# Chapter 6

## Port case studies: Gladstone Harbour and Abbot Point

6.1 This chapter examines evidence received in relation to port developments at Gladstone Harbour and Abbot Point.

## **Gladstone Harbour**

6.2 The Port of Gladstone is approximately 100 years old. It is located within the World Heritage Area boundary, and adjacent to the Marine Park. The port is the largest multi-cargo port in Queensland (in terms of tonnage) and the fourth largest in Australia.<sup>1</sup>

6.3 The submission from the Australian and Queensland Governments specified that the Minister for the Environment, the Hon Greg Hunt MP, approved projects in Gladstone Harbour in December 2013.<sup>2</sup> These were:

- Arrow Liquefied Natural Gas Facility, Curtis Island, Gladstone;<sup>3</sup> and
- Arrow Gas Transmission Pipeline, Gladstone to Curtis Island.<sup>4</sup>

6.4 However, the committee notes that these approvals were only the latest in a series of projects and developments approved in the Gladstone Harbour area. The harbour has been subject to dredging activities since the late 1960s. More extensive projects started around 2011 and included the Gladstone Ports Corporation's Western Basin Dredging and Disposal Project in Gladstone Harbour of 2011 (Gladstone Western Basin project)<sup>5</sup> and the development of three LNG processing facilities on Curtis Island, approved in 2010 and 2011.<sup>6</sup>

<sup>1</sup> Queensland Ports Association, *Submission 13*, p. 6.

<sup>2</sup> Australian and Queensland Government, *Submission 34*, p. 21.

<sup>3</sup> EPBC referral 2009/5007, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referral\_detail&proposal\_id=5007</u> (accessed 27 August 2014).

<sup>4</sup> EPBC referral 2009/5008, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referral\_detail&proposal\_id=5008</u> (accessed 27 August 2014).

<sup>5</sup> EPBC referral 2009/4904, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc ap.pl?name=current referral detail&proposal id=4904</u> (accessed 27 August 2014).

<sup>6</sup> See, for example, EPBC referrals 2008/4401, 2008/4402, 2008/4405 via Department of the Environment, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referrals&limit=999999&text\_search=curtis</u> (accessed 27 August 2014); see also Mr Michael McCabe, Coordinator, Capricorn Conservation Council, *Committee Hansard*, 22 July 2014, p. 31; Capricorn Conservation Council, *Submission 27*, p. 1.

## The Gladstone Western Basin project

6.5 The Gladstone Western Basin project approval allowed for a total maximum of 46 million cubic metres of dredge spoil to be removed and disposed of both offshore and within a constructed reclamation area behind a 'bund wall'.<sup>7</sup> The project commenced in late 2010 and the reclamation area was completed in July 2011. The committee received conflicting evidence about the commencement of dredging in the harbour. According to the Gladstone Ports Corporation, dredging for the project commenced on 20 May 2011.<sup>8</sup> The Bund Wall Review states that dredging and deposition of dredge spoil behind the bund wall commenced in September 2011.<sup>9</sup> Dr Matthew Landos, of the University of Sydney's Faculty of Veterinary Science, submitted that 'the dredging commenced in October 2010, not September 2011'.<sup>10</sup> The first stage of the project has been completed and involved around 25 million cubic metres of dredging over two years.<sup>11</sup>

6.6 The Bund Wall review noted that from September 2011 increased turbidity was reported around Gladstone Harbour.<sup>12</sup> There were also reports of disease in fish and crabs, and the harbour was closed to all fishing in that month.<sup>13</sup> In October 2011, GBRMPA reported a 'significant increase in the number of dugong and turtle deaths in the southern Great Barrier Reef', including in the Gladstone area.<sup>14</sup> Monitoring of

7 Department of the Environment, Independent Review of the Bund Wall at the Port of Gladstone (Bund Wall Review), April 2014, p. vii, http://www.environment.gov.au/system/files/resources/82279d41-cb4d-4bae-bcc4c068577d0d31/files/report-findings.pdf (accessed 26 August 2014); see also Ports Australia, Submission 11, Attachment 1, p. 43; Gladstone Ports Corporation, Western Basin Port Development, http://www.westernbasinportdevelopment.com.au/ (accessed 27 August 2014). Note that, under the EPBC Act, approval was given for two stages of dredging works, with the first stage involving 25 million cubic metres of dredging. For the second stage, approval has been given for 21 million cubic metres of material to be dredged, and is subject to further approval for offshore disposals: see EPBC Approval 2009/4904.

- 9 Bund Wall Review, p. 13.
- 10 Dr Matthew Landos, *Submission 57*, p. 11.
- 11 Bund Wall Review, p. 1; see also Gladstone Ports Corporation, *Western Basin Port Development*, <u>http://www.westernbasinportdevelopment.com.au/</u> (accessed 27 August 2014).
- 12 Bund Wall Review, p. 13.
- 13 Mr Simon Whittingham, *Committee Hansard*, 22 July 2014, p. 46; see also *Independent Review* of the Port of Gladstone, pp 53–55.
- 14 Department of the Environment, *Independent Review of the Port of Gladstone*, July 2013, p. 50, http://www.environment.gov.au/system/files/resources/ae7cbcf9-2963-47d7-9029-<u>3aa1a065db51/files/gladstone-review-initial-report.pdf</u> (accessed 27 August 2014).

<sup>8</sup> Gladstone Ports Corporation, *Western Basin Dredging and Disposal Project Annual Compliance Report*, November 2012, p. 6, <u>http://www.westernbasinportdevelopment.com.au/media/pdf/WBDDP%20Annual%20Complia</u> <u>nce%20Report%20of%20Environment%20Protection%20and%20Biodiversity%20Conservatio</u> <u>n%20Act%20(ammendme.pdf</u> (accessed 27 August 2014).

seagrass from 2009 to 2012 showed 'significant declines in seagrass abundance' at all sites in the Gladstone area.<sup>15</sup>

6.7 As Mr Simon Whittingham of Gladstone Fish Markets told the committee:

Not only was something clearly wrong with the commercial [fish] product being exposed to what was in the water; turtles, dolphins and dugongs were washing up dead. Fish kills were occurring throughout the harbour. Something was terribly wrong...<sup>16</sup>

6.8 The impacts on the fisheries were significant, with Mr Ted Whittingham of Gladstone Fish Markets explaining that his company has lost 90 per cent of its business since 2011 as a result of the outbreak of fish disease and the loss of suppliers.<sup>17</sup> The committee heard that they received no compensation for this loss. The committee notes that the problem appears to be that the conditions relating to compensation under the Queensland approval only required Gladstone Ports Corporation to mitigate financial losses to commercial fishing operators to cover loss of access to fishing areas and marine fish habitat.<sup>18</sup> While Gladstone Ports Corporation submitted that claims for compensation from the seafood industry failed in court 'because of an inability to provide evidence which substantiated their case'.<sup>19</sup> In at least one case, the committee notes that the relevant applicant was considered a recreational fisher, rather than a commercial fishing operator.<sup>20</sup>

6.9 Dr Landos described the scale of the problem affecting Gladstone Harbour:

In Gladstone harbour more than 1,500 hectares of seagrass have been eradicated and have not recovered, large numbers of turtles, dolphins and dugongs have died and a commercial fishery has been virtually eradicated...<sup>21</sup>

6.10 Ms Ginny Gerlach of the Keppel and Fitzroy Delta Alliance gave evidence to the effect that the tourist industry, in particular the charter boat industry, was also

<sup>15</sup> Department of the Environment, *Independent Review of the Port of Gladstone*, July 2013, p. 55.

<sup>16</sup> Mr Simon Whittingham, *Committee Hansard*, 22 July 2014, p. 46.

<sup>17</sup> Mr Ted Whittingham, *Committee Hansard*, 22 July 2014, p. 47; Mr Simon Whittingham, *Committee Hansard*, 22 July 2014, p. 50; see also Mr Terence Must, Owner, Arabon Seafoods, *Committee Hansard*, 22 July 2014, pp 23–24.

<sup>18</sup> Qld Coordinator General, *Western basin dredging and disposal project Coordinator-General's report for an environmental impact statement*, July 2010, Conditions 20 and 21, p. 148; see also Gladstone Ports Corporation, *Submission 63*, p. 2; Mr Simon Whittingham, *Committee Hansard*, 22 July 2014, p. 50.

<sup>19</sup> Gladstone Ports Corporation, *Submission 63*, p. 2.

<sup>20</sup> *Falzon v Gladstone Ports Corporation [2012] QPEC 50*, Planning and Environment Court of Queensland, 30 August 2012, (accessed 29 August 2014).

<sup>21</sup> Dr Matthew Landos, *Committee Hansard*, 22 July 2014, p. 54.

negatively affected by the exclusion zones and shipping traffic that resulted from Gladstone Port developments.<sup>22</sup>

6.11 Many submitters and witnesses argued that these problems with turbidity and disease and death of marine animals and fish were as a result of dredging project.<sup>23</sup> WWF-Australia and the Australian Marine Conservation Society submitted that 'dredging, dumping and bund wall construction in Gladstone Harbour coincided with massive fish kills, sick and dead turtles and dugongs, and the closure of fishing in the Harbour for three weeks'.<sup>24</sup>

6.12 Mr Michael McCabe of the Capricorn Conservation Council described Gladstone Harbour prior to 2011 as 'a big marine area' that was sometimes 'clear' and sometimes 'a bit murky in big tides' and it has since become 'a very messy harbour'. He went on to note that, after dredging had commenced, corals and marine megafauna, including fish in and around the harbour, had shown signs of illness and disease and had started dying off.<sup>25</sup>

6.13 Save the Reef described these impacts as tantamount to 'ecocide' and Ms Suzanne Arnold of Australians for Animals described Gladstone Harbour as 'an environmental disaster'.<sup>26</sup>

6.14 However, the Queensland Ports Association submitted that 'accusations and claims that dredging-related activities were responsible are not supported by available evidence'. They stated that:

As noted in reports published in 2012 following scientific investigations conducted by the Queensland Department of Environment and Heritage Protection, Queensland Department of Agriculture, Fisheries and Forestry, CSIRO, the University of Tasmania and also in the Independent Review of the Port of Gladstone (2013), the fish health issues in Gladstone Harbour during 2011 were the most likely the result of extreme weather events, freshwater influxes and associated overcrowding from fish that moved into the area after overspilling from Awoonga Dam.<sup>27</sup>

6.15 Ports Australia, in its report on dredging and Australian ports, acknowledged that the impacts of the project on water turbidity were significantly greater than initially approved or predicted. Ports Australia noted that:

<sup>22</sup> Ms Ginny Gerlach, Director and Coordinator, Keppel and Fitzroy Delta Alliance, *Committee Hansard*, 22 July 2014, p. 35.

<sup>23</sup> See, for example, Dr Matthew Landos, *Submission 57*; Dr Cary Rogers, *Submission 58*; Australians for Animals, *Submission 52*; Save the Reef, *Submission 50*.

<sup>24</sup> WWF-Australia and Australian Marine Conservation Society, *Submission 23*, p. 6; see also *Independent Review of the Port of Gladstone*, July 2013, pp 47–55.

<sup>25</sup> Mr Michael McCabe, Coordinator, Capricorn Conservation Council, *Committee Hansard*, 22 July 2014, pp 31–32.

<sup>26</sup> Save the Reef, *Submission 50*, p. 2; Ms Suzanne Arnold, Coordinator, Australians for Animals, *Committee Hansard*, 23 July 2014, p. 46.

<sup>27</sup> Queensland Ports Association, *Submission 13*, p. 6.

This apparently was the result of a number of factors including the influence of large spring tides, major flood events, unexpected seepage of fine sediments from a reclamation area until a remedial bund sealing operation was complete, hydrodynamic changes, and a major increase in boating traffic (over 20,000 movements per month) with associated wash effects.<sup>28</sup>

6.16 The report noted that the *Independent Review of the Port of Gladstone* (Independent Review 2013) accepted that dredged sediments were compliant with the requirements of the *National Assessment Guidelines for Dredging 2009* in relation to ocean disposal.<sup>29</sup> The Independent Review 2013 stated that water and sediment quality testing demonstrated that dredged sediments were not contaminated to levels that would lead to toxicological effects.<sup>30</sup>

6.17 Dr Landos rebutted these claims, arguing:

...the project allowed the release of very large volumes of sediment from excavation from the seafloor and it was stirred up by boat activity. A lot of that material contained toxic levels of metals...A lot of the material was also dumped at sea, triggering toxic algal blooms...The combination of events seriously stressed the animals that were exposed to elevated metals. We know they had high metals because we measured turtle blood and it showed very high levels of metals...there is a myriad of data showing that metals were involved; toxic algae were involved; and massive amounts of noise from the increase in boat traffic...<sup>31</sup>

6.18 However, Gladstone Ports Corporation queried much of Dr Landos's evidence. For example, they submitted that they would 'welcome the opportunity to view and review any evidence that supports the claim that algal blooms occurred around the offshore disposal site', as well as the claim that dredged material contained 'metal concentrations at levels likely to cause toxic impacts on the ecosystem'.<sup>32</sup>

#### Investigations and reviews

6.19 As noted in Chapter 2, in response to community concerns, and concerns of the World Heritage Committee, there have been a number of recent investigations and reviews into Gladstone Harbour.<sup>33</sup> These include the Independent Review 2013,

<sup>28</sup> Ports Australia, *Submission 11*, Attachment 1, p. 48.

<sup>29</sup> Independent Review of the Port of Gladstone, July 2013, p. 50; see also Ports Australia, Submission 11, pp 48-49.

<sup>30</sup> *Independent Review of the Port of Gladstone*, July 2013, pp 50, 58; see also Ports Australia, *Submission 11*, pp 48-49.

<sup>31</sup> Dr Matthew Landos, *Committee Hansard*, 22 July 2014, p. 54.

<sup>32</sup> Gladstone Ports Corporation, Submission 63, p. 9.

<sup>33</sup> See World Heritage Committee, 'Recommendation 3', Mission Report of the Reactive Monitoring Mission to Great Barrier Reef 6th to 14th March 2012, June 2012, p. 6, <u>http://whc.unesco.org/document/117104</u> (accessed 26 August 2014); see also Australian and Queensland Governments, Submission 34, p. 24.

commissioned as part of the Australian Government's response to the 2012 decision of the World Heritage Committee.<sup>34</sup> After that review reported on its findings, information came to light that the reclamation bund wall at the Port of Gladstone was leaking. This sparked another separate review: the *Independent Review of the Bund Wall at the Port of Gladstone* released in April 2014 (the Bund Wall Review).<sup>35</sup>

6.20 WWF-Australia and the Australian Marine Conservation Society noted that initial investigations suggested that the cause of the decline in the health of the Gladstone Harbour ecosystem could not be determined conclusively, but there was significant emphasis placed on the role of concurrent flood events.<sup>36</sup> However, some submitters and witnesses were concerned that information relevant to the earlier investigations was available but not provided.<sup>37</sup>

6.21 The Independent Review 2013 found that the fish-health issues and other environmental impacts in 2011 were:

...likely to be the result of multiple pressures, including extreme weather events<sup>38</sup> and associated overcrowding from fish that moved into the area after overspilling from Awoonga Dam. These conditions have improved since 2011.<sup>39</sup>

6.22 However, the Independent Review 2013 found that 'community confidence in the environmental performance of approved developments within the port is generally low'.<sup>40</sup>

6.23 The most recent Bund Wall Review found that 'aspects of the design and construction of the bund wall were not consistent with industry best practice', which 'contributed to changes in turbidity in the vicinity of the bund wall'. It also found deficiencies in Australian Government decision-making processes, compliance, monitoring and recordkeeping practices, which are discussed further below.<sup>41</sup>

<sup>34</sup> Department of the Environment, *Independent review of the Port of Gladstone*, July 2013, at: <u>http://www.environment.gov.au/topics/marine/great-barrier-reef/port-gladstone-review</u> (accessed 27 June 2014).

<sup>35</sup> Department of the Environment, Independent Review of the Bund Wall at the Port of Gladstone (Bund Wall Review), May 2014, <u>http://www.environment.gov.au/topics/marine/gbr/gladstonebund-wall-review</u> (accessed 6 August 2014); and also Australian and Queensland Governments, Submission 34, p. 24; Gladstone Ports Corporation, Submission 63, p. 6.

<sup>36</sup> WWF-Australia and Australian Marine Conservation Society, Submission 23, p. 6.

See, for example, WWF-Australia and Australian Marine Conservation Society, *Submission 23*,
p. 6; Save the Reef, *Submission 50*, p. 11; see also Dr Matthew Landos, *Committee Hansard*,
22 July 2014, p. 53.

<sup>&</sup>lt;sup>38</sup> 'That is... rainfall/cyclone events that results in much higher than average discharge for most rivers...': see *Independent Review of the Port of Gladstone*, July 2013, p. 43.

<sup>39</sup> *Independent Review of the Port of Gladstone*, July 2013, p. 58; see also Ports Australia, *Submission 11*, p. 48; Queensland Ports Association, *Submission 13*, p. 6.

<sup>40</sup> Independent Review of the Port of Gladstone, July 2013, p. 58.

<sup>41</sup> Bund Wall Review, pp vii–viii.

6.24 However, the terms of reference for the Bund Wall Review did 'not mandate the examination of issues pertaining to the ecological consequences of the construction and performance of the bund wall, including possible impacts on ecosystem health'.<sup>42</sup>

6.25 As such, some submitters and witnesses were critical of both reviews. For example, Ms Suzanne Arnold of Australians for Animals suggested that 'there has been no proper independent inquiry as requested by the World Heritage secretariat'. She noted that the Bund Wall Review did not have public hearings and did not call witnesses. Ms Arnold also argued that the appointment of CSIRO scientists as members of the relevant inquiry panels undermined the independence of those panels and she called for a commission of inquiry or a royal commission to be set up to examine the development of Gladstone Port. Ms Arnold told the committee that she knew of some 'whistleblowers' who 'will not come forward unless they have the protection of a royal commission'.<sup>43</sup> The call for a royal commission was also voiced by Dr Landos.<sup>44</sup>

6.26 The situation was summed up by Ms Wishart of the Australian Marine Conservation Society, who described the issues affecting Gladstone Harbour as a 'travesty':

There has been a whole series of different studies, reports—you name it into what occurred there, and yet we are still not at the bottom of that mire...There has clearly been massive failure in the existing regulation....<sup>45</sup>

6.27 Dr Landos stated the legislation did not appear to be the problem. Rather, he suggested it was subverted through poor process. He added that this was evident at every level:

...poor process in the assessment stage; poor process in the writing and drafting of conditions; poor process in compliance activities, and response to very serious harm; and poor process, finally, and that is continuing, in the review and assessment of what the problem was, meaning that future applications which should have learnt from the problems in Gladstone have not learnt at all what is going on.<sup>46</sup>

#### Issues with the approvals process

6.28 The committee received evidence alleging that port development in Gladstone Harbour was poorly managed and that there were deficiencies in the approval process.

<sup>42</sup> Bund Wall Review, p. vii.

<sup>43</sup> Ms Suzanne Arnold, Coordinator, Australians for Animals, *Committee Hansard*, 23 July 2014, pp 46–47; Australians for Animals, *Submission 52*, p. 1; see also Dr Matthew Landos, *Submission 57*, pp 2 and 27; Dr Matthew Landos, *Committee Hansard*, 22 July 2014, pp 53-54.

<sup>44</sup> Dr Matthew Landos, *Committee Hansard*, 22 July 2014, p. 53; Dr Matthew Landos, *Submission* 57, p. 28.

<sup>45</sup> Ms Felicity Wishart, Great Barrier Reef Campaign Director, Australian Marine Conservation Society, *Committee Hansard*, 21 July 2014, p. 16.

<sup>46</sup> Dr Matthew Landos, Director, *Committee Hansard*, 22 July 2014, p. 55.

6.29 As noted by WWF-Australia and the Australian Marine Conservation Society, the Bund Wall Review identified serious deficiencies in both the approval process (the environmental conditions attached to the development approval were vague) and follow-up compliance monitoring of the Gladstone Western Basin project. The submission stated that the project had been plagued by poor practice due to the actions of Gladstone Ports Corporation and Australian and Queensland Government officials. Therefore, WWF-Australia and the Australian Marine Conservation Society contended that there was a need for a 'thorough shake-up of all decision-making processes for development approvals, and the need for ongoing vigilance by regulators during the life-time of any project'.<sup>47</sup>

6.30 It was also suggested that the consultation process was inadequate, because, for example, the concerns of the fishing industry had been ignored. Mr Simon Whittingham Gladstone Fish Market gave evidence about a meeting attended by fishing stakeholders in 2009 which exemplified these concerns:

There was a lot of animosity at this meeting due to the importance identified by fishers of the grounds that were going to be reclaimed and the integral role it played to stock recruitment for following seasons of fish, mud crabs and prawns. It must be said that even after all the banging of fingers and fists on the charts, the plan, which was being vigorously contested by local fishermen, was eventually implemented.<sup>48</sup>

6.31 Save the Reef called for 'genuine, open and transparent consultation with the Australian community, affected industries and relevant scientific experts, and genuine consideration of the broader community's views in final decisions'. It was noted that Gladstone Harbour provides a good example of 'how difficult it was to get the balance right'.<sup>49</sup>

## Issues relating to compliance with conditions

6.32 Others noted that compliance and monitoring was inadequate. Mr McCabe cited the Bund Wall Review, which noted that most of the environmental conditions in relation to the development of Gladstone Port were satisfied, but companies, port corporations and government officials failed to properly communicate that to the general public, contributing to mistrust amongst community and non-government organisations.<sup>50</sup> Ports Australia acknowledged the advantages of better communication, using an improved information management system which would include the results of required monitoring programs, as this 'could help to improve

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<sup>47</sup> WWF-Australia and Australian Marine Conservation Society, *Submission 23*, pp 6–7; see also Bund Wall Review, April 2014, pp vii-viii.

<sup>48</sup> Mr Simon Whittingham, Gladstone Fish Market, *Committee Hansard*, 22 July 2014, p. 45.

<sup>49</sup> Save the Reef, *Submission 50*, p. 12.

<sup>50</sup> Mr Michael McCabe, Coordinator, Capricorn Conservation Council, *Committee Hansard*, 22 July 2014, p. 32; Bund Wall Review, April 2014, pp 40–41; see also Ports Australia, *Submission 11*, p. 52.

public confidence that dredging projects are managed effectively and have not resulted in unanticipated impacts'.<sup>51</sup>

6.33 However, Mr McCabe suggested that the main compliance-related issue was not poor communication but 'that the conditions set were inadequate in the first place'. He went on to argue that 'if you are simply complying with an inadequate condition and not reporting on it, that is not good enough'.<sup>52</sup>

6.34 Dr Landos agreed that the conditions were poor, noting that although there were many conditions placed on the project they 'were hastily prepared without all the information from the proponent'. He went on to say:

Unfortunately, having conditions drawn up to manage these large projects does not in itself prevent harm occurring, and Gladstone serves as a perfect example of this problem.<sup>53</sup>

6.35 A further problem outlined by Dr Landos was the failure by the Department of the Environment to monitor compliance with conditions. He argued that this was because the conditions that were set were 'too weak to take action on', citing an example of where the department:

...demonstrably approved ongoing dredging during the 2013 flood conditions, further adding to the turbidity loads in the harbour, which were already stressing quite stressed out seagrass. [The department] failed to take any notes on the limited site visits they undertook for compliance.<sup>54</sup>

6.36 Indeed, the committee notes that the Bund Wall Review also found that the Department of the Environment was faced with a number of problems relating to the monitoring of compliance with conditions. In particular, the report of the review noted that 'the large number of approved projects across Australia (currently around 1200) means that departmental monitoring officers cannot confirm project compliance on the ground in real time, but depend on desktop checks'. The report recommended that resource levels within the department should be bolstered to ensure adequate monitoring capacity. The report also noted that, since June 2012, there has been a significant increase in monitoring capacity (now around 30 staff), which allows greater oversight of more projects. Finally, the report recommended that this increased resourcing should be maintained as a matter of priority.<sup>55</sup>

6.37 The committee also notes that the Australian National Audit Office (ANAO) recently conducted an audit of monitoring of compliance with approval conditions under the EPBC Act, published in June 2014. The ANAO's report identified a number

<sup>51</sup> Ports Australia, *Submission 11*, p. 52.

<sup>52</sup> Mr Michael McCabe, Coordinator, Capricorn Conservation Council, *Committee Hansard*, 22 July 2014, p. 32.

<sup>53</sup> Dr Matthew Landos, *Committee Hansard*, 22 July 2014, p. 53.

<sup>54</sup> Dr Matthew Landos, *Committee Hansard*, 22 July 2014, p. 53.

<sup>55</sup> Bund Wall Review, Recommendation 14, pp 35–40.

of concerns with the Department of the Environment's compliance-monitoring activities and made a number of recommendations to address these shortcomings.<sup>56</sup>

6.38 A representative of the Department of the Environment told the committee that it has stepped up its compliance and monitoring processes in recent years. This has included the implementation of a comprehensive business-improvement program since 2012, to improve its monitoring compliance procedures, including doubling the number of staff in the compliance and enforcement branch, and putting in place a range of standard operating procedures.<sup>57</sup>

6.39 Mr McCombe from the Minerals Council of Australia suggested that the deficiencies in the Australian Government's monitoring and compliance processes identified in the Gladstone Harbour reviews were an illustration of the need for a more efficient and streamlined regulatory process:

...regulatory processes should be more efficient and more streamlined and that those resources should be consolidated. We believe that regulations should be appropriately resourced. We think at the moment the duplication between the Commonwealth and states is a misuse of those Commonwealth resources and we can see how stretched the Commonwealth perhaps have been in recent years in ensuring their compliance activities were completely and wholly undertaken.<sup>58</sup>

6.40 However, Ms Arnold of Australians for Animals told the committee that the compliance monitoring problems in Gladstone actually stemmed from the assessment bilateral agreement between the Commonwealth and Queensland:

The bottom line, the foundational problem, was the bilateral agreement. There were never any proper clear instructions, in spite of what was written in the bilateral agreement, about who would monitor, when they would monitor, how they would monitor and what would be done in terms of compliance issues...complaints of noncompliance that we put to Canberra were basically disregarded...[and] no [Commonwealth environment officials] were allowed to go on site unless they had permission from the Gladstone Ports Corporation.<sup>59</sup>

<sup>56</sup> ANAO, *Managing Compliance with EPBC Act 1999 Conditions of Approval*, http://www.anao.gov.au/Publications/Audit-Reports/2013-2014/Managing-Compliance-with-EPBC-Act-1999-Conditions-of-Approval (accessed 14 August 2014).

<sup>57</sup> Mr Dean Knudson, First Assistant Secretary, Department of the Environment, *Committee Hansard*, 21 July 2014, p. 59.

<sup>58</sup> Mr Chris McCombe, Assistant Director, Environmental Policy, Minerals Council of Australia, *Committee Hansard*, 21 July 2014, p. 33.

<sup>59</sup> Ms Suzanne Arnold, Coordinator, Australians for Animals, *Committee Hansard*, 23 July 2014, p. 48.

6.41 Ms Arnold suggested that, to avoid self-regulation, the approvals process needs to include third-party independent audits of compliance with conditions of approval.<sup>60</sup>

6.42 Other witnesses identified an inherent conflict of interest in the situation at Gladstone. For example, Mr Brodie, of the ARC Centre of Excellence for Coral Reef Studies at James Cook University, cited Gladstone as an example of the need for the Commonwealth to retain its environmental powers:

The Queensland government is both the proponent of the port development and the regulator, and it did not work. It cannot possibly work ever. So, while that is the case, you cannot expect the Queensland government to manage the coastal environment, much less the land environment, at all.<sup>61</sup>

6.43 In the same vein, Dr Landos stated:

...there is a clear issue of conflict of interest where we have a government body who stands to make a profit from the operation. For instance, in Gladstone, Gladstone Ports Corporation is a wholly owned government corporation, so there is a flow of income to the government there as well as from the promotion of the mining industry which will export out of that area—in royalty flows to the government. Where there is a financial benefit that flows to the state government, the state government should not be the body responsible for approving these types of developments.<sup>62</sup>

6.44 The 'one stop shop proposal' and proposed approval bilateral agreement is discussed further in Chapter 8.

## Gladstone Healthy Harbour Partnership

6.45 In response to community concern and the World Heritage Committee concerns over the health of Gladstone Harbour, the Queensland Government has developed the 'Gladstone Healthy Harbour Partnership' as a forum to bring together parties and to maintain and, where necessary, to improve the health of Gladstone Harbour. The guiding principles of the partnership were based in open, honest and accountable management; annual reporting of the health of Gladstone Harbour; and management recommendations and actions based on rigorous science and strong stakeholder engagement.<sup>63</sup>

6.46 The Gladstone Healthy Harbour Partnership was launched in November 2013 with partners across community, government, industry and research organisations. Each partner signed a memorandum of understanding reflecting the guiding

<sup>60</sup> Ms Suzanne Arnold, Coordinator, Australians for Animals, *Committee Hansard*, 23 July 2014, p. 47 and see also p. 48.

<sup>61</sup> Mr Jon Brodie, *Committee Hansard*, 23 July 2014, p. 28.

<sup>62</sup> Dr Matthew Landos, *Committee Hansard*, 22 July 2014, p. 55; see also Dr Matthew Landos, *Submission 57*, p. 2.

<sup>63</sup> Australian and Queensland Governments, *Submission 34*, pp 29–30; *Gladstone Healthy Harbour Partnership*, <u>http://www.healthyharbour.org.au/</u> (accessed 26 August 2014).

principles.<sup>64</sup> The Queensland Government has invested \$3 million into the partnership over a two-year period and this has been matched by industry, community, research and local government. The Australian Government is also supporting the Gladstone Healthy Harbour Partnership by committing up to \$1 million to the programme over the next two years.<sup>65</sup>

6.47 The Australian and Queensland Governments submitted that the Gladstone Healthy Harbour Partnership has developed a report card program which will report on 'the community's vision of a healthy harbour across environmental, social, economic and cultural dimensions'. The program will be conducted in partnership with government, research, community and industry and the report card will be guided by recommendations of an independent science panel. The first pilot report card will be developed in 2014, with the first full report card scheduled for 2015.<sup>66</sup>

6.48 In principle, WWF-Australia and the Australian Marine Conservation Society supported the establishment of the Gladstone Healthy Harbour Partnership but at the same time noted that:

...the Queensland government also announced plans to continue development at Gladstone and duplicate the main shipping channel at Gladstone which will involve 12 million m<sup>3</sup> of dredging. In December 2013 approval was given for the fourth LNG Facility on Curtis Island and a Gas Transmission Pipeline to Curtis Island...<sup>67</sup>

6.49 In contrast, Ms Arnold of Australians for Animals suggested that the creation of the Gladstone Healthy Harbour Partnership 'sets a most alarming precedent'. She was concerned that there is no representation from non-government organisations, and suggested that 'we cannot have agencies and partnerships put together to monitor state and federal regulations'.<sup>68</sup>

6.50 The Capricorn Conservation Council expressed the view that the Gladstone Healthy Harbour Partnership would not be enough to win back public confidence in the environmental decision-making processes, stating:

While the Gladstone Healthy Harbour Partnership's first report card is expected late in 2014, the public trust in the oversight of the harbour is

<sup>64</sup> Australian and Queensland Governments, *Submission 34*, p. 29; see also Cairns and Far North Environment Centre, *Submission 19*, Attachment 5: WWF-Australia and Australian Marine Conservation Society, 'Report to UNESCO World Heritage Committee: Status of Implementation of recommendations in World Heritage Committee Decision 36 COM 7B.8 and 37 COM 7B.10, Great Barrier Reef (Australia) and the March 2012 Reactive Monitoring Mission', 30 January 2014, p. 19.

<sup>65</sup> Australian and Queensland Governments, *Submission 34*, p. 30; see also Queensland Ports Association, *Submission 13*, p. 20.

<sup>66</sup> Australian and Queensland Governments, *Submission 34*, p. 30.

<sup>67</sup> WWF-Australia and Australian Marine Conservation Society, *Submission 23*, p. 7.

<sup>68</sup> Ms Suzanne Arnold, Coordinator, Australians for Animals, *Committee Hansard*, 23 July 2014, p. 47.

almost beyond repair. Reasonable requests and recommendations in EIS submissions were generally ignored or dismissed. Most independent reviews simplistically looked at whether or not the project had met with environmental conditions, but not at the adequacy of those conditions.<sup>69</sup>

## **Abbot Point**

6.51 The Port of Abbot Point commenced operations in 1984 and is currently a coal export port. It is located 25 kilometres north of Bowen, and is in the vicinity of the Galilee and Bowen coal basins. The port is located within an exclusion area and therefore, although it is within the Great Barrier Reef World Heritage Area, it remains outside the Marine Park.<sup>70</sup> The port is also adjacent to the Kaili (Caley) Valley Wetland, a large coastal wetland system covering an area of approximately 5,154 hectares and listed under the Directory of Important Wetlands in Australia. The wetland represents one of the largest intact wetland systems between Townsville and Bowen.<sup>71</sup>

6.52 The Queensland Ports Association commented on the development of Abbot Point:

The port is strategically located to provide export capacity from the northern Bowen basin and potentially in the future the Galilee basin. There are a number of projects currently proposed at the port that if realised will result in an expansion of infrastructure and export capacity. Currently two new terminals are in advanced stages of planning, while market demand and interest is being examined to determine what further expansion may be required in the medium to longer term.<sup>72</sup>

6.53 The issue of dredging and dumping of dredge spoil for port development at Abbot Point, including perceived flaws in the associated decision-making process, was raised repeatedly during the committee's inquiry.

## Abbot Point expansion proposals and approvals

6.54 There are a number of proposals, both approved and under consideration, for expansions at the Port of Abbot Point. These include:

<sup>69</sup> Capricorn Conservation Council, *Submission* 27, p. 1.

<sup>70</sup> GBRMPA, Abbot Point capital dredging project, <u>http://www.gbrmpa.gov.au/about-us/consultation/current-proposals-completed-assessment/abbot-point-capital-dredging-project</u> (accessed 20 August 2014); see also North Queensland Bulk Ports, *Abbot Point Port*, <u>http://www.nqbp.com.au/abbot-point/</u> (accessed 20 August 2014).

<sup>71</sup> Queensland Department of State Development, Infrastructure and Planning, *Kaili (Caley) Valley Wetlands Baseline Report*, February 2012, <u>http://www.dsdip.qld.gov.au/resources/plan/cg/abbot/baseline-profile-for-the-kail-valley-wetlands.pdf</u> (accessed on 20 August 2014).

<sup>72</sup> Queensland Ports Association, *Submission 13*, p. 6.

•	capital dredging program for the proposed terminals 0, 2 and 3 (approved on 10 December 2013 by the Hon. Greg Hunt MP, Minister for the Environment); <sup>73</sup>
•	Adani Abbot Point Coal Terminal 0 (approved on 10 December 2013 by the Minister for the Environment); <sup>74</sup>
•	a proposal by BHP Billiton to construct and operate the T2 coal terminal expansion (withdrawn in October 2013); <sup>75</sup>
•	a proposal by Waratah Coal, referred in January 2012, to construct and operate a new coal terminal at Abbot Point (still active under consideration); <sup>76</sup>
•	Abbot Point Coal Terminal 3, Hancock Coal Infrastructure Pty Ltd (approved on 4 October 2012); <sup>77</sup> and
•	Abbot Point expansion project, known as the AP-X Project, proposed by the Queensland Government (still in the tendering process, no application for environmental approval has been lodged). <sup>78</sup>
6 5 5	The committee received a considerable amount of evidence during its inquire

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6.55 The committee received a considerable amount of evidence during its inquiry in relation to the capital dredging program and in particular the approval of the disposal of the three million cubic metres dredge spoil from the dredging program in the Great Barrier Reef World Heritage Area.

<sup>73</sup> See further EPBC referral 2011/6213, http://www.environment.gov.au/epbc/notices/assessments/2011/6213/2011-6213-approvaldecision.pdf (accessed 20 August 2014).

See further EPBC Referral 2011/6194, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referral\_detail&proposal\_id=6194</u> (accessed 6 August 2014) and Australian and Queensland Governments, *Submission 34*, pp 22–23.

<sup>75</sup> See further EPBC Referral 2011/6185, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referral\_detail&proposal\_id=6185</u> (accessed 6 August 2014).

<sup>76</sup> See further EPBC Referral 2012/6250, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referral\_detail&proposal\_id=6250</u> (accessed 6 August 2014).

See further EPBC Referral 2008/4468, http://gvkhancockcoal.com/documents/Publications/Miscellaneous/Terminal%203%20EPBC% 20approval%20-%20October%202012.pdf (accessed 20 August 2014); Department of the Environment, Answers to questions taken on notice at hearing on 21 July 2014, p. 4.

<sup>78</sup> WWF-Australia and AMCS, *Submission* 23, p. 5; see also Queensland *Government, Abbot Point Expansion Project*, <u>http://www.dsdip.qld.gov.au/infrastructure-and-planning/abbot-point-expansion-project.html</u> (accessed 20 August 2014).

Capital dredging program for the proposed terminals 0, 2 and  $3^{79}$ 

6.56 The dredging is for six new berth pockets and the associated ship apron areas for three coal export terminals (terminals 0, 2 and 3) at the existing Port of Abbot Point. The sediment will be removed from a 185 hectare dredge area within port limits, to a maximum depth of five metres. The proposed spoil disposal site is located 24 kilometres north-east of Abbot Point. The Australian and Queensland Governments advised that:

An offshore option was found to have better results as the silt to be disposed is not toxic and will be disposed on similar material on the sea bed. The proposed disposal site is 20 kilometres from the closest significant areas of seagrass and 40 kilometres from the closet mid-shelf coral reef.<sup>80</sup>

6.57 The original proposal requested approval for the disposal of 38 million cubic metres of dredge spoil. The final approval to the expansion project was granted subject to 95 conditions on 10 December 2013 by the Australian Government and only allowed for the disposal of three million cubic metres of dredge spoil.<sup>81</sup>

6.58 On 31 January 2014, the Great Barrier Reef Marine Park Authority (GBRMPA) approved a permit application by North Queensland Bulk Ports Corporation to dispose of dredge spoil at a deepwater location offshore of Abbot Point. The Australian and Queensland Governments advised that 'the permit was assessed in accordance with the GBRMP Act and is subject to strict environmental conditions'.<sup>82</sup>

6.59 The approval by GBRMPA to dispose of dredge spoil included conditions requiring:

- that no more than 1.3 million cubic metres of sediment be dredged or disposed of in a year, unless the proponent can demonstrate that increased dredging will not compromise water quality;
- that dredging and disposal activities only be undertaken between 1 March and 30 June each year to protect water quality during critical times for seagrass growth and coral spawning; and
- an offsets plan to address any loss and potential loss of seagrass. The plan will provide a net benefit outcome to the Outstanding Universal Value of the Great

<sup>79</sup> See further EPBC Referral 2011/6213, <u>http://www.environment.gov.au/cgi-bin/epbc/epbc\_ap.pl?name=current\_referral\_detail&proposal\_id=6213</u> (accessed 6 August 2014); and Australian and Queensland Governments, *Submission 34*, pp 21–22.

<sup>80</sup> Australian and Queensland Governments, *Submission 34*, p. 21.

<sup>81</sup> *Outlook Report 2014*, p. 129; Queensland Government, *Reef Facts*, 2014, p. 8, <u>www.reeffacts.qld.gov.au/documents/reeffacts.pdf</u> (accessed 20 August 2014); see further EPBC referral 2011/6213, <u>http://www.environment.gov.au/epbc/notices/assessments/2011/6213/2011-6213-approval-</u> decision.pdf (accessed 20 August 2014).

<sup>82</sup> Australian and Queensland Governments, *Submission 34*, p. 24.

Barrier Reef World Heritage Area. It will offset any fine sediments resulting from the dredging and dredge spoil disposal activities and available for re-suspension by an equivalent 150 per cent reduction in the load of fine sediments entering the marine environment from the Burdekin and Don catchments.<sup>83</sup>

## Legal challenges to the Abbot Point decisions

6.60 The committee notes that the Minister's approval decision is being challenged in the Federal Court under the *Administrative Decisions (Judicial Review) Act 1977* (Cth). The case has been set down for trial in October 2014.<sup>84</sup>

6.61 The North Queensland Conservation Council (NQCC), a party to the case, submitted that it will 'focus on the inadequacy of the research undertaken by the proponent and the failure to take into account adequately the London Protocol to which Australia is a signatory'.<sup>85</sup>

6.62 The Administrative Appeals Tribunal is also hearing a challenge to GBRMPA's approval of a permit under the Sea Dumping Act.<sup>86</sup>

## World Heritage Committee concerns about Abbot Point

6.63 As set out in Chapter 2, the World Heritage Committee expressly mentioned the Abbot Point approval in its recent June 2014 decision, noting with concern and regret Australia's approval for dumping three million cubic metres of dredge material inside the property prior to having undertaken a comprehensive assessment of alternative and potentially less impacting development and disposal options. The World Heritage Committee further requested that Australia ensure that the option selected does not impact Outstanding Universal Values, and is the 'least damaging option available'.<sup>87</sup>

6.64 As Mr Richard Leck of WWF-Australia observed, expressing concern and regret is 'very strong language' when used by an agency of the United Nations.<sup>88</sup>

<sup>83</sup> See GBRMPA, *Abbot Point Capital Dredging Project - Summary of Conditions*, <u>http://www.gbrmpa.gov.au/about-us/consultation/current-proposals-completed-assessment/abbot-point-capital-dredging-project/summary-of-conditions</u> (accessed 27 August 2014).

<sup>84</sup> Ms Ellen Roberts, Co-ordinator, Mackay Conservation Group, *Committee Hansard*, 22 July 2014, pp 15–16; see further Environmental Defender's Office (Queensland), *Case Summary: Abbot Point dredging*, <u>http://www.edoqld.org.au/news/mcg-v-minister-for-the-environment-and-nqbp-dredging-case/</u> (accessed 6 August 2014).

<sup>85</sup> NQCC, Submission 30, p. 1.

<sup>86</sup> WWF-Australia and AMCS, *Submission 23*, p. 5.

<sup>87</sup> UNESCO World Heritage Committee, Decision 38 COM 7B.63, 2014, p. 117, http://whc.unesco.org/archive/2014/whc14-38com-16en.pdf (accessed 9 July 2014).

<sup>88</sup> Mr Richard Leck, National Manager, Marine Conservation and Sustainable Development, WWF-Australia, *Committee Hansard*, 21 July 2014, p. 18; see also Whitsunday Charter Boat Industry Association, *Submission 46*, p. 8.

6.65 However, Mr Roche from the Queensland Resources Council told the committee that:

We felt that the World Heritage Committee misunderstood the rigour of the assessment processes that went into the Abbot Point coal terminal—the multiple assessments, the cumulative impact assessment, the comprehensive scientific studies. We thought that was a misplaced observation.<sup>89</sup>

#### **Other concerns**

6.66 Many submitters and witnesses expressed grave concerns or were highly critical of the decision to allow disposal of the dredge spoil from the Abbot Point dredging program in the Great Barrier Reef Marine Park.<sup>90</sup> For example, the Whitsunday Charter Boat Industry Association submitted that:

Given water quality has been identified as one of the greatest threats to the GBR, recent decisions by the Minister for the Environment, Mr Greg Hunt, to dump 3,000,000  $\text{m}^3$  of dredging spoils from the Abbot Point expansion into GBRMPA waters is inconsistent with solving the problem of declining water quality within the GBRMPA, and with the World Heritage Committee recommendations.<sup>91</sup>

### Location of dredge disposal site

6.67 The committee heard that the Minister's approval decision 'indicated a disposal site', but that the 'conditions also allowed for the proponents to investigate other sites if they choose to', and that they have not yet identified any alternative sites.<sup>92</sup> A representative of the Department stated:

They have an approval for a particular location. If they want to find a different location, that is in their hands to consider and have assessed a different location.<sup>93</sup>

<sup>89</sup> Mr Michael Roche, Chief Executive, Queensland Resources Council, *Committee Hansard*, 21 July 2014, p. 33.

<sup>90</sup> See, for example, AMPTO, Submission 41, p. 3; WWF-Australia and AMCS, Submission 23, p. 5; Whitsunday Charter Boat Industry Association, Submission 46; Mr Anthony Brown, President, Whitsunday Charter Boat Industry Association, Committee Hansard, 22 July 2014, p. 9; Ms Ellen Roberts, Co-ordinator, Mackay Conservation Group, Committee Hansard, 22 July 2014, p. 16; Mr Jon Brodie, Committee Hansard, 23 July 2014, p. 27; Mr Colin McKenzie, Executive Director, Association of Marine Park Tourism Operators, Committee Hansard, 23 July 2014, p. 33.

<sup>91</sup> Professor Hoegh-Guldberg, *Submission 6*, p. 6.

<sup>92</sup> Mr Dean Knudson, First Assistant Secretary, Department of the Environment, *Committee Hansard*, 21 July 2014, p. 63.

<sup>93</sup> Mr Dean Knudson, First Assistant Secretary, Department of the Environment, *Committee Hansard*, 21 July 2014, p. 63.

6.68 Representatives of the Department of the Environment told the committee that the proposed site is '25 kilometres from the nearest seagrass beds and 40 kilometres from the nearest coral'.<sup>94</sup>

6.69 In response to evidence that there may be some coral isolates in the area of the proposed disposal site,<sup>95</sup> Dr Reichelt told the committee that 'I would not say there is no coral; I would say there are no emergent platform coral reefs within a long distance'.<sup>96</sup>

6.70 In answers to questions on notice, GBRMPA advised that 'the approved dredge material disposal area is approximately 45 kilometres from the nearest offshore reef (Old Reef)'.<sup>97</sup> The Queensland Government stated that 'while there may be some examples of inshore corals around Abbot Bay, it is important to note that the Abbot Point approval is subject to strict conditions to prevent impacts'.<sup>98</sup>

## Possible impacts

6.71 Concerns were expressed about the potential impacts of the Abbot Point expansion and associated dredging and dumping on the Whitsundays, the tourism industry of the area<sup>99</sup> and on fishing-related businesses in the area.<sup>100</sup>

6.72 Mr Terry Must of Arabon Seafoods noted that, although the dredging site is only 12 square kilometres in size, by the time the shipping comes in, its footprint will be hundreds of square miles, with the whole area becoming a 'no-go zone for trawlers and fishermen'. This will have devastating impacts on the fishing industry in the area.<sup>101</sup>

6.73 Mr Jon Brodie told the committee that 'dredging has large effects on coral and fish...none of which were properly taken into account in the decision at Abbot Point'.<sup>102</sup>

- 96 Dr Russell Reichelt, Chairman and Chief Executive, GBRMPA, *Committee Hansard*, 23 July 2014, p. 61.
- 97 Department of the Environment, Queensland Government and GBRMPA, *Answers to questions on notice from public hearing on 21 July 2014*, p. 13.
- 98 Queensland Government, Answers to written questions notice, p. 31.
- 99 Whitsunday Charter Boat Industry Association, *Submission* 46, p. 1.
- 100 Arabon Seafoods, *Submission 44*, pp 2–3; Mr Terence Must, Owner, Arabon Seafoods, *Committee Hansard*, 22 July 2014, p. 26.
- 101 Mr Terence Must, Owner, Arabon Seafoods, Committee Hansard, 22 July 2014, pp 23, 26.
- 102 Mr Jon Brodie, Committee Hansard, 23 July 2014, p. 27.

<sup>94</sup> Dr Kimberley Dripps, Deputy Secretary, Department of the Environment, *Committee Hansard*, 21 July 2014, p. 62; see also Dr Russell Reichelt, Chairman and Chief Executive, GBRMPA, *Committee Hansard*, 23 July 2014, p. 62.

<sup>95</sup> Mr Tony Fontes, *Committee Hansard*, 22 July 2014, p. 7; Mr Terence Must, Owner, Arabon Seafoods, *Committee Hansard*, 22 July 2014, p. 26.

6.74 The Whitsunday Charter Boat Industry Association stated that they were 'extremely concerned' about the Abbot Point decision, particularly because the dredging and dumping would add to the water quality problems already being observed in the Whitsundays area.<sup>103</sup>

6.75 Mr McKenzie of the Association of Marine Park Tourism Operators told the committee that, given that the *Outlook Report 2014* identified that the reef is in poor condition and declining, there is 'no logic' to the decision to approve permits for dredging and dumping more silt in the reef area.<sup>104</sup> Submitters also suggested that the decision to allow for the disposal of the dredge spoil had rendered the considerable efforts of the agricultural sector to reduce sediment and nutrient run-off as 'useless'.<sup>105</sup> This issue was discussed at a more general level in Chapter 5.

6.76 In contrast, the Queensland Resources Council submitted:

All dredging and at sea placement activities are subject to detailed environmental assessments and management to ensure impacts are effectively reduced and managed to avoid environmental harm. In addition to sediment plume modelling, each proposed dredging project must undertake a rigorous analysis of the sediment to ensure it is not contaminated or toxic; and also a thorough investigation of disposal options. All dredged material that is placed offshore is placed in designated areas following a detailed environmental assessment and approval process. These seabed areas are generally free of vegetation, distant from major coral reefs and many have been used for decades. Dredged material is never placed on coral reefs or other areas of high conservation value.<sup>106</sup>

## Composition of dredge material

6.77 The Queensland Government stated that the dredge material to be disposed of in the Marine Park is 'a mixture of sand, silt and clay'.<sup>107</sup> GBRMPA confirmed this by stating that the composition of dredge material is on average 7 per cent gravel, 54 per cent sand, 19 per cent silt and 20 per cent clay. It was noted that the material is unlikely to contain garnet, and any heavy metals or polynuclear aromatic

 <sup>103</sup> Whitsunday Charter Boat Industry Association, Submission 46, pp 1–2; Mrs Janice Claxton, Committee Member, Whitsunday Charter Boat Industry Association, Committee Hansard, 22 July 2014, p. 6; Mr Allen Grundy, Director, Southern Cross Sailing Adventures, Committee Hansard, 22 July 2014, p. 41.

<sup>104</sup> Mr Colin McKenzie, Executive Director, Association of Marine Park Tourism Operators, *Committee Hansard*, 23 July 2014, p. 33.

<sup>105</sup> CAFNEC, *Submission 19*, p. 5 and Attachment 3, p. 1; see also, for example, Cairns Local Marine Advisory Committee, *Submission* 7, p. 2; Carefish, *Submission 16*, p. 3.

<sup>106</sup> Queensland Resources Council, *Submission 28*, p. 11; see also Queensland Ports Association, *Submission 13*, p. 7.

<sup>107</sup> Queensland Government, *Reef Facts*, 2014, p. 8, www.reeffacts.qld.gov.au/documents/reeffacts.pdf (accessed 20 August 2014).

hydrocarbons that may be present were below the relevant screening levels in the *National Assessment Guidelines for Dredging 2009*.<sup>108</sup>

6.78 However, Dr Landos told the committee that acid sulphate soils 'may well be present at Abbot Point'.<sup>109</sup> As noted in the previous chapter, there is also an issue of the potential resuspension of sediments and how far they travel. For example, Mr Brown of the Whitsunday Charter Boat Industry Association told the committee that:

...we have a long way to go. The reason we are all on the back foot, and I think the marine park authority would agree with this, is that dredging and sea disposal is just part of business as usual and no-one had really thought about it impacts in any great manner. Now that this has happened, Abbot Point has become this lightning rod and so science is trying to catch up. That is why things keep coming out slowly as our understanding catches up and as more people put more energy into understanding the impacts, if there are impacts. We would be the first to agree that we do not understand fully, and that is our concern.<sup>110</sup>

#### Modelling and research

6.79 Several submissions and witnesses expressed concern about the modelling of dredge material dispersion used in Environmental Impact Statements for dredging projects.<sup>111</sup>

6.80 As noted in the previous chapter, the Whitsunday Charter Boat Industry Association pointed to inconsistencies in modelling of sediment drift plumes from dredging near Hay Point in 2006, which they submitted reached the Whitsundays (80 kilometres away) and queried whether the Hay Point dredging and dumping has had an influence on the increased sediment in the Whitsundays.<sup>112</sup> Mr Tager pointed to modelling of deep ocean currents 'which showed that sediment was transported further and that dump spoil was resuspended more often than previously believed'.<sup>113</sup> Mrs Janice Claxton of the Whitsunday Charter Boat Industry Association told the committee:

The problem, I believe, is that there is no science—GBRMPA have told us there is no science—that actually measures the movement of sediment once it has been dumped. To a point there is science, but it is targeted. They have

<sup>108</sup> GBRMPA, Answers to written questions on notice, p. 28.

<sup>109</sup> Dr Matthew Landos, Committee Hansard, 22 July 2014, p. 54.

<sup>110</sup> Mr Anthony Brown, President, Whitsunday Charter Boat Industry Association, *Committee Hansard*, 22 July 2014, pp 10–11.

<sup>111</sup> See, for example, Mr Jeremy Tager, *Submission 18*, p. 1; Mr Ted Whittingham, *Committee Hansard*, 22 July 2014, p. 49; Mr Jeremy Tager, *Committee Hansard*, 23 July 2014, p. 6.

<sup>112</sup> Whitsunday Charter Boat Industry Association, Submission 46, pp 2–4.

<sup>113</sup> Mr Jeremy Tager, Committee Hansard, 23 July 2014, p. 6.

admitted to us that there have never been any tests to see whether the impacts actually reached the Whitsunday islands.<sup>114</sup>

6.81 Ports Australia acknowledged the deficiencies in the modelling systems applied to the Hay Point and Gladstone Port activities. However, it was noted that 'improved predictive modelling techniques have enabled environmental risk to be more effectively managed'.<sup>115</sup>

6.82 However, Dr Oliver of AIMS told the committee that it had provided advice to GBRMPA 'on a number of occasions' in relation to the modelling used for the Abbot Point decision:

We did find that there were deficiencies in the overall modelling that had been done and we pointed them out very clearly to the marine park authority in assisting them with their final assessment. I am not sure to what extent those problems have been addressed, but we certainly did agree that there could be areas where the modelling could be significantly improved.<sup>116</sup>

6.83 Mr Jon Brodie suggested that documents released under freedom of information requests revealed that the review of the modelling done by AIMS was a 'damning indictment of the sediment transport modelling at Abbot Point, which was found to be inadequate—basically, they were standards of modelling we were able to do 20 years ago, not today'.<sup>117</sup>

6.84 Mr Black of the Queensland Government advised that 25 per cent of the sediment dredged at Abbot Point could possibly resuspend.<sup>118</sup> However, Mr Jon Brodie expressed concern that the entirety of the sediment could be 'completed resuspended, especially in cyclonic conditions'.<sup>119</sup>

6.85 In response to a recent study undertaken in Western Australia which found that dredging and dumping increases the risk of coral disease, Ms Story of the Queensland Resources Council suggested that the Abbot Point proposal is quite different to the subject of that research. In particular, she told the committee that:

That was a study of seven million cubic metres of spoil that was conducted over an 18-month period. The impacts were highly localised...the impact from the dredge locations had the greatest impact...the placement area had even less impact. So it is about the dredging area rather than the placement area...Comparing that to the Great Barrier Reef and the Abbot Point

<sup>114</sup> Mrs Janice Claxton, Committee Member, Whitsunday Charter Boat Industry Association, *Committee Hansard*, 22 July 2014, p. 6; see also Mr Anthony Brown, President, Whitsunday Charter Boat Industry Association, *Committee Hansard*, 22 July 2014, p. 9.

<sup>115</sup> Ports Australia, *Submission 11*, pp 11, 48, 50–51.

<sup>116</sup> Dr Jamie Oliver, Research Director, AIMS, Committee Hansard, 23 July 2014, p. 23.

<sup>117</sup> Mr Jon Brodie, Committee Hansard, 23 July 2014, p. 27.

<sup>118</sup> Mr Jon Black, Director-General, Queensland Department of Environment and Heritage Protection, *Committee Hansard*, 21 July 2014, p. 62.

<sup>119</sup> Mr Jon Brodie, *Committee Hansard*, 23 July 2014, p. 29.

proposal: the coral reefs there are 40 kilometres away, the dredging projects are 1.3 million cubic metres at any one time and the project limit is three to four weeks rather than 18 months.<sup>120</sup>

6.86 Similarly, an officer of the Department of the Environment told the committee that:

...with the volumes and the intensity of the dredging campaign and the length of the dredging campaign and its proximity to coral...there were important findings with respect to impacts on coral health which would not seem to apply in the space of Abbot Point.<sup>121</sup>

#### **Offsets**

6.87 In June this year, this committee examined the proposed environmental offsets for the North Queensland Bulk Ports Corporation's capital dredging project as Appendix 6 to the Senate Environment and Communications References Committee report into Environmental Offsets. That case study outlined many of the issues related to the proposed offsets plans.<sup>122</sup> During this inquiry, the committee heard from the Department of the Environment that the actual offsets plans have not yet been submitted for the three projects approved at Abbot Point (the dredging project, and Terminal 0 and Terminal 3). The Department noted that:

When submitted, the plans are to include a marine offset strategy to compensate for any residual impacts on Green and Flat back Turtles. They are also required to achieve a net benefit to the outstanding universal value of the Great Barrier Reef World Heritage Area and an offsets plan to address any loss of seagrass from dredging actions.<sup>123</sup>

6.88 The committee notes that the offsets conditions in relation to Abbot Point were widely criticised in evidence to this inquiry and to its previous inquiry into environmental offsets.<sup>124</sup> A particular issue was the feasibility of the offset condition requiring 150 per cent of fine sediments to be offset by a reduction in the load of fine sediments entering the marine environment from the Burdekin and Don catchments.

<sup>120</sup> Ms Bronwyn Story, Manager, Great Barrier Reef Strategy, Queensland Resources Council, *Committee Hansard*, 21 July 2014, p. 34.

<sup>121</sup> Mr Dean Knudson, First Assistant Secretary, Department of the Environment, *Committee Hansard*, 21 July 2014, p. 63.

<sup>122</sup> Senate Environment and Communications Committee, *Environmental Offsets*, June 2014, Appendix 6, <u>http://www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Environment\_and\_Commu</u> <u>nications/Environmental\_Offsets/Report/index</u> (accessed on 20 August 2014).

<sup>123</sup> Department of the Environment, *Answers to questions on notice from public hearing on 21 July* 2014, p. 4.

<sup>Senate Environment and Communications References Committee,</sup> *Environmental Offsets*, June 2014, Appendix 6; see also Whitsunday Charter Boat Industry Association, *Submission 46*, p. 8; Ms Ellen Roberts, Co-ordinator, Mackay Conservation Group, *Committee Hansard*, 22 July 2014, p. 16; Mr Jeremy Tager, *Committee Hansard*, 23 July 2014, p. 6.

6.89 The committee notes that evidence received in its inquiry into environmental offsets showed that around 1.62 million tonnes of fine sediments would need to be offset. According to information provided by the Department of the Environment to this inquiry, the average cost of reducing one tonne of sediment through the Reef Rescue program would cost approximately \$140. The committee notes that the total cost of this offset would therefore be in the order of \$226.8 million.<sup>125</sup>

6.90 Mr Brodie described the offsets to reduce sediments from the Burdekin and Don catchments as a 'farce' and 'technically and financially impossible to implement'.<sup>126</sup>

## Consideration of alternatives

6.91 Several submissions queried why alternative options to dumping, such as land-based disposal, or the use of trestles, were not taken.<sup>127</sup> For example, Mr Jeremy Tager submitted that 'there were viable land based alternatives' but that the ports authority claimed that land based disposal would involve 'disproportionate costs'. He argued against this claim, stating that:

...the cost of dumping on land as a proportion of the total coast of the project and the total revenue of the project—which is a multibillion dollar project—is not disproportionate at all.<sup>128</sup>

6.92 Mr Richard Leck of WWF-Australia similarly told the committee:

The proposal that was put forward was done because it was cheap. If you were to develop Abbot Point, it is possible to do it to minimise the amount of dredging and dumping that occurs at Abbot Point...I would argue vehemently that an additional \$500 million is a perfectly reasonable price to pay to operate alongside one of the world's premier World Heritage areas.<sup>129</sup>

6.93 Mr Brodie also confirmed the availability of more environmentally sound options by telling the committee:

Abbot Point could have gone ahead with a better option and a better process to get to an option that would have allowed the port to go ahead with limited damage to the Great Barrier Reef.<sup>130</sup>

6.94 Mr Brodie suggested that there were five options:

<sup>125</sup> Senate Environment and Communications References Committee, *Environmental Offsets*, June 2014, Appendix 6, p. 149; Department of the Environment, *Answers to written questions on notice*, p. 13.

<sup>126</sup> Mr Jon Brodie, *Committee Hansard*, 23 July 2014, p. 27 and see also p. 29.

See, for example, Mr Jeremy Tager, *Submission 18*, p. 1; Arabon Seafoods, *Submission* 44, p. 3; Whitsunday Charter Boat Industry Association, *Submission 46*, pp 6–7.

<sup>128</sup> Mr Jeremy Tager, Submission 18, p. 1 and Committee Hansard, 23 July 2014, p. 4.

<sup>129</sup> Mr Richard Leck, National Manager, Marine Conservation and Sustainable Development, WWF-Australia, *Committee Hansard*, 21 July 2014, p. 21.

<sup>130</sup> Mr Jon Brodie, *Committee Hansard*, 23 July 2014, p. 27.

- building a very long jetty where there is no dredging involved at all;
- building a medium-length jetty where there is only a very small amount of dredging;
- dredging three million cubic metres and dumping offshore;
- dredging three million cubic metres and putting it behind a small bunded area; and
- dredging three million cubic metres and putting it on the land.

6.95 Mr Brodie examined the pros and cons of these options and was of the opinion that the long jetty with no dredging was the most environmentally friendly, particularly as it involved no dredging. In his view the second best option was to dredge and place the spoil behind a small bunded area.<sup>131</sup>

6.96 Mr Brodie went on to comment that 'there was no consideration of some of the more feasible options or options that caused less damage to the Great Barrier Reef than the one that has now been chosen—for instance, a small bund wall was never considered'. He concluded that:

...we got a result out of that process that was the quickest, cheapest and dirtiest option for the Great Barrier Reef, designed specifically, really, to cause most damage to the Great Barrier Reef of all the possible options.<sup>132</sup>

6.97 Submitters and witnesses noted, for example, that GBRMPA had suggested that best environmental practice, and their preferred option, would have been to minimise dredging through extending trestles into deeper water.<sup>133</sup> However, this advice was not followed. It was suggested that the reason for this was that the proponent rejected this option as being unfeasible 'due to uncertainty in approval requirements and timeframes and significant additional costs'.<sup>134</sup> The Whitsunday Charter Boat Industry Association referred to the GBRMPA risk assessment, which identified extended trestles as GBRMPA's preferred option, disposal on-shore as the second best option, and disposal in the Marine Park as the least favoured option.<sup>135</sup>

6.98 However, in response to questioning on this issue, a representative of the Department of the Environment told the committee that 'there was an extremely

<sup>131</sup> Mr Jon Brodie, Committee Hansard, 23 July 2014, p. 31.

<sup>132</sup> Mr Jon Brodie, Committee Hansard, 23 July 2014, p. 26.

<sup>133</sup> See, for example, WWF-Australia and AMCS, Submission 23, p. 5; Whitsunday Charter Boat Industry Association, Submission 46, pp 6–7; Mr Tony Fontes, Committee Hansard, 22 July 2014, p. 2; Mr Jeremy Tager, Committee Hansard, 23 July 2014, p. 4. See also Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, Committee Hansard, 23 July 2014, p. 57.

<sup>134</sup> WWF-Australia and AMCS, *Submission 23*, p. 5; Whitsunday Charter Boat Industry Association, *Submission 46*, p. 6.

<sup>135</sup> Whitsunday Charter Boat Industry Association, *Submission 46*, p. 6; see also Mr Anthony Brown, President, Whitsunday Charter Boat Industry Association, *Committee Hansard*, 22 July 2014, pp 9, 12.

comprehensive assessment of the propositions that were put to us around Abbot Point'.<sup>136</sup> In response to a question on notice, the Department stated that a 'multi-criteria analysis concluded that offshore disposal of dredged sediment was the best option for disposal on environmental grounds, prior to consideration of costs'.<sup>137</sup>

6.99 Mr Elliot from GBRMPA told the committee that GBRMPA's decision in relation to the disposal of dredge spoil in the Great Barrier Reef Marine Park 'was independently taken from the minister's' decision about dredging.<sup>138</sup> He said:

Under our legislation, a decision under the Great Barrier Reef Marine Park Act cannot occur before a decision under the EPBC Act. So the minister must make his decision first and then there is a statutory time frame under which we have to make a decision...<sup>139</sup>

6.100 Mr Elliot explained that 'alternatives were investigated', including 'land disposal and trestles':

Those alternatives were investigated, in particular in the supplementary public environment report that was done by the proponent, and that was after we had actually engaged with them to request additional work to be done on a number of alternatives. So they were considered as part of the process.<sup>140</sup>

6.101 In terms of the change in advice, Mr Elliot explained that GBRMPA:

...worked with the proponent throughout the process to try to shape that proposal and we required them to investigate alternatives as well. But when we got to the end of the process, the proposal we were making a decision on was for offshore disposal not for any other option.<sup>141</sup>

6.102 He noted that GBRMPA's preferred options were set out in a document in 2013, released during the approval process:

When we were examining alternatives such as trestles and land-based options, we were providing feedback to the proponent and to the department to suggest that we believed there were alternatives that would have a better environmental outcome for the marine park. That does not

- 140 Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, *Committee Hansard*, 23 July 2014, p. 56.
- 141 Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, *Committee Hansard*, 23 July 2014, p. 57.

<sup>136</sup> Dr Kimberley Dripps, Deputy Secretary, Department of the Environment, *Committee Hansard*, 21 July 2014, p. 58.

<sup>137</sup> Department of the Environment, *Answers to questions on notice from public hearing on 21 July 2014*, p. 2.

<sup>138</sup> Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, *Committee Hansard*, 23 July 2014, p. 57.

<sup>139</sup> Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, *Committee Hansard*, 23 July 2014, p. 56.

mean that they were engineeringly feasible or that there were not other issues associated...

The other thing to note of course is that the proposal we were making a decision on was for an offshore disposal...We could not provide a permit for something other than what was applied for. So we could not say, 'We are going to give you a permit to dispose it on land.'<sup>142</sup>

6.103 In response to questioning, Mr Elliot told the committee that the accusation that GBRMPA had been 'leaned on' to change its position was not correct.<sup>143</sup> Dr Reichelt noted that an 'alternative disposal site analysis' was done as part of the conditions of approval, with 'much improved modelling'.<sup>144</sup>

6.104 One land-based disposal option that was offered in January 2014 by Mr Kevin Murphy of Bowen Land Development Corporation was that the dredge material from the Abbot Point expansion be pumped into the old Cheetam salt works, 17 kilometres from Abbot Point. Mr Murphy explained that the salt works is divided into 27 sealed ponds covering a site of 300 hectares. The ponds have a capacity to accommodate over six million cubic metres of fill.<sup>145</sup> When questioned about why the salt works were not considered, GBRMPA and the Department of the Environment stated:

We are advised that Mr Murphy's salt works was not available as an alternative at the time the assessments were completed.

North Queensland Bulk Ports have not submitted a proposal for the assessment of the disposal of dredged material at the salt works site to date.<sup>146</sup>

6.105 GBRMPA also explained that land-based disposal of dredge material is generally more expensive than off-shore disposal 'due to the de-watering process...which involves the storage of the dredge material, as well as the de-watering, stabilisation and separation of the material'.<sup>147</sup> However, Mr Murphy explained that the proposed salt works site could act as 'a giant filtration system', initially allowing for the treatment of potential acid sulphate soil and for the water to be flocculated. Then, the clear surface water would naturally flow through the ponds

144 Dr Russell Reichelt, Chairman and Chief Executive, GBRMPA, *Committee Hansard*, 23 July 2014, p. 61.

146 Department of the Environment, *Answers to written questions on notice*, p. 13; GBRMPA, *Answers to written questions on notice*, p. 27.

<sup>142</sup> Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, *Committee Hansard*, 23 July 2014, p. 57.

<sup>143</sup> Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use, GBRMPA, *Committee Hansard*, 23 July 2014, p. 57.

<sup>145</sup> Mr Kevin Murphy, *Submission 55*, pp 1–2; see also Tony Moore, 'New ideas for reef dredge spoil should be investigated: Queensland MP', *Brisbane Times*, 27 August 2014, <u>http://www.brisbanetimes.com.au/queensland/new-ideas-for-reef-dredge-spoil-should-be-investigated-queensland-mp-20140827-1090z5.html</u> (accessed 28 August 2014).

<sup>147</sup> GBRMPA, Answers to written questions on notice, p. 24.

into the ocean.<sup>148</sup> In response to this option, Mr George Christensen MP, the Federal Member for Dawson, has asked North Queensland Bulk Ports Corporation to exhaustively investigate every land-based option and has stated 'if a viable option emerges I will ensure that the spoil is dumped on land, not at sea'.<sup>149</sup> The committee notes reports that North Queensland Bulk Ports Corporation is considering altering its plans to dispose of dredge spoil material at sea.<sup>150</sup> The committee further notes that the Minister for the Environment recently stated that he would welcome and consider alternative options to offshore disposal.<sup>151</sup>

## Capacity at Abbot Point

6.106 As discussed in the previous chapter, there was some discussion as to whether port expansions, including the expansion at Abbot Point, are even necessary, and whether existing ports are operating at full capacity.

6.107 Mr Anderson from Ports Australia told the committee that Abbot Point 'is pretty much close to capacity at the moment'.<sup>152</sup> Nevertheless, the committee notes that the North Queensland Bulk Ports Corporation website, the website of the company responsible for the Port of Abbot Point, states that the current export capacity of Abbot Point Terminal 1 (T1) is 50 Mtpa and, last year, the annual throughput was around 22.9 Mtpa.<sup>153</sup>

6.108 However, Mr Roche from the Queensland Resources Council explained that at Abbot Point T1 'there is one ship loader that is not functional at the moment'. He further stated that 'the current port capacity of that operation is 33 million tonnes', and that the port will 'go close to capacity' by the end of next financial year.<sup>154</sup>

6.109 As noted in the previous chapter, the Queensland Government explained that the listed capacity of a port is often given in terms of its theoretical maximum throughput and this figure does not take into account factors such as maintenance shutdowns and adverse weather. It was noted that the entire present capacity of the

<sup>148</sup> Mr Kevin Murphy, *Submission 55*, p. 1.

<sup>149</sup> Tony Moore, 'New ideas for reef dredge spoil should be investigated: Queensland MP', Brisbane Times, 27 August 2014, <u>http://www.brisbanetimes.com.au/queensland/new-ideas-for-reef-dredge-spoil-should-be-investigated-queensland-mp-20140827-1090z5.html</u> (accessed 28 August 2014).

<sup>150</sup> Joanna Heath, 'Great Barrier Reef dumping plans scrapped: report', *Sydney Morning Herald*, 2 September 2014, <u>http://www.smh.com.au/federal-politics/political-news/great-barrier-reef-dumping-plans-scrapped-report-20140902-10b8uv.html</u> (accessed 2 September 2014).

<sup>151</sup> ABC Radio, 'Abbot Point offshore dumping looks unlikely', *PM*, 2 September 2014, http://www.abc.net.au/pm/content/2014/s4079498.htm (accessed 3 September 2014).

<sup>152</sup> Mr David Anderson, Chief Executive Officer, Ports Australia, *Committee Hansard*, 21 July 2014, p. 25.

<sup>153</sup> North Queensland Bulk Ports, *Abbot Point Port*, <u>http://www.nqbp.com.au/abbot-point/</u> (accessed 12 August 2014).

<sup>154</sup> Mr Michael Roche, Chief Executive, Queensland Resources Council, *Committee Hansard*, 21 July 2014, p. 34.

Port of Abbot Point has already been allocated to resource companies, meaning that new capacity will be required for new and expanding coal producers.<sup>155</sup>

## Process for approval

6.110 Mr McKenzie of AMPTO explained that they were surprised that the permit was granted before the Strategic Assessment was finalised:

...we did not expect to see any of the permits being granted until such a time as we understood the full cumulative impact of all the proposed port development. The real issue is that then they turned around, six months before the finalisation of that document, and issued permits. Quite frankly, our industry felt betrayed in the trust that we had given to the federal government on that document and that process.<sup>156</sup>

6.111 Based on documents received under freedom of information requests, it was claimed that experts in GBRMPA had initially recommended that the dumping permit not be issued.<sup>157</sup> For example, Mr Coates of CAFNEC told the committee that 'internally the advice seems to have been quite different to what has gone to the minister in the end'.<sup>158</sup>

6.112 It was suggested that, as the Department of the Environment gave its approval first, before GBRMPA had made a decision about the sea dumping permit, GBRMPA was then left in a politically difficult position.<sup>159</sup> Mr Jeremy Tager told the committee that 'despite really clear evidence that the staff at GBRMPA were not recommending approval of either the dredging or the dumping, approval was given, which seems to me to be a clearly political decision'.<sup>160</sup> He also noted that a change occurred in GBRMPA after a change in the delegated decision-maker and 'it is hard to conclude anything except that there was political interference'.<sup>161</sup>

<sup>155</sup> Queensland Government, Answers to written questions on notice, p. 30.

<sup>156</sup> Mr Colin McKenzie, Executive Director, Association of Marine Park Tourism Operators, *Committee Hansard*, 23 July 2014, p. 34.

<sup>157</sup> CAFNEC, Submission 19, p. 7.

<sup>158</sup> Mr Josh Coates, Marine Program Coordinator, CAFNEC, *Committee Hansard*, 23 July 2014, p. 16.

<sup>159</sup> See CAFNEC, Submission 19, pp 7–8.

<sup>160</sup> Mr Jeremy Tager, *Committee Hansard*, 23 July 2014, p. 3; see also Dr Charlie Veron, former Chief Scientist, AIMS, 'The Battle for the Barrier Reef', *Four Corners*, 18 August 2014, ABC transcript, <u>http://www.abc.net.au/4corners/stories/2014/08/18/4067593.htm</u> (accessed 21 August 2014).

<sup>161</sup> Mr Jeremy Tager, Committee Hansard, 23 July 2014, p. 6.

Impact on GBRMPA

6.113 It was submitted that the Abbot Point decision has undermined community confidence in GBRMPA and its independence.<sup>162</sup> For example, the North Queensland Conservation Council submitted that:

Having been involved in public education in relation to marine issues in Townsville, we can attest to the fact that very, very many in the community feel let down by the action of GBRMPA in providing permits to allow the dumping of dredge spoil in the GBRMP at Abbot Point. The agency that was seen as 'the good guys' 'on the side of the Reef' is now, sadly, regarded as an agency that can be swayed by the government of the day.<sup>163</sup>

6.114 They further submitted that they are aware that many GBRMPA staff also 'did not agree with the dumping decision and are sad, mortified and angry that their expert advice was not accepted'.<sup>164</sup>

6.115 The Cairns Local Marine Advisory Committee submitted that it wants 'a strong and trusted advocate' for the Great Barrier Reef and that 'the reputation of the Authority has been badly damaged'.<sup>165</sup> Similarly, CAFNEC submitted that:

Community confidence in decision making around GBR protection is at a low point and huge improvements in consultation, research and policy will be required to ensure that problems that have come to light around the Abbot Point decision are not repeated.<sup>166</sup>

6.116 Ms Felicity Wishart of the Australian Marine Conservation Society told the committee that:

There was clear advice from the marine park authority experts that dumping should not occur, and yet approval was given by the marine park authority. That raises serious questions about whether that organisation is fulfilling its mission.<sup>167</sup>

6.117 In response to further questioning on this issue, Ms Wishart further explained:

...there were serious concerns by the experts about the impact particularly of dumping in the marine park. They were strongly recommending that this was not the preferred option, that other options should have been taken first. In the case of Abbott Point, in my opinion, the Marine Park authority has been put in an invidious position where the minister approved the dredging and a dumpsite within the marine park, even though he anticipated it would

<sup>162</sup> See, for example, Cairns Local Marine Advisory Committee, *Submission 7*, p. 3; CAFNEC, *Submission 19*, p. 7; North Queensland Conservation Council, *Submission 30*, p. 3.

<sup>163</sup> North Queensland Conservation Council, *Submission 30*, p. 3.

<sup>164</sup> North Queensland Conservation Council, *Submission 30*, p. 3.

<sup>165</sup> Cairns Local Marine Advisory Committee, Submission 7, p. 3; CAFNEC, Submission 19, p. 8.

<sup>166</sup> CAFNEC, Submission 19, p. 7.

<sup>167</sup> Ms Felicity Wishart, Great Barrier Reef Campaign Director, Australian Marine Conservation Society, *Committee Hansard*, 21 July 2014, p. 15.

not be the final dump site, which then put inordinate pressure on the Marine Park Authority to then have to issue the permit...we saw politics overriding science in that particular circumstance.<sup>168</sup>

#### Other process issues

6.118 It was also suggested that there was a 'lack of transparent consultation and provision of timely information' in relation to the Abbot Point decision.<sup>169</sup> The Whitsunday Charter Boat Industry Association submitted that it was:

...never consulted by NQBP or the GBRMPA which we would expect as our operators have permits to operate at Holbourne Island only 6 km from the catalina dump site.  $^{170}$ 

6.119 It was also suggested that, on the basis of the precautionary principle, the disposal should not have been approved, and the permit should not have been issued, since there is insufficient information on the impacts of dumping.<sup>171</sup>

6.120 However, industry groups such as the Queensland Ports Association pointed to the Abbot Point 'Cumulative Impact Assessment' as a 'comprehensive evaluation of the combined effects of port development'.<sup>172</sup> The Queensland Ports Association submitted that this cumulative impact assessment, combined with the environmental assessment Public Environment Report:

...highlight that port development, including a 3 million m<sup>3</sup> capital dredging campaign, can occur in a sustainable manner and deliver conservation objectives that maintain or improve the current environmental situation. Further, the studies also showed that the marine values of the area could be protected and that the Outstanding Universal Value (OUV) of the GBR preserved through appropriate design, management, monitoring and offsetting residual impacts.<sup>173</sup>

6.121 In contrast, WWF-Australia and AMCS submitted that:

...the environmental impact assessments undertaken for the recent Abbot Point dredging and dumping approvals do not take into account cumulative

171 See, for example, CAFNEC, *Submission 19*, p. 7; NQCC, *Submission 30*, p. 4; Whitsunday Residents Against Dumping, *Submission 39*, pp 3–4.

<sup>168</sup> Ms Felicity Wishart, Great Barrier Reef Campaign Director, Australian Marine Conservation Society, *Committee Hansard*, 21 July 2014, p. 20.

<sup>169</sup> CAFNEC, Submission 19, p. 13.

<sup>170</sup> Whitsunday Charter Boat Industry Association, Submission 46, p. 1.

<sup>172</sup> Queensland Ports Association, Submission 13, p. 4; see also Mr Thomas Kaveney, Environmental Policy Advisor, Queensland Ports Association, Committee Hansard, 21 July 2014, p. 28 and Mr Michael Roche, Chief Executive, Queensland Resources Council, Committee Hansard, 21 July 2014, p. 30. Note that the cumulative impact assessment is available at: <u>http://www.nqbp.com.au/abbot-point/</u> (accessed 8 August 2014).

<sup>173</sup> Queensland Ports Association, Submission 13, pp 6–7; see also Mr Thomas Kaveney, Environmental Policy Advisor, Queensland Ports Association, Committee Hansard, 21 July 2014, p. 28.

impacts and were done prior to the establishment of an evidence-based framework for assessing impacts at a regional scale on the Outstanding Universal Value of the Great Barrier Reef.<sup>174</sup>

6.122 Furthermore, Mr Tager noted that the 2012 dredging guidelines, which took into account the effects of deep ocean currents on sediment transportation, were not imposed on the Abbot Point development. He went on to infer:

...because the Abbot Point development application went in before the guidelines took effect, GBRMPA decided they could not impose them on the ports authority. The ports authority, although they certainly could have modelled based on deep ocean currents and the current knowledge that was available about deep ocean currents, simply stuck to the legal requirements rather than best practice and allowed themselves to do work that did not reflect the reality on the ground.<sup>175</sup>

#### Lessons from Gladstone Harbour

6.123 Arabon Seafoods was concerned that the issues that have occurred in Gladstone Harbour will occur again in the Abbot Point area.<sup>176</sup> Arabon Seafoods suggested that there are clear lessons to learnt from the issues in Gladstone Harbour:

There is potential for considerable environmental harm by maritime developments in Abbot Point—such environmental concerns evident from the port developments in Gladstone. The Gladstone Port outcomes cannot be ignored for Abbot Point.<sup>177</sup>

6.124 Similarly, Mr Jon Brodie told the committee that the:

...at Abbot Point now it is meant to be all okay because we are going to have stringent conditions. I do not believe it for a moment. We saw what the stringent conditions did at Gladstone: they did nothing. So there is no way we could ever trust the conditions<sup>178</sup>

<sup>174</sup> WWF-Australia and AMCS, Submission 23, p. 5.

<sup>175</sup> Mr Jeremy Tager, Committee Hansard, 23 July 2014, p. 6.

<sup>176</sup> Arabon Seafoods, *Submission 44*, pp 4–5.

<sup>177</sup> Arabon Seafoods, *Submission 44*, p. 2.

Mr Jon Brodie, *Committee Hansard*, 23 July 2014, p. 27; see also Mr Anthony Brown, President, Whitsunday Charter Boat Industry Association, *Committee Hansard*, 22 July 2014, p. 9.