

## **CHAIR'S FOREWORD**

For more than a decade the proposal to develop a marina and resort at Oyster Point on the Hinchinbrook Channel, part of the Great Barrier Reef World Heritage Area, has been characterised by controversy, inter-governmental disputes and bungling at all levels. The issue has grown from one about short cuts in permit approvals to one about protection of an outstanding natural area, the rights of local communities to decent prosperity to a full blown national debate that arouses the strongest of emotions.

In the committee's view the management of development proposals at Oyster Point has been a tragedy of errors, the results of which have been unsatisfactory to all concerned. It has been unsatisfactory to the developer who has suffered uncertainty and delay; to the environment groups as the environment has not been adequately protected; and to the authorities who have had to handle the matter with vastly more trouble and expense trying to repeatedly justify and defend indefensible decisions and processes.

In retrospect a tremendous amount of expense and aggravation would have been avoided if the resort and marina project first proposed in 1987 had been subjected to a proper environmental assessment process.

This error was compounded when the project was revived in 1993-94, again with failure of the Queensland State government to insist on a full environmental impact assessment. Instead, the government opted for the lesser instrument of an "Environmental Review Report" which, FOI documents later revealed, was considerably influenced by the developer.

The controversy surrounding the development has been based around the environmental impacts of the development. While conservation, science and community expectation is that as a world heritage area, its unique values deserve the highest level of assessment, consideration and protection, the reality has been far from this.

The Hinchinbrook area is blessed by outstanding values, which include stunning scenery, endangered species and unique ecosystems found in abundance. It is these values which have inspired the level of passion and commitment from many Australians to protect the area.

Unfortunately the area is also a depressed regional economy where many local residents justifiably want the guarantee of economic prosperity which they do not have at present. The Port Hinchinbrook development promised regional jobs in an area which sorely needs them. It is important to note that despite the many, detailed and often conflicting reports commissioned on all sides about the environment, and despite the many assertions made by regulatory authorities to justify their decisions and the many public claims of the developer as to the economic value of the development, there has never been any economic assessment of the development.

The Committee received 166 submissions with the clear majority being from people who did not want the resort to proceed because of its dangers to the surrounding world heritage area. A number of independent submissions came in from scientists expressing grave concerns about the impacts of the resort and concerns about how the Government has managed the decision.

It is worth noting that a number of scientists reported being threatened or intimidated for putting their views forward about this development. The Committee finds this sort of behaviour unacceptable.

Evidence to the committee demonstrated there are serious environmental risks from this development which have been overlooked or downplayed by various Governments. It also shows those risks are ongoing. After the issue became a public bleeding sore for various political parties, a Deed of Agreement between the local and state governments and the developer was made.

The Commonwealth later entered the agreement under what is known as the Deed of Variation. This deed is only enforceable by the signatories and has never been legally enforced despite documented and acknowledged breaches. It is doubtful how it sits in a regulatory system and whether it will ever actually protect the surrounding area from the impacts of the development.

The committee found that the emphasis on the development is no longer on the resort and potential of the resort, it is on the real estate subdivision and residential sales.

The committee received evidence that there was a significant acid sulfate problem on site with doubts cast about the adequacy of its management. Concerns about liability and potential compensation have been raised for any Governments which give building approvals as a result. The Committee believes that concerns so far highlighted by the Queensland Acid Sulfate Soils Inspection Team and by Professor Ian White raise serious questions about the short and long term management of acid soil on site. This also raises serious concerns for any buyers of land in the area.

In the committee's view, the Port Hinchinbrook example is a clear case for government in how not to consider and deal with development applications in sensitive areas.

The attempts, mainly by State and local authorities, to shortcut even minimal environmental assessment has had the perverse effect of substantially increasing the costs in time, money and degradation to all parties – developers, regulatory agencies and the community.

It is also clear to the committee that the whole system of environmental impact assessment needs substantial overhaul. A system where parties interested in development both commission and pay for environmental impact assessments not surprisingly produces reports coloured to development. Independently or scientifically commissioned reports do not demonstrate anything like this unanimity.

## **Recommendations**

Some key recommendations of the report are:

The Commonwealth, as a party to the Port Hinchinbrook Deed of Agreement, should engage an independent assessor to report on whether the developer has been complying with the Deed; and if there have been any breaches, the Commonwealth should act to ensure they are remedied. (recommendation 1)

There should be a full assessment of acid sulfate soils at the Port Hinchinbrook site, and the Commonwealth should act to ensure that any breaches of the Acid Sulfate Management Plan are remedied. (recommendation 5)

The Commonwealth should fund CSIRO to expedite research on acid sulfate soils and acid sulfate mapping around Australia. (recommendation 6)

The Commonwealth and the Queensland governments should expedite research into the environmental effects of aquaculture on the Great Barrier Reef World Heritage Area. (recommendation 8)

The Commonwealth should fund a program of regional planning in local government areas where planning decisions may affect World Heritage values of World Heritage areas. Funding should be conditional on using best practice planning processes. The Commonwealth should also fund a program of information and education about World Heritage conservation in those local government areas. (recommendation 11)

The Commonwealth, in co-operation with the States, should expedite research into risks to the World Heritage values of Australia's World Heritage properties. (recommendation 13)

**Senator Lyn Allison**

**Chair**

