



Hon Jeff Seeney MP

Deputy Premier

Minister for State Development, Infrastructure and Planning

Our ref: MBN13/402

17 APR 2013

Ms Sophie Dunstone  
Committee Secretary  
Senate Standing Committee on  
Environment and Communications  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600



Dear Ms Dunstone

Thank you for your letter of 27 March 2013 to the Premier of Queensland, inviting the Queensland Government to make a submission to the Inquiry into the Environment Protection and Biodiversity Amendment (Great Barrier Reef) Bill 2013 (the Bill).

The Queensland Government strongly opposes the Bill. The attached submission outlines in detail the Queensland Government's concerns with the Bill.

The proposed amendments fail to recognise the robustness and reliability of the State's current environmental assessment, planning and development assessment systems, existing intergovernmental agreements, the strategic planning and port planning carried out by the Queensland Government, and the environmental studies that have been carried out by project proponents to identify and mitigate impacts. The wide implications of the Bill will result in a significant negative impact on Australia's and Queensland's sovereign risk profile globally and with our main trading partners and investors in Asia.

It is the Queensland Government's position that amending the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) in this way is unnecessary and will not lead to better outcomes. This action simply adds to the regulatory burden faced by proponents of projects in or adjacent to the Great Barrier Reef World Heritage Area (GBRWhA).

If enacted, the amendments will add increased complexity, uncertainty, time delays and costs to undertaking development in Queensland are in stark contrast to the State Government's efforts to improve the efficiency and effectiveness of the environmental impact assessment, planning and development assessment systems including reducing red-tape and streamlining processes to drive economic growth critical to both Queensland's and Australia's future.

Level 12 Executive Building  
100 George St Brisbane  
PO Box 15009 City East  
Queensland 4002 Australia  
**Telephone +61 7 3224 4600**  
**Facsimile +61 7 3210 2185**  
**Email [deputypremier@ministerial.qld.gov.au](mailto:deputypremier@ministerial.qld.gov.au)**

The Queensland Government is committed to ensuring the Great Barrier Reef continues to be one of the best managed coral reef ecosystems in the world as demonstrated by the ongoing program to improve catchment runoff from agriculture, the development of the Great Barrier Reef Ports Strategy and Queensland Government participation in the Reef Water Quality Protection Plan.

Yours sincerely

**JEFF SEENEY **  
**DEPUTY PREMIER**  
**Minister for State Development, Infrastructure and Planning**

Enc (1)

# **Queensland Government Submission**

Senate Standing Committee on  
Environment and Communication –  
Inquiry into the *Environment Protection  
and Biodiversity Conservation  
Amendment (Great Barrier Reef) Bill  
2013*

The Department of State Development, Infrastructure and Planning leads a coordinated Queensland Government approach to planning, infrastructure and development across the state.

© State of Queensland. Published by the Department of State Development, Infrastructure and Planning, April 2013, 100 George Street, Brisbane Qld 4000.

The Queensland Government supports and encourages the dissemination and exchange of information. However, copyright protects this publication. The State of Queensland has no objection to this material being reproduced, made available online or electronically but only if it is recognised as the owner of the copyright and this material remains unaltered. Copyright enquiries about this publication should be directed to the department's Legal Services division via email [copyright@dsdip.qld.gov.au](mailto:copyright@dsdip.qld.gov.au) or in writing to PO Box 15009, City East, Queensland 4002.

The Queensland Government is committed to providing accessible services to Queenslanders of all cultural and linguistic backgrounds. If you have difficulty understanding this publication and need a translator, please call the Translating and Interpreting Service (TIS National) on 131 450 and ask them to telephone the Queensland Department of State Development, Infrastructure and Planning on 07 3227 8548.

**Disclaimer:** While every care has been taken in preparing this publication, the State of Queensland accepts no responsibility for decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge, the content was correct at the time of publishing.

Any references to legislation are not an interpretation of the law. They are to be used as a guide only. The information in this publication is general and does not take into account individual circumstances or situations. Where appropriate, independent legal advice should be sought.

# Contents

Summary of Queensland's Position .....	1
Recommendations .....	3
Clause 24D No port development in designated areas .....	4
Clause 24E Development of existing port .....	6
Clause 24F Moratorium on all developments impacting the Reef until strategic assessment completed .....	8
Clause 24G Minister cannot approve any developments which do not deliver a net benefit for the Great Barrier Reef world heritage area .....	9
Other matters relevant to the Bill.....	10



# Summary of Queensland's Position

The description of the Bill provided in the explanatory memorandum circulated by the authority of Senator Waters states that '*The Environment Protection and Biodiversity Conservation Amendment (Great Barrier Reef) Bill 2013 implements in our national environment laws key recommendations that the World Heritage Committee has made to ensure the Great Barrier Reef does not get added to the "world heritage in danger list"*'.

The Queensland Government welcomes the opportunity to make a submission to the Senate Standing Committee on Environment and Communication (the Committee) inquiry into the *Environment Protection and Biodiversity Conservation Amendment (Great Barrier Reef) Bill 2013* (the Bill). This submission is intended to inform the Committee's inquiry into the Bill.

The Queensland Government strongly opposes the Bill because:

- it is not required as
  - the State has demonstrated over a long period its strong commitment to effective management and protection of the Reef and has existing robust and reliable environmental assessment, planning and development assessment systems (including the recently released Great Barrier Reef Ports Strategy)
  - sufficient Commonwealth powers and arrangements are already in place (i.e. Ministerial powers under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and existing bilateral assessment agreement)
  - current reforms underway will ensure appropriate development occurs within the Great Barrier Reef and environmental impacts are identified and mitigated (including the strategic assessment of the Great Barrier Reef Coastal Zone (GBRCZ), current development of a Queensland Ports Strategy, development of a future bilateral approvals agreement)
- of the likelihood of significant social and economic impacts that would result, should it be enacted
- it is poorly drafted and will add to the complexity, uncertainty and cost of doing business in Queensland and Australia.

The following submission outlines the critical flaws in the four key elements of the proposed Bill and the expected negative impacts of the Bill.

The Bill effectively imposes a blanket prohibition on development over 2300 kilometres of the Queensland coastline and hinterland and is likely to cause significant negative economic and social impacts on individuals, communities, businesses and government through contributing to the Queensland unemployment rate by restricting resource and

other development potential and the economic, social and environmental benefits development brings to local communities, the State and the nation.

The wide implications of the Bill's prohibitions will result in a significant negative impact on Australia's and Queensland's sovereign risk profile globally and particularly with our main trading partners and investors in Asia.

The prohibitions on new ports and constraints on expansions will impact significantly on State Government initiatives, such as the current tender process for two new terminals at Abbot Point (T4 and T5). The adverse impacts the Bill will have on Queensland projects will flow through to regional communities, and to industry players from multinational companies through to small service providers.

Additionally, this Bill will severely limit the upgrading of existing ports potentially leading to the abandonment of the use of best practice technology to improve productivity and better environmental outcomes in the future. Ancillary developments that may have been developed on existing port lands would now be prohibited under the Bill.

It is the Queensland Government's position that amending the EPBC Act in this way is unnecessary and will not lead to better outcomes. This action simply adds to the regulatory burden faced by proponents of projects in or adjacent to the GBRWHA. Queensland's economy will be slowed by the impact of this Bill in capping resource and other development, the sustainability of which relies on efficient port facilities for export.

The Bill has been drafted without recognition of the robustness and reliability of the State's current environmental assessment, planning and development assessment systems, existing intergovernmental agreements and initiatives that have been established to ensure the future protection of the Great Barrier Reef and address the World Heritage Committee's recommendations.

The Bill is poorly drafted with respect to the terminology used and the proposed location of the amendment within the EPBC Act. The provisions are vague and it is difficult to understand how they are intended to operate individually and together. There is also a lack of definitions proposed for the new terminology (e.g. 'port area' or 'cumulatively').

It is concerning that such significant amendments to the EPBC Act have been proposed in the absence of any regulatory impact or cost benefit analysis of proposed changes.

The amendments also fail to recognise the World Heritage Committee's responsibilities under the World Heritage Convention, and that it has no jurisdiction in relation to planning and development frameworks in Australia.

# Recommendations

The Queensland Government recommends that:

1. The Bill not be passed.
2. The Committee note:
  - the legislation is not required – existing and proposed environmental assessment, planning and development assessment systems are capable of ensuring only appropriate development is approved in the Great Barrier Reef and that environmental impacts are mitigated
  - likely significant economic, social and employment impacts for Queensland and Australia if the Bill is enacted
  - the absence of rigorous economic evaluation of the ramifications of the proposed amendments
  - implications the Bill is likely to have on Australia's sovereign risk profile
  - the lack of definition for key terms used in the Bill such as overall net benefit and significant cumulative impacts will make implementing and evaluating proposed amendments problematic
  - the significant constraints the amendments will have on future development which is critical to Queensland's and Australia's future growth
  - the significant ongoing work currently being undertaken by the Australian and Queensland Governments to address issues which may have a negative impact in the GBRWHA which will ensure a balanced approach to development within the Great Barrier Reef.



## Clause 24D No port development in designated areas

Impact of this clause:

- no new port development outside existing port areas
- no expansion of a port area anywhere which may have a significant impact on the Fitzroy Delta, Balaclava Island, Port Alma, Northern Curtis Island; and the north section of the reef as defined by Great Barrier Reef Marine Park Authority (GBRMPA) maps prepared on 20 March 2013.

The area to which the clause is to apply is unclear:

- Mapping referred to in sub-section 24D(b)(v) does not appear to be publically available and the reference to 'north section' of the Great Barrier Reef as defined by GBRMPA is unclear. Internet searches based on key terms of sub-section 24D(b)(v) failed to identify the referenced maps.
- The terminology of sub-section 24D(b)(vi) and the absence of clear geographic definition (i.e. map) of the impact area for the application of the subsection makes it difficult to interpret where it will apply.

The clause seeks to prohibit actions simply because they 'relate to' a port. There is no regard for whether or not the action has an actual impact on the GBRWHA or any impact that could be mitigated by conditions or through other means.

Clause 24D of the Bill proposes prohibiting port development in specified areas, also therefore prohibiting the opportunity for economic, social and environmental benefits that may be achieved through sensitive port development in the designated regions and without regard to the actual likelihood of negative impacts from such development.

This prohibition is based on the argument that the concentration of current and new activities within existing ports presents a lower risk of impacting on the GBRWHA than the establishment of new ports in the specified areas (between Gladstone and Rockhampton). This prohibition is not based on any assessment of the relative merit of alternative sites for port development from the point of view of economic, social or environmental objectives.

Prohibiting further development at Fitzroy Delta, Balaclava Island, Port Alma and Northern Curtis Island will inhibit the future proposed long term strategic development of Port Alma, significantly restricting its economic potential. One benefit of potential future port development at Port Alma is that development in this location is likely to have a much lower impact on the marine environment, due to the reduced dredging requirements here compared to alternative locations. Projects in these areas for which environmental impact statements are being prepared include Mitchell Group Fitzroy Terminal project and the Xstrata Balaclava Island Coal Export Terminal proposal.

This clause will be ongoing and will subsequently cease any export potential beyond current capacity without future legislative amendment. This will send a message to industry that the Australian Government will not support any future development opportunities for export industries in Queensland.

This clause (s24D (b) (v)) refers to development within the “north section” of the Great Barrier Reef as mapped by the GBRMPA. It is unclear what area is being identified as neither the GBRMPA maps of management areas or reef zones include a “north section”. Additionally, s24D (b) (vi) is an open ended clause that effectively precludes any new port development over the bulk of Great Barrier Reef Coastal Zone and possibly even impacting on port proposals on the western side of Cape York Peninsula where the proposals involve shipping movements through the Great Barrier Reef.

## Clause 24E Development of existing port

Impact of this clause:

- no port development in or adjoining the GBRWHA if it is likely to have an individual or cumulative impact on world heritage values. The clause is drafted so widely that it prohibits approval when an impact may be positive or negligible.

Key terms that will define what development the clause applies to are not defined.

- The term 'cumulatively impact' is not defined. In the absence of an explanation for cumulative impact, any action could be interpreted as contributing to existing impacts either during construction (short-term) and/or operation (long-term). Such an interpretation would result in no development either upgrading or new in, or adjoining, the GBRWHA.
- The description of world heritage values for the Great Barrier Reef region are very broad<sup>1</sup> and not easily interpreted for decision making purposes.

Clause 24E could be considered to change the scope of the EPBC Act as it introduces the requirement for individual projects in existing port areas to consider cumulative impacts to the GBRWHA and its world heritage values, regardless of the significance, scale or complexity of individual projects. This means that an individual project that would not have been previously considered to have a significant impact, may be considered to have a significant impact when considered alongside all or other activity.

The implications of the term 'cumulatively' will depend on how it is interpreted. An expansive interpretation would potentially result in all future development being prohibited unless it could demonstrate no additional impact at all.

Project level assessments by their nature have some limitations in assessing cumulative impacts. However, there are a range of other planning instruments and management approaches in place to deal with cumulative impacts at a regional and state-wide scale in a way that is not possible at the project level. In this way, the most appropriate instrument can be applied to different aspects of cumulative impacts which may be of interest or concern in relation to a particular species, habitat type, location, development type or non-development related pressure.

This clause would curtail improvements to existing ports or other facilities proposed for construction in existing port areas, including:

- Port of Gladstone developments such as Wiggins Island Coal Export Terminal Stage 2, Tenement to Terminal (3TL), Arrow's LNG loading facilities, as well as any in-loading and out-loading facilities associated with the Gladstone Steel project

---

<sup>1</sup> Statement of Outstanding Universal Value – Great Barrier Reef (Property ID 154), Australian Government

- Port of Hay Point developments such as any expansions at Hay Point, Dalrymple Bay and proposed new facilities at Dudgeon Point
- Port of Abbot Point developments such as Adani's T0, BHP Billiton's T2, GVK Hancock's T3 and the T4-T5 development for which the State recently called Expressions of Interest
- Port of Townsville's current expansion proposal.



## **Clause 24F Moratorium on all developments impacting the Reef until strategic assessment completed**

Impacts of this clause:

- delayed decisions on individual projects until the Strategic Assessment is completed to the satisfaction of the World Heritage Committee (WHC)
- projects for which assessment process has already begun or a project seeking to revoke an approval in order to pursue an amended project which may have better environmental and economic outcomes for the proponent and the state will not be able to proceed
- possible legal implications for the State if a decision is put on hold and the cost of such a delay is borne by the proponent
- potential for significant investment uncertainty until the scheduled meeting of World Heritage Committee in two years time to consider the outcomes of the strategic assessment for possible endorsement.

The amendments fail to recognise the WHC's responsibilities under the World Heritage Convention, and that it has no jurisdiction in relation to planning and development frameworks in Australia which rest with State jurisdictions.

Clause 24F proposes to place decisions on future development in the hands of the WHC that has significant discretion, but unclear governance arrangements or any real recourse for Australian citizens. There is no certainty around the processes or timeframes by which the WHC will consider and decide whether or not the strategic assessment is adequate. Currently the WHC is scheduled to consider the Strategic Assessment outcomes for possible endorsement in 2015.

Currently, the Australian Government Minister for Sustainability, Environment, Water, Population and Communities (the Minister) is required to assess whether a controlled action has, will have or is likely to have a significant impact on the GBRWHA. It appears that the Minister has the ability to implement the intentions of this proposed new section without the need for legislative amendment. The intention behind not allowing the Minister to revoke or amend an approval is unclear and may result in adverse policy outcomes.

Similarly to clause 24E, clause 24F could be considered to change the scope of the EPBC Act as it introduces the requirement for individual projects in existing port areas to consider cumulative impacts to the GBRWHA and its world heritage values, regardless of the significance, scale or complexity of individual projects. This means that an individual project that would not have been previously considered to have a significant impact, may be considered to have a significant impact when considered alongside all or other activity.

## Clause 24G Minister cannot approve any developments which do not deliver a net benefit for the Great Barrier Reef world heritage area

Impact of this clause:

- without a project being able to demonstrate an overall net benefit on the World Heritage values of the GBRWHA, it cannot be approved. The overall net impact cannot be assessed without a set of principles or guidelines
- the absence of Guidelines documenting the methodology to be applied when determining overall net benefit means that it is not possible to determine the likely implications of the proposed amendment.

It is unclear how this section is intended to operate in conjunction with other proposed amendments as it seems to contradict the previous sections.

Given that the GBRWHA and the Great Barrier Reef Marine Park are largely the same, the amendment essentially makes Subdivision FA – Great Barrier Reef Marine Park of the EPBC Act meaningless and there is very limited scope for any actions to be approved by the Australian Government along that part of the Queensland coast.

Examination of the explanatory notes of Section 24G indicates that in referencing recent WHC Recommendations (Decision 36 COM 7B.8, Rec 8) Section 24G misrepresents the WHC recommendation. Recommendation 8 does not include any prohibition on development. Recommendation 8 refers specifically to the efforts of the State Party (Australia) to sustain and increase efforts and resources allocated to conserve the property and develop targets for conservation and improved resilience. This is **not** a mandate for the prohibition of development.

An objective of the EPBC Act is to promote ecologically sustainable development through the conservation and ecologically sustainable use of natural resources.<sup>2</sup> Clause 24G is inconsistent with the principles of ecologically sustainable development, which seeks to balance the effects of development on the economic, natural and social environments. The key tenant of ecologically sustainable development is to ensure that development meets the needs of the community without diminishing the ability of future generations to both enjoy and utilise resources. The objectives of the EPBC Act cannot be achieved through an unbalanced assessment of a single environmental indicator as proposed in Clause 24G of the Bill.

---

<sup>2</sup> Environmental Protection and Biodiversity Conservation Act 1999 (Cwlth) s.3(1)(b)



# Other matters relevant to the Bill

## Decision of the World Heritage Committee (WHC)

The explanatory notes of the Bill indicate that the proponents of the Bill draw heavily on certain aspects of the WHC meeting of June 2012 and its decisions regarding the GBRWHA (WHC 36COM 7B.8). However, the references to these decisions omit or misrepresent key elements of the WHC decisions. In particular, the Bill ignores the request of the WHC that the State Party (Australia) work in **collaboration** with its partners on these matters. This Bill is contrary to aspects of the WHC decision and contrary to the relationship that exists between the Queensland and Australian Governments on the management of the GBRWHA.

The purpose of the existing Queensland and Australian environmental and development assessment and approval processes is to ensure that development delivers a net benefit to the whole community and that conflicts between land uses are identified, managed and minimised through an avoid, mitigate and offset approach. This must be done in a fair, efficient and accountable manner.

Queensland's development assessment processes and decision making systems are robust and reliable. The systems are regulated, transparent and capable of coordination of assessment of complex projects. Mechanisms exist and are used to assess on site and off site impacts of projects, to address cumulative impacts on a regional scale and to set and enforce conditions. Clear avenues of community and stakeholder input and appeal exist in the planning process and during the development assessment process.

The Queensland Government recognises the global environmental significance of the Great Barrier Reef and the Government's role in managing and conserving the values of the Reef. The elements that define this environmental significance draw visitors to the Reef, generating more than \$5 billion a year through tourism. It must also be acknowledged that the adjacent coast is the site of significant agricultural, resource-related and urban development.

The GBRWHA was listed on the basis that it was multiple use and that sustainable development could occur within and adjacent to it. The Queensland Government's view is that appropriate and incremental port development can comfortably coexist with a healthy and vibrant Great Barrier Reef.

## Intergovernmental Agreements

The Queensland Government has sought to work closely with the Australian Government to implement development assessment processes that address matters of national environmental significance in a rational, efficient and transparent manner. The Queensland Government is committed to the existing bilateral assessment agreement, the strategic assessment of the Great Barrier Reef Coastal Zone (GBRCZ) and the development of a bilateral approvals agreement.

### *Intergovernmental Agreement on the Environment*

On 1 May 1992, the Australian Government, Queensland Government and all other state and territory governments signed the Intergovernmental Agreement on the Environment (IGAE). This agreement facilitates, amongst other things, a cooperative national approach to the environment and better environmental protection.

With regard to this strategic assessment, the agreement also:

- embeds the concept of ecologically sustainable development in the Queensland environmental regulation and management framework
- requires the effective integration of economic and environmental considerations in decision-making processes in order to achieve ecologically sustainable development.

The agreement recognises that the Australian Government has responsibility for negotiating and entering into international agreements concerning the environment, such as those for Ramsar-listed wetlands, and works with the states in management of these areas.

### *Great Barrier Reef Intergovernmental Agreement*

Cooperative management of the Great Barrier Reef was first recognised in 1979 through the Emerald Agreement, which has since been replaced by the Great Barrier Reef Intergovernmental Agreement, signed by the Prime Minister of Australia and the Premier of Queensland in June 2009.

The 2009 agreement provides a contemporary framework for cooperation between Australian and Queensland Governments. Queensland is responsible for the management of the Great Barrier Reef Coast Marine Park, covering approximately 63 000 square kilometres, as established under the *Marine Parks Act 2004 (Qld)*. This is contiguous with the Great Barrier Reef Marine Park and covers the area between low and high water marks and many waters within the limits of the State of Queensland, as stated in the Great Barrier Reef Intergovernmental Agreement.

Importantly for the scope of the coastal zone strategic assessment, the agreement also states the intergovernmental commitments to:

- maintain complementarity of relevant Australian and Queensland government management arrangements. In particular, including marine park legislation and associated regulations; zoning plans and plans of management; planning and development arrangements; environmental assessment and permit requirements; management of fishing activities
- continue a joint program of field management, with shared funding on a 50:50 basis, for the Great Barrier Reef Marine Park and Queensland marine and national parks within the GBRWHA



- continue joint action to halt and reverse the decline in quality of water entering the Great Barrier Reef
- address significant threats to the health and biodiversity of the Great Barrier Reef ecosystem, including pollution from the land and sea, the impacts of climate change, ecologically unsustainable fishing activities and other resource extraction activities
- ensure Indigenous traditional cultural practices continue to be recognised in the conservation and management of the Great Barrier Reef.

The agreement also recognises that economic growth and the long-term health of the Great Barrier Reef ecosystem are interconnected, and actions or changes in one can impact on the other and must be taken into account as a guiding principle for implementation of the agreement. In particular the agreement recognises that population growth and economic development increases the demand for resource and recreational use of the Great Barrier Reef, and that land use activities in the catchment, and urban development can have adverse impacts on the quality of water entering the Great Barrier Reef.

#### *Assessment bilateral*

The Commonwealth and Queensland Governments are jointly committed to maintaining high environmental standards and working together to streamline environmental assessments and approvals.

On 14 June 2012 an Agreement between the Commonwealth and the State of Queensland under Section 45 of the EPBC Act Relating to Environmental Assessment came into effect (the assessment bilateral).

The specific objects of the assessment bilateral are to:

- protect the environment, and ensure high environmental standards in accordance with the requirements of the EPBC Act;
- promote the conservation and ecologically sustainable use of natural resources;
- ensure an efficient, timely and effective process for environmental assessment and approval of actions; and
- remove duplication in environmental assessments through accreditation of Queensland processes by the Commonwealth.

#### *Strategic Assessment*

The Queensland Government has also signed an agreement to undertake a strategic assessment of development and environmental values along the Queensland coast. The strategic assessment will ensure that Queensland continues to achieve best practice in managing a balance between growth and environment protection.

In accordance with the EPBC Act, the strategic assessment will address impacts on matters of national environmental significance, including world heritage properties, nationally threatened species and ecological communities. The strategic assessment will, in part, respond to the WHC's decision of July 2012 that the Federal Government undertakes a comprehensive strategic assessment of the GBRWHA. On 30 August 2012, the Minister for Sustainability, Environment, Water, Population and Communities approved the terms of reference for the strategic assessment. The Queensland Government is currently preparing documentation in consultation with the Australian Government to address the terms of reference.

While the strategic assessment is underway normal project-by-project development assessment will continue. Significant development that has flow-on consequences for the Great Barrier Reef must meet strict environmental standards and pass through a stringent Environmental Impact Statement (EIS) process under Queensland and Australian legislation. Final approvals for development projects, which have the potential to impact on the Great Barrier Reef, will not be granted unless the proposals meet these environmental standards.

### **Port development in Queensland**

Port development is essential for the growth of Queensland's economy, so too is the protection and health of our greatest environmental asset, the Great Barrier Reef.

On 1 November 2012, the Queensland Government released its Great Barrier Reef Ports Strategy for public consultation. The Strategy presents the vision and principles guiding the Queensland Government's approach to future port development and planning in the Great Barrier Reef coastal region to 2022.

The Strategy supports incremental growth of ports while restricting significant port development within the Great Barrier Reef coastal zone to within existing port limits for the next 10 years. This is in keeping with UNESCO's recommendation not to approve any development outside major existing ports.

The Strategy reflects the Queensland Government's commitment to finding the right balance between economic development and environmental protection. This includes the Queensland Government's decision to significantly scale back proposed developments at Abbot Point and instead opt for a more measured and incremental approach to port expansion. This has greatly reduced the development and dredging requirements the previous government had proposed. Public consultation on the Strategy occurred in late 2012 and the results are informing the Great Barrier Reef Strategic Assessment and development of a Queensland Ports Strategy, due in 2013.

The Queensland Ports Strategy will support the most efficient and strategic use of ports to grow the four pillar economy, whilst ensuring high standards in environmental management. The strategy will aim to increase productivity through system improvements to the planning, governance, environmental management and supply chain connections of ports.



The strategy will pave the way for improved port development and planning that recognises the strategic differences and varying opportunities of Queensland ports. Future port development provides opportunities to reduce overall shipping distance, improve navigational efficiency, maximise the use of existing infrastructure, reduce freight costs and deliver an overall net benefit for the community and environment. Strategic port development requires complex cost benefit analysis to achieve the optimal location and scale of development.

### **Other matters**

The Queensland Government has also indicated that it will look for more strategic ways to implement environmental offsets, so that funds derived from the Great Barrier Reef region are used to tackle the most significant issues facing the reef and deliver a net benefit overall. The Queensland Government offsets policy is currently being reviewed with a view to achieving this outcome. The review of is also seeking to ensure alignment with the Australian Government's offsets policy.

Among other actions taken over the last 12 months, the Queensland Government has stopped unnecessary development at the Port of Abbot Point and has initiated the Healthy Harbour program to provide independent oversight of water quality issues at Gladstone. The Queensland Government has also reconfirmed its commitment to the Reef Water Quality Protection Plan designed to improve the quality of water flowing to the reef from broad-scale agriculture. Steps are underway to have this plan reviewed and updated by mid-2013, taking into account the best available and most up-to-date science. The new plan is being developed and delivered in close partnership with government, regional natural resource management bodies, agricultural industry groups, conservation organisations and landholders.

It is also important to note that extreme weather events and climate change pose significant challenges for reversing the decline in the reef. Subsequently, the economic benefits derived from the tourism industry will attain limited benefit from this Bill as it singularly addresses the impact of port development which is only one impact on the reef, the extent of which is yet to be quantified. A 'net environmental benefit' is a more appropriate outcome that better accounts for the multiple sources of risk to biodiversity.