



18 May 2015

Committee Secretary
House of Representatives Standing Committee on the Environment
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Sir/Madam

RE: House of Representatives Standing Committee on the Environment

With regard to the inquiry into and report on the administration and transparency of the Register of Environmental Organisations (the Register) and its effectiveness in supporting communities to take practical action to improve the environment, please accept this letter as Queensland Trust for Natures submission to the inquiry.

The Queensland Trust for Nature (QTFN) is a not-for-profit organisation established to protect Queensland's natural environment by acquiring, and increasing the value of, private land under conservation.

QTFN operates a revolving fund that is used to buy, covenant and re-sell land with high conservation values. The Trust also develops partnerships with other organisations to identify, acquire, manage and protect land.

QTFN targets properties in rural and urban fringe areas, with a high priority on linking wildlife corridors, revegetating endangered and vulnerable ecosystems and increasing buffers to National Parks.

Since its establishment in 2004, QTFN has acquired 17 Queensland properties - more than 104,000 hectares - and sold 11 to protect more than 101,500 hectares of important biodiversity.

QTFN's revolving fund model, unique in Queensland, provides a long-term, reusable source of funding to help protect Queensland's biodiversity – delivering a return on capital of up to 370% on a single acquisition.

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The revolving fund acquires land of environmental significance, negotiates a conservation agreement over the majority of the land, resells the land on the public market and then reinvests the proceeds in further strategic purchases. The new land owners provide ongoing management and stewardship of the properties.

The QTFN revolving fund can deliver positive conservation outcomes at a fraction of the cost of a comparable National Park acquisition.

Since 2004, the 102,000 hectares preserved through the revolving fund has been achieved at a cost of \$2.08 per hectare. This compares favourably to single acquisitions for National Parks in Queensland that exceed \$28 per hectare.

The objects of the Trust include the provision of education and the undertaking of research about the natural environment in Queensland.

As part of this brief, QTFN looks for opportunities to provide positive educational experiences and scientific research on its properties.

A signature project, Avoid Island - which is part of the Great Barrier Reef Marine Park, about 100km south of Mackay - was acquired by QTFN in 2006 to preserve nesting beaches for the vulnerable flatback turtle. The island's eastern facing beaches provide nesting habitat for 25% - 30% of the female flatback turtles on the east coast of Australia.

With ongoing coastal development between Mackay and Gladstone, the importance of these beaches grows each year. QTFN sponsors annual turtle surveys to provide ongoing management and assessment data and the Trust intends to maintain a protected, safe and clean environment to enable the flatback turtles to lay their eggs for generations.

QTFN plans to establish a permanent research station on the island to facilitate much needed research into Australia's only endemic turtle species.

A conservation agreement is traditionally negotiated between QTFN and the Department of Environment and Heritage Protection, representing the State, which specifies the conservation outcomes required on a nature refuge. For the new land owner, grazing and ecotourism are permitted on a nature refuge provided conservation values are protected.

QTFN's inclusion on the Register of Environmental Organisations is a significant accreditation and is regarded as an asset, as are the other federal concessions held by the Trust for Income Tax, GST and FBT. QTFN would regard a regression in concessions held as a key risk to being able to deliver positive environmental outcomes in Australia.

With regard to the specific terms of reference, QTFN submits:

1. *The definition of 'environmental organisation' under the Income Tax Assessment Act 1997, including under Subdivision 30-E;*

Sections 30-265 and 30-270 of the Income Tax Assessment Act 1997 are specific in their definition of an organisation that can be included on the register of environmental organisations. QTFN would encourage the retention of the current definitions, in particular section 30-265 (1) as detailed below.

30-265 Its principal purpose must be protecting the environment

- (1) Its principal purpose must be:
 - (a) the protection and enhancement of the natural environment or of a significant aspect of the natural environment; or
 - (b) the provision of information or education, or the carrying on of research, about the natural environment or a significant aspect of the natural environment.

Even though an entity may fail to meet the above criteria, it can still obtain a charity status from the Australian Taxation Office and complete environmental work on the ground or in thought leadership without being included on the Register for Environmental Organisations.

2. *The requirements to be met by an organisation to be listed on the Register and maintain its listing;*

Outcome based environmental organisations are essential for the future protection of the Australian environment. Government cannot achieve this outcome on its own and it will only be met by including and embracing the non government sector. The broader communities support of environmental organisations requires a vetting mechanism to ensure purpose and governance standards are met and adhered too. This will provide the public with confidence that their investment in the organisation will be appropriately utilised.

The ability for organisations to be listed on the Register for Environmental Organisations needs to be achievable to encourage participation and innovation. If the establishment and accreditation procedure become onerous, there is a risk that on the ground activities and outcomes will be forfeited and the environment will bear the loss.

Current annual reporting requirements require that organisations detail their on the ground activities and what benefits their organisation has provided to the environment. This return is sufficient for an organisation to maintain its registration. It may be considered prudent that these returns be subject to more scrutiny to ensure an organisations purposes are being met.

3. *Activities undertaken by organisations currently listed on the Register and the extent to which these activities involve on-ground environmental works;*

As detailed above, QTFN undertakes a range of on the ground activities with the central goal being to protect and enhance our natural environment. To date, QTFN has protected over 102,000 hectares of Australia's unique biodiversity by securing Nature Refuge covenants on these properties.

QTFN has observed that the majority of organisations involved in the environmental movement are passionate about the protection of the environment for current and future generations. And like in other fields of research and science, there is robust debate on how specific outcomes can be delivered with practical interventions. There is no single 'silver bullet' that is capable of securing the protection of Australia biodiversity into the future. But the work required to achieve this will be met through practical projects delivered after scientific and ideological debate has been conducted about the methods and manner of works needed to implement protection.

Ultimately there is no one solution and no single model that will yield the necessary environmental protection into the future. We must rely on all areas working collaboratively to a greater outcome. On the ground activities can only be effected after the science has been conducted and the implementation methodology has been reviewed for effectiveness and efficiency.

4. *Reporting requirements for organisations to disclose donations and activities funded by donations;*

The annual return for the Register for Environmental Organisations already requires that these details be disclosed and reported. QTFN believes disclosure and the integrity of the application of the donated funds as a high priority within any governance framework. QTFN are wary of the potential impact on its cost base for increased record keeping and reporting requirements. We wish to see the burden of bureaucracy reduced so that we can maintain our presence in the field doing on the ground work, not in the office complying with increased bureaucracy.

5. *The administration of the Register and potential efficiency improvements;*

QTFN regards the Department of Environment as the appropriate agency to administer the Register. It is then the Departments responsibility to ensure that the maintenance of the register is adequately resourced and audited for compliance.

6. Compliance arrangements and the measures available to the Department of the Environment and the Australian Taxation Office to investigate breaches of the Act and Ministerial Guidelines by listed organisations; and

QTFN are unable to provide any advice on this point.

7. Relevant governance arrangements in international jurisdictions, and exploring methods to adopt best practice in Australia.

QTFN are unable to provide any advice on this point.

QTFN agrees with the opening statement in the Guidelines for joining the register:

The objective of the register is to assist environmental organisations to obtain financial support from the community for use in the conservation and protection of the natural environment, by providing a tax incentive mechanism for the community to donate to those organisations.

This has enabled environmental organisations to raise substantial funds from the public to:

- Acquire at risk ecosystems and retain these properties as secured reserves for future generations. Ongoing stewardship costs are met through donations from the public.
- Conduct research and education activities into environmental matters such as habitat connectivity.
- Revegetation of critical habitat for endangered and threatened species.

The Register of Environmental Organisations and the associated tax incentives that can be offered to donors is the foundation on which the non government environmental sector operates. It is this sector that will assist Government in achieving our combined environmental goals such as Aichi Target 11 which the government cannot achieve on its own. Support of the not for profit environmental sector should be regarded as a policy of all parties within Government.

Yours sincerely

Ben O'Hara