APPENDIX 2 THE ROLE OF GOVERNMENT DEPARTMENTS AND AGENCIES IN RELATION TO THIS POLICY

Department of Mineral and Petroleum Resources

The Department of Mineral and Petroleum Resources is responsible for administering the Mining Act 1978, special State Agreements, the Petroleum Act 1967 and the Petroleum Pipelines Act 1969. The Department is also responsible for land access and titles management and referral of mining and petroleum tenure applications and operational proposals to other Government agencies. It also oversees compliance and enforcement of health and safety issues and environmental management under mining and petroleum legislation.

Website: www.mpr.wa.gov.au/

Environmental Protection Authority

The EPA's objectives are to protect the environment and to prevent, control and lessen the impacts of pollution. The Authority advises the Minister for the Environment and Heritage on the environmental acceptability of new development proposals, formulates environmental protection policies to protect specific parts of the environment, and generally advises the Minister on environmental issues. All production mining and petroleum proposals on the conservation estate are referred to the EPA.

Website: www.environ.wa.gov.au

Conservation Commission of Western Australia

The Conservation Commission of Western Australia is the main vesting body for national parks, nature reserves, conservation parks, State forests and timber reserves. The Commission advises the Minister for the Environment and Heritage on the management of the State's terrestrial conservation estate.

Website: www.conservation.wa.gov.au

Department of Conservation and Land Management

The Department of Conservation and Land Management manages conservation reserves vested in the Conservation Commission of Western Australia and the Marine Parks and Reserves Authority and is also responsible for conserving biodiversity throughout the State.

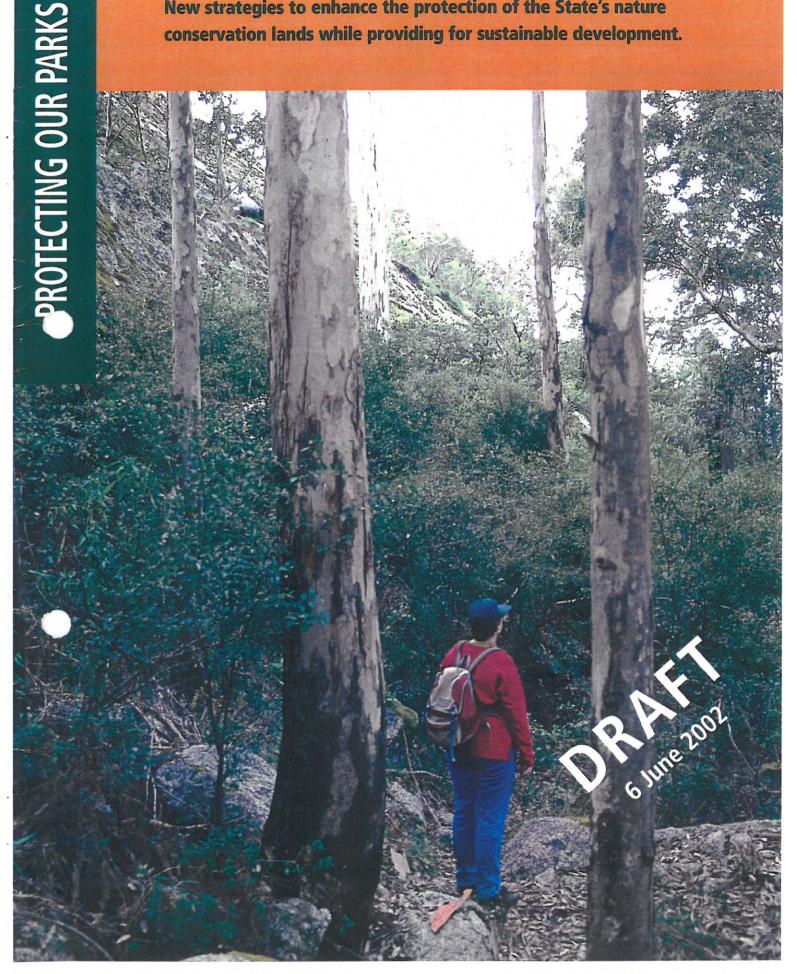
The Department's key responsibilities include nature conservation, parks and visitor services and sustainable forest management. It reviews and makes recommendation on mining and petroleum applications and proposals for consideration by the Conservation Commission, the EPA or the Minister for the Environment and Heritage.

Website: www.naturebase.net

Revised Draft: 6June 2002



New strategies to enhance the protection of the State's nature conservation lands while providing for sustainable development.





Front Cover: Proposed Mt Frankland National Park Photo: Cliff Winfield

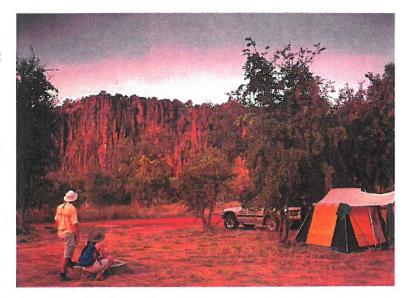
Elephant Rocks, William Bay, National Park Photo: courtesy Western Australian Tourism Commission

APPENDIX 1 OUTLINE OF THE TERRESTRIAL CONSERVATION RESERVE NETWORK

Western Australia has an extensive conservation reserves network covering more than 22 million hectares or around 9 per cent of the State's land area. This network comprises:

Nature Reserves

These are areas set aside for flora, fauna and landscape conservation, scientific study and preservation of features of archaeological, historic or scientific interest. Wildlife values may not be commercially exploited in nature reserves and recreation activities are limited. Class A nature reserves cannot have their purpose or boundaries changed without the approval of Parliament. 'Other' class nature reserves do not have this level of protection.



Windjana Gorge National Park Photo: courtesy (WATC)

National Parks

National parks are of national or international significance for scenic, cultural or biological values. Their main purpose is for wildlife and landscape conservation, scientific study, preservation of features of archaeological, historic or scientific interest, and for appropriate public recreation,

Conservation Parks

Conservation parks differ from national parks only in their significance, size or condition. They are managed as if they were national parks. The difference is that these areas do not have major national or international significance, are relatively small in size or the landscape or flora and fauna has been affected by past land use.

Regional Parks

Regional parks may include various areas of land that are vested in the Conservation Commission and local government authorities. They are managed for a variety of values including nature conservation and public recreation and enjoyment.

State forests

State forests are managed for multiple purposes including water catchment protection, recreation, nature conservation, education and scientific research and sustainable timber production along with the production of other forest products such as wildflowers and honey.

Timber Reserves

These are managed similarly to State forests. Generally they are areas that are yet to be surveyed for their various values. After an evaluation, timber reserves may become a national park, nature reserve or State forest.

('Class A' is a classification of Crown land reserve under the Land Administration Act 1997 (LAA Act). Conservation reserves may be classified as 'class A' or not. Where a conservation reserve is not classified as 'class A', it is referred to in this document as 'other' class. There are special provisions in the LAA Act for class A nature reserves.

IMPLEMENTATION TIMETABLE

The new policy and strategies with respect to mining and petroleum exploration and production will apply only to applications lodged after 10 February 2001. They will not apply to tenements and applications lodged before that date.

New production proposals resulting from exploration licences lodged before 10 February 2001 will be considered under arrangements existing at that time and will be assessed by the Environmental Protection Authority and the Conservation Commission of WA.

FOREWORD

Western Australia is renowned for its incredibly diverse native flora and amazing array of native animals. We have the responsibility to conserve:

- 26 of Australia's 85 bioregions;
- more than 12,000 species of flowering plants; and
- 140 mammal species, 520 reptile species and 510 bird species.

The south-west of Western Australia is recognised as one of the world's 25 'biological hotspots'.

The State Government has a clear commitment to sustainable development and is currently preparing a State Sustainability Strategy to guide Western Australia to achieve environmental, economic and social goals.

The Government aims to conserve the State's wonderful biological diversity through a range of measures, including a comprehensive network of reserves. A key strategy of the reserve system is to protect the State's outstanding natural features together with comprehensive, adequate and representative samples of its biodiversity for future generations. Over the next few years the reserved area will increase dramatically as new national parks are created in the forests of the south-west and the reserve network grows in arid areas such as the Goldfields and Gascoyne.

The State is also richly endowed with minerals and petroleum, particularly natural gas, iron ore, gold, alumina, nickel, heavy mineral sands, tantalum and diamonds. The resource industries are worth over \$27 billion and provide over \$1 billion each year in royalties (about 10 per cent of the State budget) that are used to fund a variety of Government initiatives that benefit all Western Australians. In addition around a fifth of all jobs in the State are directly or indirectly provided by the resource sector. This wealth is generated from less than 0.1 per cent of the State's land area.

Nature-based tourism is also a rapidly growing sector of the State's economy, with immense scope to expand, given our unique and diverse natural landscapes, wildlife and habitats. A key focus of this tourism will always be our protected conservation reserves. The Government is committed to further developing ecologically sustainable nature based tourism as a major component of the State's tourism industry, which is currently worth around \$4 billion to the State's economy.

The Government is also committed to maintaining and improving economic development, regional benefits and basic services for the community, and recognises that the mineral and petroleum sectors are essential to the State's economy. This will continue to be the case for the foreseeable future. Resource development can and does already provide direct and indirect benefits towards the protection and enhancement of the State's conservation reserves. Under the new arrangements, the Government's attitude to a mining or petroleum proposal involving access to a conservation reserve will be determined on the basis of the benefit that the proposal will bring to the conservation estate.

In partnership with the wider community and the mineral and petroleum sectors, the State Government will achieve a balance which ensures the State's natural environment is conserved for present and future generations, while also ensuring that the State continues to benefit from its developing resources sector.

Protecting Our Parks outlines the State Government's policy and strategies to achieve that balance.

Dr Geoff Gallop MLA

Dr Judy Edwards MLA

Clive Brown MLA

PREMIER

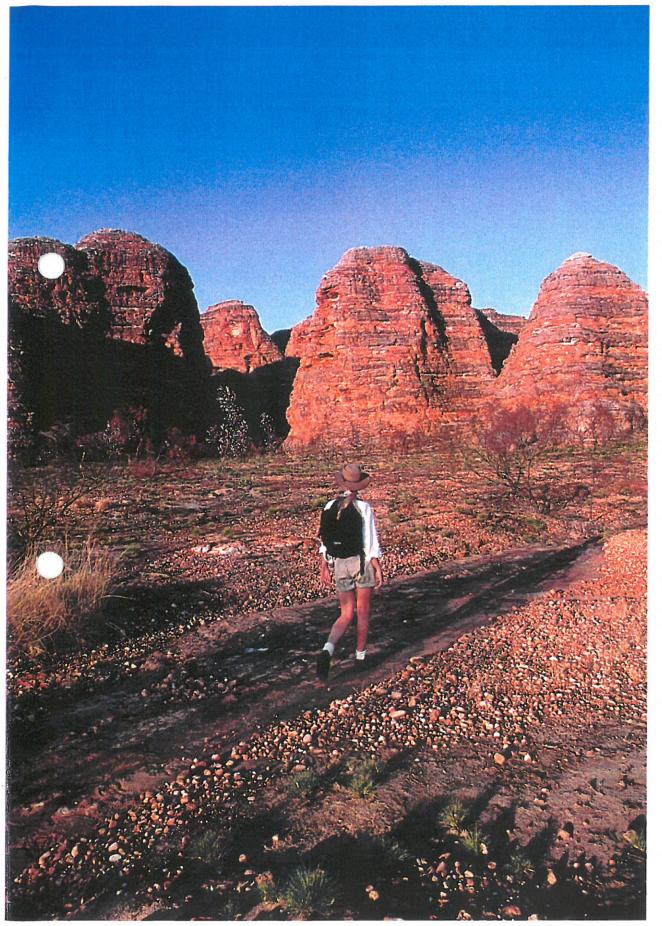
MINISTER FOR THE **ENVIRONMENT AND** MINISTER FOR STATE DEVELOPMENT

HERITAGE

A SUMMARY OF THE KEY ADVANCES BEING MADE UNDER 'PROTECTING OUR PARKS'

Under 'Protecting our Parks' the State Government will:

- invoke a policy of a general presumption that the mineral and petroleum industries will not have access to national parks and class A nature reserves;
- expand and enhance the State's terrestrial nature conservation reserve system with a view
 to creating a truly comprehensive, adequate and representative network of reserves,
 complemented by voluntary conservation management on private and leasehold lands;
- ensure that no mining or petroleum access will be granted to areas of national parks and class A nature reserves where the intrinsic natural values are of outstanding international, national or State significance;
- enact a new statutory power enabling the Minister for the Environment and Heritage to
 protect national parks and class A nature reserves from proposals for petroleum exploration
 and production;
- only consider mining and petroleum industry access to national parks and class A nature
 reserves in exceptional circumstances involving commodities or developments of economic
 or strategic significance to the State where reasonable alternatives have been considered
 and new criteria ensuring the proposal will deliver a 'Net Benefit to Conservation' can
 clearly be satisfied;
- apply a general presumption that the mineral and petroleum industry will not have access
 to 'other' class nature reserves or conservation parks for low value bulk commodities, with
 access to other resources considered only where the proposal at least meets the new
 criteria for 'Maintenance of Conservation Values';
- implement a standard requirement that whenever access to any terrestrial conservation
 reserve is granted for mining or petroleum purposes there will be full recovery of
 conservation management costs, as well as full rehabilitation of, and full redress for, any
 significant conservation impacts associated with that access;
- establish clear guidelines explaining the requirements that mining and petroleum proposals
 must meet in order to be considered for access to conservation reserves, thereby saving
 these sectors considerable uncertainty, time and effort;
- ensure the operation of timely and efficient processes to consider access proposals, including quick identification and rejection of proposals that do not meet the access criteria, through closer co-operation between the Minister for the Environment and Heritage and the Minister for State Development.
- In addition, all proposals for mineral or petroleum industry access to terrestrial conservation reserves will be:
- reviewed by the Department of Conservation and Land Management in conjunction with the Conservation Commission of Western Australia;
- considered by the Minister for the Environment and Heritage, as well as the Minister for State Development; and
- required to fully meet the requirements of the Conservation and Land Management Act
 1984, the Environmental Protection Act 1986, the Land Administration Act 1997 (including
 Parliamentary scrutiny of any proposed changes to national parks and class A nature reserves),
 as well as the Mining Act 1978 and the Petroleum Act 1967 (to be amended to give the
 Minister for the Environment and Heritage new concurrence powers for petroleum industry
 access to national parks and class A nature reserves).



Purnululu National Park Photo: courtesy (WATC)

The new Government policy in relation to exploration and production from 'other' class Nature Reserves and Conservation Parks is:

Access will be denied for low value bulk commodities unless of strategic importance and where alternative sources have been considered and assessed on sustainability principles. Approval for access to these categories of conservation lands will not be considered unless-

- proponents demonstrate a 'Maintenance of Conservation Values' outcome, or
- the exploration or production tenement was applied for or granted before 10 February 2001, in which case proposals will be evaluated under the previous system.

Access controls to ensure appropriate environmental management will be implemented through environmental approval conditions developed by the Minister for the Environment and Heritage and the Minister for State Development.

For both exploration and production, 'Maintenance of Conservation Values' would include, but not necessarily be limited to similar conditions to those applying to Net Benefit to Conservation:

- applying conditions to ensure appropriate environmental management, supported by a performance bond;
- meeting Department of Conservation and Land Management costs of administration and monitoring resulting from approved access; and
- adding to the scientific knowledge about conservation lands; or funding the development of technology or other actions to improve the management of conservation lands. The minimum value of the contribution would be determined by a formula taking into account the area disturbed, the time to achieve remediation and the severity of the impact.

In determining whether or not there is a Maintenance of Conservation Values, the Minister for the Environment and Heritage will seek the advice of the Department of Conservation and Land Management and the Conservation Commission of Western Australia. Applications for exploration and extraction operations will also be referred to the Environmental Protection Authority in accordance with its requirements.

Privilege of access

The Government insists that any access to conservation reserves granted to the resources sector will be a privilege. The costs of administering that access should be borne by those granted access. While it is recognised that producers also pay State Royalties and taxes, operators will have to meet the Department of Conservation and Land Management's costs of administration and monitoring resulting from approved access to the conservation reserve system as well as meeting strengthened requirements for bonds and rehabilitation of environmental disturbance.



Stirling Range National Park Photo: Conservation and Land Management



Lennard Gorge, King Leopold Ranges Conservation Park Photo: courtesy (WATC)

12

BIODIVERSITY CONSERVATION VALUES OF WESTERN AUSTRALIA

Western Australia is immensely bio-diverse, with more than 12,000 species of flowering plants many of which occur nowhere else. Some of the State's national parks contain more native species than entire countries. For example, Stirling Range National Park northeast of Albany contains more than 1500 species of flowering plants while the whole of Great Britain has just 1400 native species.

Eighty per cent of the known plants in the south-west are found nowhere else in the world and about 2000 species are listed as either threatened with extinction, rare or geographically restricted.

The south-west forests contain the world's third tallest flowering plants. These are the karri trees, the canopies of which can tower 90 metres above the forest floor. Also the woodlands of the Goldfields are distinctive for this area is the only arid zone in the world in which tall trees grow.

Western Australia also is home for many native animal species, some of which date back to when the continent was part of the ancient Gondwana super-continent, some 135 million years ago. The State has about 150 species of mammals. Some of them such as the honey possum, the Kimberley rock-rat and western brush wallaby are found only in Western Australia. Wild populations of several native species that once occurred across southern Australia are now confined to parts of the south-west forests and other areas where feral predators such as the European fox and feral cat have been controlled through the Department of Conservation and Land Management's innovative Western Shield program.

There are 510 bird species of which 380 are known to breed here. Western Australia also provides habitat for 520 species of reptiles and the inland deserts such as the Great Sandy and Great Victoria are renowned for having the richest reptile faunas in the world.

The State's landscapes include some of the oldest landforms on Earth. It is remarkable that parts of the Pilbara in the State's north-west have landscapes that are as they were around 2700 million years ago. On North West Cape, extensive karst systems provide habitat for ancient cavedwelling creatures, while several areas of the State contain wetlands that are recognised internationally as being of particular significance for migratory birds.



Big Brook Dam in the proposed Margaret River National Park Photo: courtesy (WATC)

- · there are clear Net Benefits to Conservation; or,
- the exploration or production tenement was applied for or granted before 10
 February 2001, in which case proposals will be evaluated under the previous system.

Approval to mine in national parks and class A nature reserves will continue to be subject to the consideration of both houses of State Parliament.

Exceptional circumstances include factors such as the rarity and distribution of a particular mineral and the economic or strategic significance and benefit of the proposed development to Western Australia. If the target mineral is common on lands other than in national parks or Class A nature reserves, then approval to explore or mine in the conservation estate is unlikely to be given unless there are clear net conservation benefits. Industry will need to identify the exceptional benefits to the State from allowing exploration and development to proceed.

The Net Benefit to Conservation requirements will necessarily be commensurate with the level of disturbance impact and be considered on a case-by-case basis.

For production the "Net Benefit to Conservation" considerations would include, but not necessarily be limited to:

- applying conditions to ensure appropriate environmental management, supported by a performance bond;
- fully meeting Department of Conservation and Land Management costs of administration and monitoring resulting from approved access; and
- exchanges of lands or conservation land additions; adding to the scientific knowledge about biodiversity conservation; remediation for existing environmental damage or funding the development of technology or other actions to improve the management of conservation lands. The minimum value of the contribution would be determined by a formula taking into account the area disturbed, the time to achieve remediation and the severity of the impact.

For exploration, 'Net Benefit to Conservation' considerations would include, but not necessarily be limited to:

- applying conditions to ensure appropriate environmental management, supported by a performance bond;
- fully meeting Department of Conservation and Land Management costs of administration and monitoring resulting from approved access; and
- adding to the scientific knowledge about conservation lands, or funding the development of technology or other actions to improve the management of conservation lands. The minimum value of the contribution would be determined taking into account the area disturbed, the time to achieve remediation and the severity of the impact.

In determining whether or not there are Net Benefits to Conservation, the Minister for the Environment and Heritage will seek the advice of the Department of Conservation and Land Management and the Conservation Commission of Western Australia. Applications for exploration and extraction operations will also be referred to the Environmental Protection Authority in accordance with its requirements.

Rehabilitation activities carried out as a part of exploration or extraction will not be included in the criteria used to assess the Net Benefit to Conservation. Land proposed to be added to the conservation reserve system as an offset for land to be used for mining or petroleum production will have to have conservation values at least equal too, or greater than the land to be mined or otherwise disturbed.

OUTLINE OF PROPOSED PROCEDURES UNDER GOVERNMENT POLICY

The State Government is working to implement the conservation initiatives outlined in its Protecting our old-growth forests and Environment policies. This involves considerable changes to the approaches previously taken to considering mineral and petroleum activities that may affect national parks and nature reserves. At the same time, the Government will continue to encourage nature-based tourism to develop a broader economic base for regional communities.

As part of the Government's commitment to our conservation reserve system a new process of assessment of potential impacts of resource access to conservation reserves will be established. This will focus on the two key obligatory criteria of 'Net Benefit to Conservation' and 'Maintenance of Conservation Values' to ensure that access to resources in conservation reserves will only be considered where it is clear that the conservation values of our reserves can be protected, and wherever possible enhanced, through negotiated outcomes.

These new criteria will extend the basic requirements for access to terrestrial conservation reserves that require:

- cost recovery of any conservation management costs associated with granted access; and,
- best practice rehabilitation of, and redress for, any significant impacts to conservation values.

Access will not be guaranteed, even where requirements for Net Benefit to Conservation and Maintenance of Conservation Values can be met, if the area has irreplaceable conservation and/or scenic values.

In a major new initiative, the Government will extend the legislative powers of the Minister for the Environment and Heritage over development sector access to conservation reserves to also cover petroleum exploration and production. The Minister for the Environment and Heritage will be given a power of concurrence over any proposed petroleum access to national parks and class A nature reserves. Previously petroleum legislation has not adequately recognised the role of the Minister for the Environment in ensuring the protection of the conservation reserve system.

The new criterion of Net Benefit to Conservation will apply to any proposed exploration, petroleum production, mining or related access to national parks and class A nature reserves. Maintenance of Conservation Values will apply to any proposed exploration, petroleum production, mining or related access to other nature reserves and conservation parks.

Tenements under the Mining Act and Petroleum Act exist over much of the areas the Government has identified to be declared as new national parks or conservation parks. There also are tenements over existing national parks and nature reserves that were in place before the 10 February 2001 election. Some of these tenements are subject to State Agreement Acts with mining companies.

The priority of the Government's policy is on gaining the best possible outcome in terms of conservation of natural biodiversity. At the same time, the Government recognises the mineral and petroleum sectors must have confidence in the approval processes for them to continue to invest in Western Australia.

The new Government policy in relation to exploration and production from National Parks and Class A Nature Reserves is:

There is a general presumption against mineral and petroleum exploration and production in these conservation reserves. Approval for access to these categories of conservation lands will not be considered unless:

· there are exceptional circumstances; and,

PROFILE OF MINING AND PETROLEUM IN WESTERN AUSTRALIA

The geology and landforms that provide Western Australia with a rich diversity of native plants and animals and landscapes, also provide us with another bounty - mineral and petroleum resources. There are about 50 different minerals in commercial production in Western Australia - a far greater number than in other parts of the nation.

The mineral and petroleum sectors are one of the main pillars of the State's economy, accounting for around 30 per cent of Gross State Product, around 70 per cent of export income and about 20 per cent of direct and indirect employment. Western Australia is among the world's major producers of iron ore, gold, alumina and mineral sands, which, together with petroleum, provide 80 per cent of the total value of resources production in the State.

There are more than 270 mine sites and petroleum fields in Western Australia which each year contribute more than \$25 billion to the its economy, with around \$1 billion (or 10 per cent of annual State Government expenditure) being royalties paid to the State. These royalties - together with payroll and other taxes paid in relation to mining and petroleum activities - are vitally important in funding State Government services such as health, education and policing. Much of the State's infrastructure, particularly in regional areas has been developed as a result of the State's resources industry.

The minerals and petroleum sectors directly employ approximately 40,000 people. Indirect employment created by these sectors is estimated at around 141,000. The vast majority of this employment is in regional Western Australia and studies estimate that growth in the minerals sector accounts for one in every two jobs created in the State. Around a fifth of all jobs in the State are directly or indirectly provided by the sectors.

Modern technology and the adoption of these new Government strategies will enable exploration to be undertaken without significant environmental impact, allowing the State to reap the benefits of our resource assets while protecting and enhancing our conservation reserves.

Annual value of Western Australia's production of the major minerals and petroleum (2000/2001)

Alumina \$3.6 billion

Iron Ore \$4.9 billion

Gold \$3 2 billion

Nickel \$2.2 billion

Petroleum products \$10.6 billion



5 year old mine site rehabilitation at the Boddington Bauxite Mining Site.

Photo: P. Inherton

NEW GOVERNMENT POLICY COMMITMENTS IN RELATION TO THE TERRESTRIAL CONSERVATION RESERVE SYSTEM

The State Government is committed to ensuring Western Australia's natural advantages - its enormous biodiversity and range of landforms - are conserved for present and future generations. However, we also need to recognise the contribution the resource sector makes towards achieving conservation objectives.

As part of our commitments, the Government has ended logging in 100 per cent of Western Australia's old-growth forests and is creating conservation reserves over the 346,000 hectares of remaining old-growth forests.

The Government's environment and nature conservation strategy also includes:

- Creating 30 new national parks, including the 12 new national parks promised under the Regional Forest Agreement (RFA) and two new conservation parks in the south-west forests.
 This will involve around 200,000 hectares of new reserves.
- Reinstating the 17 proposed reserves (54,000 hectares) revoked by the previous Government during the RFA process, where these do not conflict with State Agreement Acts.
- Creating a 335,000 hectare Walpole Wilderness Area comprising four new national parks, three existing national parks and several thousand hectares of neighbouring forest in Wattle, Mattaband and Burnside blocks.
- Completing the program of comprehensive bioregional surveys designed to establish and inventory of the State's terrestrial and aquatic biodiversity and to identify areas of significance for nature conservation. A bioregional survey of the Pilbara will commence in 2002.
- Incorporating a comprehensive, adequate and representative reserve system across all the State's bioregions.
- Managing Crown lands outside conservation reserves using agreed sustainability principles.

The meaning of a comprehensive, adequate and representative reserve system

Conservation reserve systems are assessed in terms of meeting the attributes of comprehensiveness, adequacy and representativeness. These terms are defined in the Australian and New Zealand Environment and Conservation Council (ANZECC) 1999 Guidelines for Establishing the National Reserve System as:

- Comprehensiveness inclusion of the full range of ecosystems recognised at an appropriate scale within and across each bioregion;
- Adequacy the maintenance of the ecological viability and integrity of populations, species and communities; and
- Representativeness the principle that those areas that are selected for inclusion in reserves
 reasonably reflect the biotic diversity of the ecosystems from which they derive.

The terms comprehensive, adequate and representative together capture the desired concept of the ideal conservation reserve system.

The Government recognises that mineral and petroleum tenements exist or are pending over many areas of the conservation reserve network, as well as areas identified as potential additions to this network. These tenements will continue to be assessed in line with the need to protect the conservation values of these areas. The following section outlines the processes being implemented to achieve a balance between conservation and environmentally acceptable exploration and production activities.

OVERVIEW OF POLICY PRINCIPLES

The State Government is committed to truly sustainable development and the wise use of our mineral, oil and gas resources. A key component of this commitment is to value, protect, and build on, the conservation reserve system as a cornerstone of the Government's strategies to conserve the State's biodiversity. The policy principles behind this 'Protecting our Parks' statement include:

- The need to protect and extend the existing conservation reserve system to ensure it is comprehensive, adequate and representative; and,
- The need for the State to encourage and provide for the ongoing exploration and use of its strategic mineral and petroleum resources in a way that is environmentally sustainable, while also providing key conservation, social and economic benefits for the State over the long term:

Implementation of these policy principles involves:

- The adoption of new criteria of Net Benefit to Conservation and Maintenance of
 Conservation Values as essential targets to be met when considering access to terrestrial
 conservation reserve lands for mineral and petroleum resources of high value or key strategic
 value to the State economy. These new criteria incorporate requirements for management cost
 recovery, rehabilitation and redress for conservation impacts from any petroleum or mining
 industry access to conservation reserves.
- The Mining Act will be unchanged, but there will be heightened restrictions on mining and exploration access to national parks and class A nature reserves, achieved through the Minister for the Environment's existing powers of approval and concurrence. Access may be granted for high value or strategic resources where the proponent demonstrates a Net Benefit to Conservation, through conservation land expansion or other means. Requirements for proponents to also meet costs of monitoring and administration of access, as well as rehabilitation and to redress impacts on conservation values will be strengthened.
- The Petroleum Act will be changed to give the Minister for the Environment and Heritage concurrence powers for exploration and production in similar terms to the Mining Act, for national parks and class A nature reserves. Access will involve similar requirements for net benefit to conservation, rehabilitation, redress for impacts on conservation values and other conservation management costs.
- There will be a general presumption against exploration, mining and petroleum production
 access to other classes of nature reserves and to conservation parks. Access will be considered
 where the proponent can demonstrate Maintenance of Conservation Values, or no net loss of
 conservation values at the regional level, in their proposal.



Two Peoples Bay Nature Reserve Photo: courtesy (WATC)