising. One could suggest that there might be a level of bias or whatever, but to my mind it was working all right, because the person was governed by all the rules under the Local Government Act et cetera. That is another alternative, but it would get back to resourcing and capability. Look at the Shire of Roebourne and all that is happening down there; they have lost their CEO, their PA and a significant amount of their staff because the pressure has been too horrendous. That is not going to happen to us.

Mr DREYFUS—I thank both of you for putting your fingers on something that we think is a big issue across regional Australia: the gap between expecting local councils to engage for the first time in some quite fine grained planning and expecting them to do it without any resources. Traditionally, the situation of planning control is one where you have the township area subject to quite detailed planning control and the balance of the shire with either no or very limited planning controls. I do not know whether your balance of the shire chapter was as short as what we used to cite in Victoria. It was a little shire called the Shire of Glenelg, which went out to the South Australian border in western Victoria. It does not exist anymore, because we have had council amalgamations in Victoria, but it centred on the town of Casterton. There was a quite detailed first chapter of the planning scheme for Glenelg which described what was and was not to happen in the township of Casterton, and chapter 2 of the scheme was balance of the shire. It had a single sentence, which said, ‘In the balance of the shire everything is permitted.’ We are now looking for much more detailed controls than that and, in order to do that—to get a bit of detail control, particularly in the coastal context—we are going to need some resources applied to it.

Councillor Campbell—We have 96 communities in the Shire of Broome. I suggest that the majority of those are on the coast—why would you live anywhere else? The Shire of Broome extends from Eighty Mile Beach up to Cape Leveque, and the majority of communities there are on the coast or near the coast. Any of the outstations that are attached to them are all near the coast because that is where they go fishing and engage in traditional activities. In the Shire of Broome, basically, Indigenous people are ocean-going, fish-eating, turtle-eating or dugong-eating people. So the coast is paramount in the Shire of Broome.

Mr MURPHY—What do you believe are the most serious impacts of climate change on the coastal communities of the Shire of Broome?

Councillor Campbell—I will start. If the sea level rises then our city centre—if I may be so bold as to call it a city—the Chinatown area and the area at Roebuck Estate, which are very low compared to the rest of the area, would without doubt be inundated if there were sea level rises. The HD in Chinatown is about 800—less than a metre above sea level.

Mr Butcher—I could give an example there. On a spring high tide, if the tide gates are left open down in the town centre the main roundabout in the centre of town gets underwater.

Councillor Campbell—Historically, Sun Pic has been on spring tides. It was part of the deal when you went to Sun Pic: you sat on the deckchairs and took your shoes and socks off because the tide flooded in. There are lots and lots of photos of the big tides. There are tidal gates there to allow rain to escape and to prevent a very full tide from coming back in. Unfortunately, there was an occasion when they were left open and it was back to the old days of having water everywhere in Chinatown.

Mr DREYFUS—How long has Broome had those tidal gates?

Councillor Campbell—Eight or nine years?

Mr Butcher—No, would Paspaley have been there?

Councillor Campbell—Yes, Paspaley shopping centre was there, so it has to have been 12 or 13 years. That is one of the issues. Paspaley is in Chinatown itself. On the rest of the town that is on the coast, I cannot make the categorical statement that there will be no Gold Coast, that there will be no buildings on sand dunes. I cannot do that because it has not been signed, but I am very confident that there will be no buildings on sand dunes. What you see in Broome on the coast is what you will continue to see. I can say there is 100 per cent support for that from council and there would probably be 99 per cent support for that from the people of Broome. In terms of long-term development of the town, we will not be living on the sand dunes. If you go outside of Broome and head up the coast, we certainly have concerns about the fledgling tourism industry that is developing and the desire to whack buildings, huts and everything else right on the coast because that is where the water is.

Mr DREYFUS—On the primary dune?

Councillor Campbell—Yes, or on the flats, depending on whether it is flat rock structure, flat sand dunes or high sand dunes. There are no significant dunes in Broome; they are not screamingly high. But there are primary and secondary dune structures.

Mr Butcher—The pindan country that we have here combined with the very high-tidal energy and low-wave energy ocean mean that we do not have the build-up of dunes that occur along the south coast of Australia. The pindan is very fragile and very friable so any increase in sea level will obviously erode into that country.

Councillor Campbell—If you were to go to the peninsula, you see one of the most striking things. There is a very white beach and a red cliff, and the red does not leach into the white very much. It is quite striking. However, the cliffs are very fragile; they erode. If you go and look at

Gantheaume Point on the southern side, the erosion by sea is causing the gradual removal of the cliffs. That is a good indication of what is happening.

CHAIR—Where is that?

Councillor Campbell—Gantheaume Point. Riddell Beach is probably the easiest way of describing where it is. It is a very fragile area that ultimately we will be closing off the access.

CHAIR—We should probably have a look at that while we are in town.

Councillor Campbell—If you have a chance, it will give you a very good idea of exactly what we are talking about. You will see the white beach and the red cliff, and the erosion under the cliff. It is not caused by wave action thundering into it; it is by gentle kinetic energy of the waves. Because the tides come and go, and they can be up to nine metres, if you get a little extra and there has been a cyclone around and there is a little—

CHAIR—Do you have any observations about the intensity of extreme weather events and cyclonic conditions, and whether they are becoming more frequent or more intense?

Councillor Campbell—I have only been here 20 years and it depends on how you measure cyclones. Over the last 100 years there have been about five or six cyclones that have directly hit Broome. They were basically in the days when the town was just tin shacks et cetera. The closest we have had to a major one was in 2000 when cyclone Rosetta came very close. I could not comment whether they are any more intense or not. Certainly without them we would not be getting any rain, so we like cyclones. But we like them 200 kilometres out, going very slowly down the coast and going to visit somebody else.

CHAIR—Not going straight overhead.

Mr Butcher—We have been talking about the eight-metre tide. For most of the time the sea level is well below the high watermark. An extreme event stands a fair chance of not really impacting above that high watermark. There is much less of a probability that we would be impacted severely by them. There is still the risk, but it is not as great as if you had a low tidal range as in some areas.

Councillor Campbell—When the Indian Ocean tsunami occurred it was mid-tide here. In fact the water went backwards which perplexed a few people who were fishing. I have to say there was a big argument between one husband and wife that she had got the tides wrong! It was mid-tide, so when it came in it did not have any effect. If we perchance copped a cyclone with a tidal surge at the height of a 8½ or nine metre tide—

Mr DREYFUS—On the king tide.

Councillor Campbell—Yes, on the king tide with a cyclone, we would be most certainly at risk.

Mr DREYFUS—What is the form of planning control in the Shire of Broome that has produced these setbacks so that there is no building along, for example, the primary dune at Cable Beach?

Mr Butcher—Basically, I think it is an accident that has occurred from the fact—

Mr DREYFUS—A happy accident.

Mr Butcher—Yes, the land is crown land and the Crown has not made it available for development. Where it has made land available, such as on Cable Beach itself where there used to be a caravan park, that was privatised and has been developed. The land on either side is still crown land and it is not available, so you do not get development.

Mr DREYFUS—So it is a true foreshore reserve; it has not needed to be subject to planning control because it is crown land.

Mr Butcher—It has been a happy accident because it is not a foreshore reserve. Often it has just been sitting there as unallocated crown land.

Councillor Campbell—Given the native title that has been subject to discussions et cetera the state has not seen fit to do anything with it. There has not been any lobbying from the townspeople or from the council and of course the traditional owners would not like to see it developed either. So across the board, as Darryl indicated, there is the fact that it has not been available for sale or development. I would anticipate that in the ILUA, the Indigenous land use agreement, which we will be signing, hopefully very shortly, there will be protective mechanisms. All I can say is that we have had discussions in that regard. I would prefer not to indicate at what level, but I would suggest that the will of the people of the town will be protected.

Mr DREYFUS—Thank you.

CHAIR—Thank you for sharing your insights and knowledge with the committee this morning. The secretariat will send you a copy of the transcript for any corrections that need to be made and we would be grateful if you could send the secretariat any additional material that you have undertaken to provide as soon as possible because we are planning to have our report finalised and tabled in parliament by the end of October. Thank you for sharing the perspectives of a smaller regional shire. As I say, a lot of our hearings have been in the capital cities with larger LGAs, so your insights about some of the challenges facing a smaller regional shire have been very valuable.

Committee adjourned at 1.09 pm