

ENVIRONMENT

The Newsletter of the Environment Centre NT (ECNT)
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September/October 2006

The McArthur River test

Martin Government's stated commitment to NT Rivers

The decision over whether to mine the McArthur will be a demonstration of the Martin Government's election commitment to **Living Rivers**.

Leading up to the 2005 election the government promised to deliver a 'Living Rivers' program backed by legislation. This was outlined by the Minister for the Environment, Hon. Marion Scrymgour, in August 2005:

"The Living Rivers program will... provide a statutory and administrative framework for focused planning and management for Territory rivers. It will:

1. Establish maintenance of river health as a core goal in all relevant Territory law and processes for land and resource management;

2. Set standards, criteria and processes for maintaining the ecological, cultural and recreational values of rivers;

3. Recognise and provide for the maintenance of the full range of ecosystem services provided by rivers that contribute so much to the wellbeing of Territorians;

4. Accord special status to rivers that are particularly valued by the Territory community and demand additional level of protection for the unique values;...

6. Recognise proper management of groundwaters and vegetation corridors along rivers as essential for maintaining river health; and

7. Provide mechanisms for genuine community involvement in setting and achieving targets for maintaining the character and functions of our rivers."

Approving the Xstrata proposal would fail all seven criteria.

Standing up for the River are the Yanuwa, Garrawa, Mara and Gurdanji people; joining them are environment groups led by the ECNT, WWF, TWS and the ACF; scientists, consultants and engineers concerned about the inadequacies of the mining proposal and the effect it will have on the River; and the people of the NT and Australia, concerned about the degradation of our great rivers.

In the other corner are John Howard and Swiss-based mining company Xstrata.

It is now up to Clare Martin to show us where she stands, to deliver on her promise, to enact the Living Rivers legislation and protect the McArthur River.

Gov't has no greenhouse gas strategy!: Expert

A leading climate change expert has told a summit on alternative fuels that the Federal Government has no far reaching strategy to reduce greenhouse gas emissions.

The former head of atmospheric research at the CSIRO, Dr Graeme Pearman, says Australia will face growing international pressure to meet targets and it does not have any in place.

Dr Pearman says if politicians do not set aside their electoral aspirations [and set emission reduction targets], Australia faces an immediate crisis.

"Governments in general these days are more managers than leaders and they manage the economy from one election to

the next and don't see we actually need some activity [on greenhouse emissions] for two major reasons: we're spending more and more money buying fuels from overseas and secondly because the climate is changing and emission of gases from conventional fuels is going to be controlled more and more over the coming years," he said.

Source: ABC 5/10/06

What Australia needs:

- Mandatory emission reduction targets across all industry sectors;
- A carbon tax so that the cost of pollution is factored into the cost of energy;

- A concerted government-led campaign to increase renewable energy production and energy efficiency.

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McArthur River Adding up the economic cost

In siding with mining company Xstrata and its plan to divert and mine the McArthur River, the Prime Minister—in his letter to Clare Martin dated 8 September—claimed that the mine should be approved because of its ‘economic benefit to Australia’.

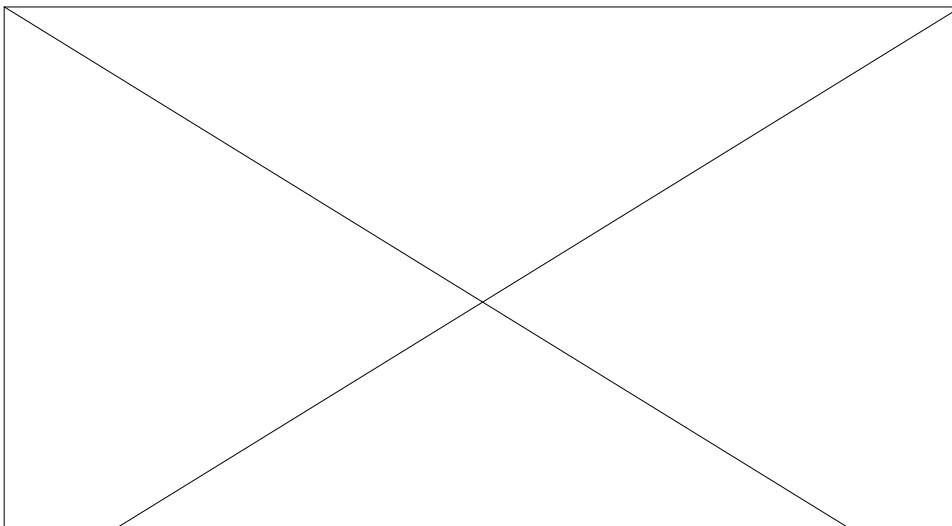
However, as usual the PM is ignoring the environmental impacts and economic costs of the mine.

Approval for river diversion and open cut mining would result in four major costs to the NT which taken together outweigh any economic benefit of the mine:

the problems caused by the mine will go far beyond what a bond might cover.

4. The potentially massive long term economic losses to the downstream tourism, fishing and recreation-based economy of Borroloola and the Gulf region. Pollution and other impacts caused by the mine could seriously damage these industries which, unlike mining, underpin the Borroloola economy.

None of these costs have been quantified or factored into the assessment of the proposed mine expansion to date.



McArthur River Traditional Owners at Parliament House, Darwin, Sept. 2006

1. The cost of energy subsidies (~\$100 million over life of mine);
2. The non-payment of mineral royalties (millions of dollars foregone annually).
3. The huge long term cost of containing or cleaning up pollution from the mine and the Bing Bong port over the life of the mine **and for decades after it closes**. Although there is talk of a large bond to cover this cost, the evidence to date is that the scale of

What you can do for the McArthur!

Write to or phone or visit your local MP—contact ECNT if you don't know who he/she is, or if you want help on what to say.

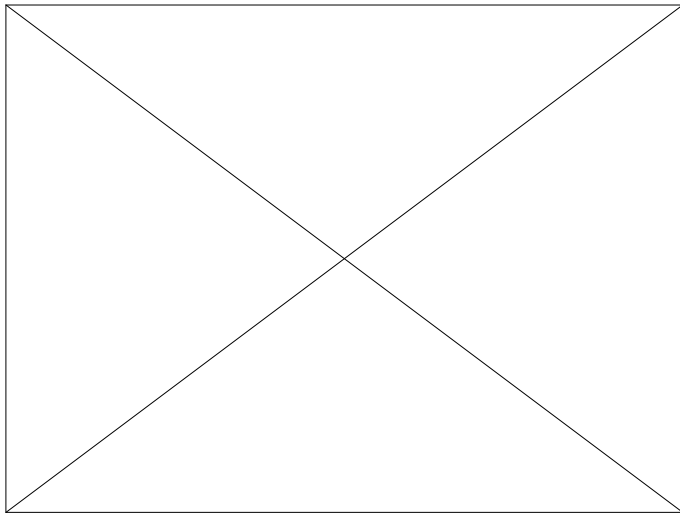
ECNT phone: 8981 1984

Climate change hits pollies

- **John Howard may have accepted the reality of climate change at last.** He has asked the Office of National Assessments (who provide intelligence analysis) to prepare a report of the ‘security implications’ of climate change.
- GetUp (“a new independent political movement to build a progressive Australia”) has started a new campaign to **“redraw the map of Australia, so that every person concerned about climate change can stand up and be counted”**. They are aiming for a record-breaking target of 250,000 people to help create a groundswell for change in every electorate across the country. Visit the site below to add your name to the Climate Action Map: www.getup.org.au/campaign/ClimateActionNow
- The Royal Society (Britain’s premier scientific academy) is having a war of words with **Exxon** saying they have provided funding to organisations which has **“misrepresented the science of climate change by outright denial of the evidence.”**
- Former US Vice President, Al Gore, has of course recently been in Australia promoting his documentary, **An Inconvenient Truth** about climate change. Gore was on ABC TV’s “Enough Rope” program recently and gave an inspiring quote: *“We will cross that tipping point when enough people internalise the truth of our situation. We have to disenfranchise ourselves from the propaganda, from the advertising, from the falsehoods, from the illusions, and we have to see the reality of this new relationship we have to the earth. We have quadrupled population in less than 100 years. We have thousands of times more powerful technologies...When enough people become aware of it, understand it, and then decide that we owe it to our children to leave them a planet that is not degraded, and hostile to the human species, then we will find ways to solve this. I know that we will.”* Read the complete transcript at: <http://www.abc.net.au/tv/enoughrope/transcripts/s1734175.htm>
- **There are rumours that even US President George Bush may do a u-turn on climate change.** *The Independent* reports: “After years of trying to sabotage agreements to tackle climate change he is drawing up plans to control emissions of carbon dioxide and rapidly boost the use of renewable energy sources....The rethink follows increasing pressure on the White House from Republican governors such as Arnold Schwarzenegger, the mayors of more than 300 cities, business leaders and Congress.



Tiwi Island forestry project: Are the Islanders being ripped off?



Clearfelled native forest on Melville Island—10,000 hectares in one year!

Concerns are growing that Tiwi Islanders are being exploited over the ongoing destruction of their native forests for the establishment of *acacia mangium* woodchip plantations. Last year the Sylvatech forest destruction project was acquired by Great Southern Plantations (GSP) Ltd – a Perth-based tax minimisation ('Prospectus') company. GSP is now implementing the 2001 Commonwealth approval for the clearing of **26,000 hectares** of native forest on Melville Island. Like Sylvatech, GSP wants to greatly expand the project and clear up to **80,000 hectares** of native forest – which would constitute an **ecological disaster** for the Islands and its people. Here is what GSP has said about the acquisition (emphasis added):

COMPANY ANNOUNCEMENT/MEDIA RELEASE
Thursday, 17 February 2005
Great Southern to Acquire Sylvatech Limited and Assets of Environinvest Limited.

"Great Southern Plantations Limited (ASX Code GTP) is pleased to announce its intention to make a takeover bid for Sylvatech Limited...Sylvatech is an unlisted public company involved in the development and management of forestry projects on the Tiwi Islands. The Sylvatech acquisition will provide Great Southern access to extensive plantation land for future projects **at a significant discount to current market prices for land in Great Southern's traditional plantation regions [in southern Australia].**"

(source: GSP media release, Feb 2005)

"Market based rentals [for Tiwi land]: ~\$1/hectare

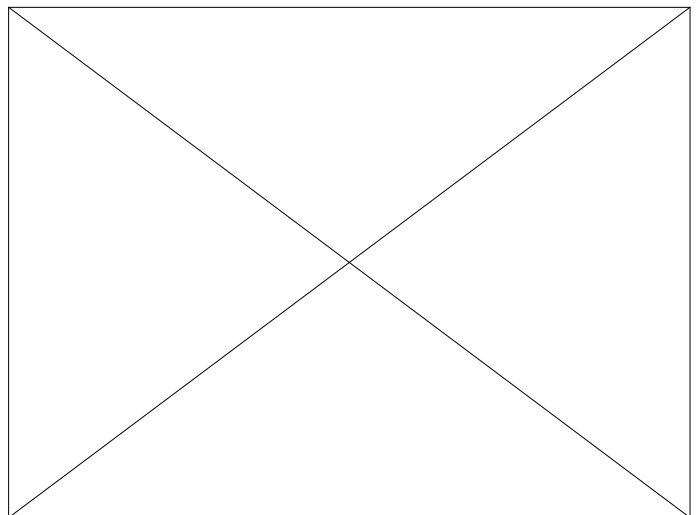
per year for land that is not plantation ready." (source: GSP shareholder presentation, 2005)

"The project currently involves some 33,000 hectares of leasehold property on a 30 year term with an option for another 30 years, and an option to enter further leases for **up to a potential 50,000 hectares** of land...**This land represents a valuable resource for Great Southern, which is likely to represent a capital saving to the company of about \$40 million annually over the next 8 years.**" (source: GSP Annual Report 2005)

Are the Tiwi Island Traditional Owners and communities being severely ripped-off by being paid far less for the use of their land than are landholders involved with plantation companies in southern Australia? **This should be investigated by appropriate authorities through an open and transparent inquiry.**

So too should the matter of the income from the sale of native forest logs from the clearing of the Melville Island forests. Thousands of tonnes of these high quality sawlogs are being exported to southern Australia and overseas but many Tiwi Islanders don't know where the income from the sale of those logs is going – in fact they have been told that the logs produced no net income – which **if true** is alarming in itself because such high quality hardwood sawlogs are worth hundreds, if not thousands, of dollars each! **This matter too should be investigated by appropriate authorities through an open and transparent inquiry.**

Finally, a new scientific paper has found that the destruction of Tiwi forests for plantations will have increasingly negative impacts on a large number of native mammal species. Contact ECNT for a copy of the paper.



The Tiwi native forests are chained, pushed up into heaps, and burnt.

For more photos of Tiwi forest destruction go to www.ecnt.org and follow the links...



Sea cage fish farms 'up the creek'

CAMPAIGN UPDATE:

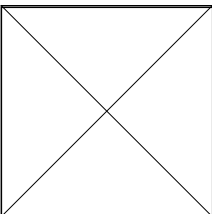
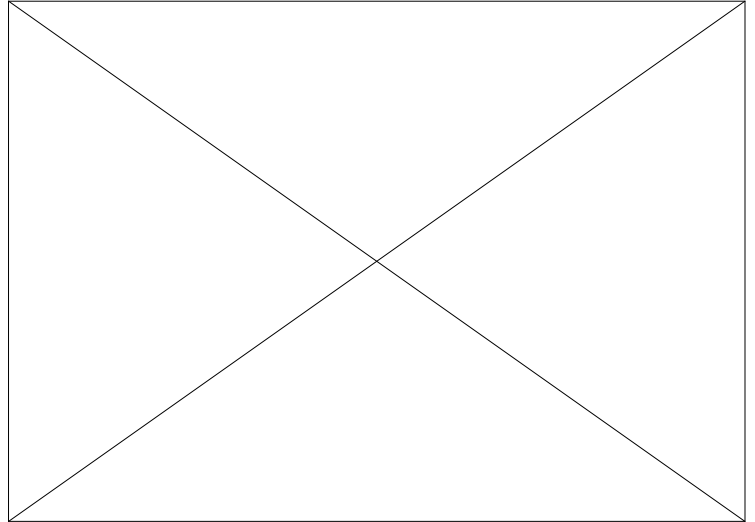
SAY NO TO SEA CAGE FISH FARMS

As many of you will be aware the Environment Centre together with the Australian Marine Conservation Society has been undertaking a campaign to protect three important Marine environment sites in the Darwin region from Sea Cage fish farms. These sites being Darwin Harbour, Bynoe Harbour (soon to be Bynoe Harbour Marine Park), and Snake Bay on the Tiwi Islands.

Marine Harvest (owned by overseas company Pan Fish ASA) has chosen these three sites for their proposed sea cage fish farms. Intensive farms of this type cause pollution, the risk of disease and pests spreading to wild populations, loss of public access and aesthetic values, and can add pressure to wild fisheries by using fish feed made from wild caught fish. The release of the Company's Environmental Impact Statement created a massive community response with the generation of over 240 submissions outlining concerns. ECNT and AMCS compiled a comprehensive submission spanning 21 pages. The Company must now address all issues raised by all submissions received and release their response in an EIS Supplement document.

We are expecting to see this document early in the new year which will then trigger the next phase of the Campaign. In the meantime keep the Campaign Postcards coming in.....

If you would like a postcard or can distribute postcards please contact Adele on 8941 7461 or adelepedder@amcs.org.au



Termidor: toxic alert

New termite chemical open to misuse

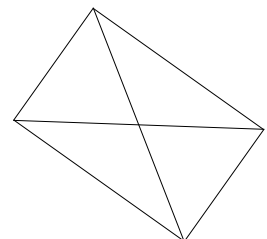
The Environment Centre is very concerned about the widespread use of a new termite-killing chemical in the NT. 'Termidor' is the replacement chemical for the highly dangerous organochlorine 'mirant'.

The active chemical constituent of Termidor is fipronil.

- Fipronil is highly toxic to a wide range of insects (e.g. bees and ants) and animals (e.g. lizards, frogs, fish, birds). There is increasing evidence that it is being misused to kill green ants and other 'pest' insects, which in turn are eaten by lizards or birds which are then killed as well.
- The NT Department of Primary Industry, which regulates chemical use in the NT, has decided to make termidor much more freely available to the public than is allowed anywhere else in Australia. Elsewhere it can only be purchased and used by licensed pest controllers, under a label specifying: "For professional use only; licensed pest control operators only".

- Once again a lower standard of public and environmental safety has been deemed acceptable by our pro-pesticide Department.
- As well as being used around houses it is also being used on citrus, grape and mango crops. It is being used in both rural and suburban areas and in ways that are not specified on the label. There are many potential harmful impacts on people and wildlife as a result of widespread and improper use of fipronil.
- Fipronil is banned in parts of Europe because of its toxicity to beneficial insects such as bees.

The Environment Centre wants the use of fipronil/termidor to be much more tightly controlled (e.g. licensed pest controllers only) and the Department should be forced to monitor and report on all applications of this chemical. Instead of always promoting the increasing use of toxic chemicals, the Department should be putting far more effort into non-chemical responses to pest issues. To find out more about this and other chemicals visit: www.pan-uk.org



Glyde Point industrial estate

Good money after bad!

Did you know that the NT government—through the Department of Planning and Infrastructure (DPI)—has so far spent well over **half a million dollars** on preliminary studies to back its proposal to build a massive new port and heavy industry estate on the pristine coast 40 km north of Darwin?

A further **half million dollars plus** has been set aside for the preparation of a full EIS for the project (*DPI budget papers 05/06*). This EIS is now underway, via private consultancy firm GHD Pty Ltd.

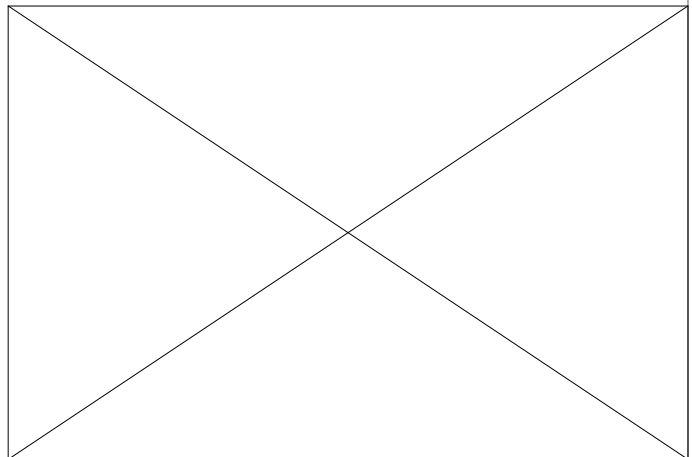
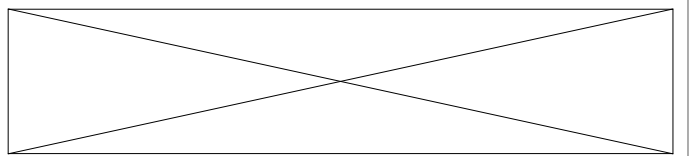
Various private consultancy firms around Darwin (URS; KBR; GHD) are making large sums of money out of this exercise despite the lack of any credible rationale for the development or the choice of this location.

This flawed project is being pushed by DPI regardless of the potential huge financial cost to the public of the development (if it were ever approved). DPI has stated that the final cost of just Stage 1 of the project would be **\$326,952,000**—yes that right over **three hundred million dollars** just for Stage 1—with another 4 stages to come after that!!

It is time that the new Minister responsible for DPI, Hon. Delia Lawrie MLA, took control of the planning section of her Department and cancelled any further expenditure on this highly destructive and expensive 'pipedream'.

Before a costly EIS is prepared for this ill-chosen site, a full, open and transparent inquiry should be conducted into (a) options for and the costs and benefits of further heavy industry development in the greater Darwin area; (b) the need for a new site, as opposed to utilizing existing infrastructure; (c) the environmental, social and economic criteria for selecting a new site if required.

To find out more about this project and why it is such a bad idea, see: http://www.ecnt.org/pdf/marine_glyde_report.pdf



Cool Householders Trudi, Lizzie and Jo at Ride to Work Day

National 'Ride To Work Day' was recently held in Darwin and to celebrate, COOLmob teamed up with NT Government TravelSmart participants for a free coffee at the Cavenagh. Next Dry Season, we plan to have a much bigger event to celebrate the many sustainable ways we can get to work to avoid one person per car travel.

Living Sustainably in the Top End. Cool Householder Gill Ainsworth shares her story about living sustainably:

When my partner and I moved into our house in Bees Creek a few years ago it was in desperate need of modernising and renovation. It made sense to turn to nature for some tried and tested advice. We've experimented in a number of different ways to make our home liveable. Some we've had to save up for, others took only plain old common sense:

- *replacing old sliding windows with tinted louvers offers flexible ventilation depending on sun and wind direction;*
- *painting our tin roof with reflective white paint keeps the temperature indoors cooler;*
- *encouraging tall palms to grow along the sunnier walls creates much needed shade, as well as food and habitat for birds and animals;*
- *keeping our external doors closed during the day and open in the evening prevents hot winds heating the house and allows refreshing night air to flow through;*
- *replacing the electric boiler with a solar hot-water tank saves us a small fortune in money and resources.*

Shade, water recycling and clean energy continue to be our major priorities. Before the wet this year we aim to replace our ancient septic with a water treatment plant to convert all our waste water into irrigation for the garden. We also hope to install solar systems to power the house and bore.

COOLmob's next Steering Committee meeting is Tuesday 14 November, 5.30pm at the Environment Centre NT (3/98 Woods St Darwin). All welcome! Come and share your ideas to make living in Darwin more sustainable!

www.coolmob.org

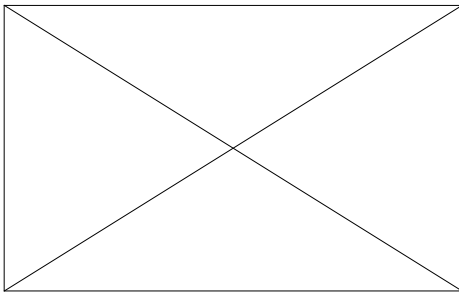


Sold Short!

Millions of dollars of lost mining income to NT

In the course of examining why the NT is missing out on millions of dollars of income from the McArthur River mine we have come to the inescapable conclusion that the NT mineral royalty system is deeply flawed and in need of immediate reform.

Under the existing arrangement, administered by NT Treasury Department, mining companies do not necessarily pay anything for the privilege of extracting and exporting the NT's finite mineral wealth.



Ranger pit—Jabiru

Essentially, mining companies pay royalties based on the reported profitability of the mine in question. This means that if a company claims its' mine has made little or no profit, it pays little or no mineral royalties!

Even when substantial mine profits are recorded, this system does not guarantee a substantial income to the NT—due to the wording of the Mineral Royalties Act and historical mine-specific agreements which provide for all kinds of cost-based royalty deductions.

All this means that despite more than \$2 billion worth of minerals being dug up and shipped out in 2002/03 (for

example) the NT received a paltry \$38 million in mineral royalties, or just 1.7% of the value of production (see Table below).

This compares with contributions of 4.6% and 5.5% in WA and Queensland respectively. Other Australian jurisdictions calculate royalties on either a specific rate per tonnes produced (e.g. WA) or on an *ad valorem* basis - the gross invoice value of the mineral (e.g. WA again and Queensland) - **rather than on a profitability basis.**

The Commonwealth Grants Commission (2002) noted that in 1999-2000 the NT had the lowest average effective mining tax rate of any jurisdiction in Australia, with the exception of Victoria.

ECNT acknowledges that there are major mines in the Northern Territory located on Aboriginal land (e.g. Ranger Uranium, Gove bauxite), where the royalty payments are structured according to specific mining agreements or Commonwealth statutory regimes. Nevertheless, the NT Government could and should be doing much better than it is at the moment.

The profit-based royalty regime in the NT is very problematic for at least three major reasons:

- It ought to be the case that any company extracting and selling the public's mineral resources must pay something for that privilege, regardless of 'profitability'. If a company

can't operate a profitable mine, especially at a time when mineral prices are at record highs, they should try some other kind of business.

- Under this system, mining companies are encouraged to arrange their mine accounts so as to minimise recorded profits and maximise various claimed costs and deductions and hence minimise royalty payments.
- Because many mining companies operating in the NT are foreign or interstate owned, they have the ability to manipulate their internal financial arrangements so as to show a loss in one part of their business while recording record profits elsewhere, based on the same minerals. **The McArthur River mine is just one example of this: no royalties paid for a decade due to the 'unprofitability' of the mine – despite the current owners of the mine recently recording record profits!**

The NT is potentially missing out on **tens of millions of dollars of annual income.** This lack of income compounds problems such as the huge cost to the public of cleaning up and rehabilitating 'legacy' mines across NT.

The ultimate loser out of all this is the NT public—through lack of funds for crucial public services such as health, education, Indigenous services, and looking after our environment better.

It is one thing to be 'open for business', its quite another to be ripped off to the tune of millions of dollars every year!

	NT	WA	QLD	Source
Mineral Commodities produced (2002-03) by dollar value	\$2.3b	\$23.9b	\$12.2b	ABS
Mineral Royalties paid to NT/state Govt (2002-03)	\$38.8m	\$1.1b	\$667m	Various NT/state Govt Dept websites & annual reports
Royalties paid as a percentage of mineral commodity value	1.7%	4.6%	5.5%	



Uranium 'silly season' update

It's getting to crunch time for uranium issues in the NT. Increasing federal and international pressure to expand Australia's uranium production means the insurmountable problems of uranium mining are in danger of being ignored in favour of mining company profits.

The NT is most vulnerable to the expansion of uranium mining because of our Constitutional status as a territory. And we have a weak and hypocritical Territory government which has refused to back up its stated position of opposition to new uranium mines, and instead continues to facilitate exploration for uranium here.

Here are the deposits that pose the most imminent threat:

Ranger expansion

ERA continues to explore for new deposits on the Ranger Project area in Kakadu. One deposit is located below the current pit #3. If the company decides this deposit is worth mining, current plans for the storage and containment of tailings and excess water will be seriously jeopardised. Further exploration is also being undertaken at 'Ranger 18 East', to the north east of the current mine.

Jabiluka

The Jabiluka deposit, also in Kakadu, continues under a 'care and maintenance' Agreement between ERA and the Mirarr traditional owners. This agreement gives Mirarr the right to veto the development of the deposit. Jabiluka is the richest untapped deposit of uranium in Australia.

Koongarra

The Koongarra deposit is also within Kakadu, adjacent to Nourlangie Rock. French company Areva (Cogema) holds the right to apply for an exploration licence over the area. Traditional owners have vetoed the grant of an EL several times in the past. However the company has a right to reapply five years after each veto and is currently in the process of renegotiation with traditional owners. This is despite international and national agreement that Koongarra should be incorporated back into Kakadu, and despite the continuing lack of consent from traditional owners. Watch this space for info about how you can support efforts to have Koongarra protected.

Mt Fitch

The Mt Fitch deposit is a small reserve of uranium located to the north of the old Rum Jungle mine near Batchelor. Compass Resources hopes to mine this deposit and has been talking about getting the project up and running by 2009. Compass is currently developing a small oxide project adjacent to the Rum Jungle mine, which they hope to expand into a larger mine.

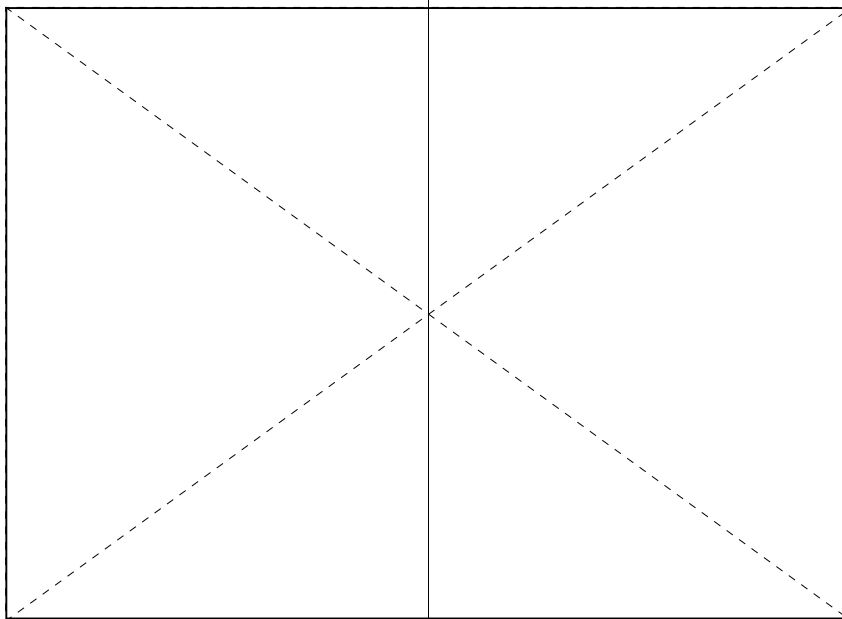
Nolans Bore

The Arafura Resources project at Nolans Bore, north of Alice Springs is the furthest advanced of a number of exploration projects the company is involved in in Central Australia. The Nolans Bore deposit contains about 15% uranium, along with rare earths. Arafura are talking about having this project up by 2010.

producers has solid financial backing. However, they are yet to make any announcements about the viability of any deposits they are exploring.

One speculative venture to keep an eye on is applications for exploration licences over **Litchfield** and **Nitmiluk** National Parks. These have been applied for by a West Australian businessman with links to uranium exploration. The Nitmiluk application for EL 25301 has just been advertised for public comment. Contact Emma for a pro forma letter and details of where to send comments to.

Luckily, in the face of government and company uranium promotion, there are some great initiatives and resources



Bigrlyi

The Bigrlyi deposit is being prospected by a company called Energy Metals, 390km north west of Alice Springs near Yuedumu. Local traditional owners who oppose the development of the project have no veto powers and are looking for support from the community to help stop any mine.

Napperby

The Napperby deposit is being explored by Deep Yellow Ltd. The company also has extensive exploration licences in the Western Arunta area.

West Arnhemland

Cameco continues to explore for uranium in west Arnhemland. The company has been exploring the area for over 10 years and as one of the worlds largest uranium

around, and an increased enthusiasm to campaign against nuclear expansion. If you want to find out more info about the campaign, call Emma on 8981 1984 or 0428 818 109 or email ecnturaniu@octa4.net.au

The Darwin No Waste Alliance has semi-regular meetings to discuss issues and plan events. **The next big event will be the National Day of Action to support a nuclear free Australia on November 14.**

2007 Diaries

Need a diary for next year?

By purchasing your 2007 "People & Planet" diary from the Environment Centre, you will have a beautifully presented diary and ... you will be supporting ECNT! The diaries are A5, spiral bound, one week to a page and include stunning images of the planet and it's people. At \$18 each, buy an extra one for a Xmas gift. Available late October.

Check out the online shop at

www.ecnt.org/html/shop/html

Welcome Charles!

In our last newsletter we farewelled Dr Gary Scott who has been working as the ECNT's Freshwater Campaigner. In this newsletter we welcome Charles Roche into the position. Charles is WA farm boy who turned to the green side in the mid nineties after stints as a farmer and a landscaper, interspersed with some study. Charles and his family moved to the NT in April 2006, having been lured by its exotic appeal (for someone who has never experienced more than 800mm rain per year).

After becoming involved in local environmental issues, Charles has worked for the Busseton-Dunsborough Environment Centre in WA's southwest, the Conservation Council of WA and most recently for the Wilderness Society WA on the Gondwana Link project. He is looking forward to campaigning on the NT's freshwater issues.

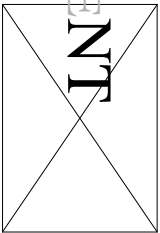
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The Newsletter of the Environment Centre NT

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