

NSW Legislative Council Hansard

MINING AMENDMENT (CYANIDE LEACHING) BILL

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Bill introduced, read a first time and ordered to be printed.

Second Reading

Ms LEE RHIANNON [2.58 p.m.]: I move:

That this bill be now read a second time.

The Mining Amendment (Cyanide Leaching) Bill 2004, if passed, would prohibit the recovery of gold, silver and other metals by cyanide leaching of the ore. The bill would not apply to an existing authority or mineral claim in respect of which all processing by cyanide leaching had commenced before 1 July 2004. Cyanide is a lethal substance that is used to extract gold and other minerals from ore in mining. One teaspoon of a 2 per cent cyanide solution will kill an adult human. Cyanide in much lower levels is toxic to birds, animals and aquatic creatures. With the Cowal gold project near West Wyalong in western New South Wales now entering its construction phase, an estimated 6,000 tonnes of cyanide will be transported each year from Queensland to the mine site if it begins in early 2005.

The mine is located at the edge of Lake Cowal, the State's largest inland lake 35 kilometres north-east of West Wyalong. The transport of cyanide in New South Wales is an extremely serious matter because, according to the New South Wales Roads and Traffic Authority, on average one of ten trucks has an accident every year. For at least eight years 25 tonnes of cyanide will be trucked to the site most days of the week. So we have a 10 per cent probability of a cyanide-laden truck being involved in an accident on its way to Lake Cowal, and that is unacceptable. I emphasise that these are Roads and Traffic Authority figures; they are not our figures. It is an unacceptable risk to the many communities and water catchment areas through which the trucks will travel.

The frequency of cyanide leaks and spills and the damage wrought by accidents involving trucks transporting cyanide has been previously underreported both in Australia and overseas. Since the year 2000 improved reporting has seen dozens of incidents involving cyanide leaks and spills reported worldwide. These accidents underline why we need to ban cyanide leaching in mining, and they go to the heart of why we have introduced this bill as a matter of urgency today. Some of the more widely reported incidents have involved Australian companies operating in countries with weaker environmental standards. I think we would all remember the tragedy in January 2000 when Eurogold was involved in a cyanide spill in Romania that killed thousands of tonnes of fish in the Tisza and Danube rivers.

The Hon. Melinda Pavey: That is a Communist regime.

Ms LEE RHIANNON: Many other spills have occurred in the United States of America, which has environmental regulations similar to those of Australia. Despite these regulations, major cyanide spills have occurred in the goldmining states of Colorado, Idaho, California, Nevada, Montana and South Dakota. I was looking forward to hearing some interjections from those opposite about what a good capitalist country the United States is, but unfortunately there were none. In Montana between 1982 and 1998 there were 62 spills or leaks of cyanide that resulted in wildlife deaths and severe contamination of streams and ground water. In 1992 the United States Environmental Protection Agency inspected a mine in Colorado where the owners had gone bankrupt and found six leak sites that were releasing 3,000 gallons of potentially toxic fluids per minute. The cyanide, heavy metals and acid drainage from this mine killed all aquatic life within 17 miles in the nearby Alamosa River. That is the experience in the United States. We often hear the Premier talk about his love of American history. It is a pity he does not take note of that country's recent history so that we can learn some hard lessons from the experiences of the American people.

Closer to home, in Australia in January and February 2001 contaminated waste water from a storm pond at the Timbarra goldmine near Tenterfield overflowed numerous times into the surrounding forest and streams. These spills occurred despite repeated claims by the New South Wales Government that the mine was a world-class operation. These incidents occurred because the storm pond's capacity was not large enough due to the mining company's miscalculation of rainfall events. If that mine had ever gone into full operation it could have been a disaster for north-western and north-eastern New South Wales, particularly the Clarence River and the many communities and industries it supports. More recently, in February 2002 there was an accident in the Northern Territory involving the spillage of 4,000 litres of liquid cyanide, which killed more than 500 birds, a dingo and some kangaroos. It is surely time that we learnt from these accidents.

Aside from spills, monitoring cyanide levels is a consistent problem, whether overseas or in Australia. Serious cyanide accidents in Australia have been caused by the failure of monitoring mechanisms to detect increased cyanide levels—for example, the 1995 accident at the Northparkes copper and goldmine when thousands of birds were killed in a contaminated tailings pond. The problems that have already occurred in Australia could also easily occur at the Cowal gold project. When discussing this project Government members often claim that the Greens want to deny jobs to the

people of western New South Wales. That is certainly not true: the Greens back completely the creation of meaningful, real, productive and long-term jobs in rural New South Wales. However, this project sells local communities short. They will bear the risks and if accidents occur even more local jobs will vanish.

Premier Carr has been misleading the people of the Central West by claiming that the proposed goldmine at Lake Cowal will create jobs in the region. The Premier claims that the Lake Cowal mine will create 200 permanent jobs and 350 construction jobs in the region. But the fact is that most of those jobs will not go to the people of the central west but will be filled by outsiders, who will leave the area when the mine winds up in 10 or 13 years. Section 4.8 of the project's environmental impact statement refers to this matter and states:

Although contractors would be encouraged to preferentially hire local labour, it is likely that the majority of the staffing requirements would be for specialist labour sourced from outside the region.

During the construction phase, the EIS predicts that little more than half the jobs will go to locals. During the operations phase, 40% of the jobs would be taken by current Barrick employees or skilled workers from outside the region.

So the Premier's promise goes up in a puff of smoke—so much for the locals!

The Hon. Duncan Gay: So the jobs aren't really there?

Ms LEE RHIANNON: I acknowledge that interjection. No, the jobs are really important. That is why I have raised this issue and introduced this bill. We need real jobs and Government and Opposition members are not acknowledging the huge risks involved.

The Hon. Duncan Gay: These aren't real jobs?

The DEPUTY-PRESIDENT (The Hon. Amanda Fazio): Order! The Deputy Leader of the Opposition will cease interjecting.

Ms LEE RHIANNON: The communities will bear a huge risk. The Deputy Leader of the Opposition is well aware that if accidents occur local productivity will decline and jobs will vanish. By approving the Barrick goldmine the Government is not offering long-term sustainable employment for the unemployed of West Wyalong and the central west. Local communities will bear the full brunt of any environmental disaster without enjoying the benefits of local jobs. The locals will bear all the risks. Any accidents will jeopardise the long-term productivity of the area and a few jobs gained by locals is not worth the risk to local communities. We need jobs that do not carry that risk. This project could create long-term jobs only for those who are called in to clean up the pollution and remedy the ecological degradation when Barrick leaves town in 2015.

The tailings ponds and cyanide leaching processing units planned for the Cowal gold project will be located in a highly sensitive and biodiverse environment. Lake Cowal is the State's largest natural inland lake and is part of the Wilbertray-Cowal wetlands within a large floodplain, the Jemalong Plain. As floodwaters recede, Lake Cowal drains back into the Lachlan River, which then flows into the Murray River. Lake Cowal is included in the Australian Register of the National Estate and its Directory of Important Wetlands. The National Trust of Australia (NSW) has listed Lake Cowal as a "landscape conservation area" and the Australian Heritage Commission has suggested that the New South Wales Government consider the Lake Cowal region for listing under the Ramsar Convention as a wetland of international importance.

A spill from the tailings ponds or an accident at the cyanide leaching units would contaminate ground water, Lake Cowal and the surrounding precious wetlands—one of the few remaining as 89 per cent of Australia's wetlands have already been lost to environmental destruction. According to the Cooke report, an independent study commissioned by the Western Australian Government, goldmine extraction at Kalgoorlie's cyanide leach goldmines—which are 50 per cent owned by Barrick Gold, which also owns the Cowal gold project—has led to ground water contamination, with elevated cyanide levels. There is absolutely no indication that the cyanide leaching facility at Lake Cowal will pose any lesser risk. The Cowal tailings ponds are not designed according to Australia's best practice guidelines. Under the guidelines large tailings ponds should be avoided as they attract a large number of birds and "make ... tailings difficult to manage." Small operational ponds are recommended, where water can be shifted more easily from one pond to the other during an emergency detoxification situation.

Despite these guidelines, the Cowal gold project has planned huge ponds, the surface areas of which measure 1.3 kilometres by 1.3 kilometres. These huge ponds will be extremely difficult to monitor and the Government should have rejected them. They are a disaster waiting to happen. These huge ponds also pose a high risk to the many migratory and breeding birds that live in the region. Research into the safety of cyanide levels for birdlife does not consider ducks and other water and migratory birds that might sit in the ponds for up to 12 hours each day. Behaviour patterns of wildlife species at Lake Cowal have not been evaluated properly with regard to the impact of cyanide levels in the ponds. The Government has failed to investigate adequately the impact that this mine will have on the inhabitants of the wetlands. That is disgraceful, Premier Carr.

New South Wales should follow the examples of other countries that have banned cyanide leach mining. Governments around the world recognise that cyanide leaching is an extremely hazardous process, and it is about time that the New South Wales Government caught up. This bill's call to ban cyanide leaching is not radical: many countries are following this path. In 1997 the Turkish Council of State decided not to allow gold production through cyanide leaching on the basis of article 56 of the Turkish Constitution, which guarantees the right of people to live in a healthy environment.

In the United States of America, the State of Montana has banned cyanide leach technology in gold and silver mining. Other mining States of Colorado and Wisconsin are working to follow suit. Other countries that have passed a decree to prohibit cyanide leach mining include Germany, the Czech Republic, Costa Rica, Argentina, Greece and Ecuador. Cyanide leach goldmining exposes rivers and precious wetlands like Lake Cowal to an unacceptable risk of contamination. The monitoring of cyanide contamination has a failed track record. The transportation of cyanide poses a high risk to the communities that the cyanide-laden trucks drive through during the life of the mine.

If this bill is passed it will give the public confidence in the State's regulation of the mining industry. I believe that this bill is in line with community expectations. It will allow the community to feel confident that their right to live in a clean, safe environment takes precedence over the rights of mining companies to use dangerous mining methods to extract gold. Unfortunately, the Government in this State is willing to look after the bottom line for Barrack Gold before it looks after the needs of public safety, the wellbeing of local communities and the environment. I commend the Greens bill to the House.

Debate adjourned on motion by Ms Sylvia Hale.

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