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AGRICULTURE, RESOURCES AND ENVIRONMENT COMMITTEE

Members present:

Mr IP Rickuss MP (Chair)
Mr SV Cox MP (via teleconference)
Ms MA Maddern MP
Ms J Trad MP

Staff present:

Mr R Hansen (Research Director)
Mr M Gorringe (Principal Research Officer)
Ms S McCallan (Principal Research Officer)

PUBLIC BRIEFING—EXAMINATION OF THE NORTH STRADBROKE ISLAND PROTECTION AND SUSTAINABILITY AND ANOTHER ACT AMENDMENT BILL 2013

TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, 23 OCTOBER 2013

Brisbane

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Committee met at 9.30 am

**BRAY, Mr Neil, Acting Deputy Director-General, Policy and Program Support,
Department of Natural Resources and Mines**

**CHEYNE, Mr Damon, Principal Environmental Officer, Environmental Services and
Regulation Division, Department of Environment and Heritage Protection**

**DITCHFIELD, Mrs Bernadette, Executive Director, Lands and Mines Policy,
Department of Natural Resources and Mines**

**HERTSLET, Mr Bryce, Regional Manager, Southern Region—East, Department of
Environment and Heritage Protection**

HEYWARD, Mr Brett, Director-General, Department of Natural Resources and Mines

**KELLY, Mr Mark, Regional Director, Southern Region, Department of Natural
Resources and Mines**

**MEADOWCROFT, Mr Rex, Director of Legislative Support, Department of Natural
Resources and Mines**

**NICHOLAS, Mr Graham, Director of Vegetation Management, Department of Natural
Resources and Mines**

**WATSON, Mr Craig, Mining Registrar, Southern Region, Department of Natural
Resources and Mines**

CHAIR: Welcome, ladies and gentlemen. I declare this meeting of the Agriculture, Resources and Environment Committee open. I would like to acknowledge the traditional owners of the land on which this meeting is taking place. I would also like to acknowledge with us in the audience today Uncle Bob Anderson, representing the traditional custodians of North Stradbroke Island.

I am Ian Rickuss, the member for Lockyer and chair of the committee. The other committee members here today are Jackie Trad, the member for South Brisbane, and Anne Maddern, the member for Maryborough. Sam Cox, the member for Thuringowa, is on the phone. Please note that these proceedings are being broadcast live via the Queensland parliament website.

The purpose of this meeting is to assist the committee in our examination of the North Stradbroke Island Protection and Sustainability and Another Act Amendment Bill 2013. The bill was introduced by the Minister for Natural Resources and Mines, the Hon. Andrew Cripps, and subsequently referred to the committee on 17 October for examination, with a reporting deadline of 14 November. We hope that the briefing today will give everyone a better understanding of the provisions of the bill. Yesterday the committee published a letter of our inquiry with some very useful briefing material provided by the Department of Natural Resources and Mines. We have copies here today for anyone who is interested. These documents are also available on the inquiry web page under the 'related documents' tab.

The briefing this morning will be led by the Director-General of the Department of Natural Resources and Mines, Mr Brett Heyward. I remind honourable members that the officers who are here today have given their time to provide factual information. They are not here to give opinions about the merit or otherwise of the policy behind the bill or alternative approaches. Any questions about government policy that the bill is seeking to implement should be directed in the first instance to the responsible minister, namely Andrew Cripps, Minister for Natural Resources and Mines, not these officers.

Before we start, can all phones be switched off or onto silent. Just before we start, Dr Robinson, have you got a request to make to the committee?

Dr ROBINSON: Yes. May I be present?

CHAIR: Yes, Dr Robinson, come forward. Mr Heyward, would you like to make a brief statement?

Mr Heyward: Firstly, I would also like to acknowledge the traditional owners of the land on which we meet today. I would also acknowledge the chair of the committee, the member for Lockyer, and the committee members. Thank you for inviting the Department of Natural Resources and Mines to parliament to provide a briefing to the committee on the North Stradbroke Island Protection and Sustainability and Another Act Amendment Bill.

Today the department will present a short briefing to the committee about the bill and provide answers to your questions. I will now provide the committee with the policy context, key amendments and the major issues arising from the drafting of the bill, and I will then answer any questions that the committee may have.

The bill has two overarching key objectives: firstly, it implements the government's policy to extend sandmining on North Stradbroke Island in order to enable adequate time for the island to transition to other industries; and, secondly, the bill amends the Vegetation Management Framework Amendment Act 2013 to remove sections that would otherwise have had unintended consequences and will remove duplication with provisions proposed with the state development assessment provisions module 8, Native Vegetation Clearing. I will address the amendments relating to the extension of sandmining on North Stradbroke Island first.

By way of background, North Stradbroke Island is the second largest sand island in the world and is located approximately 40 kilometres from Brisbane. Sandmining began on the island in 1949. Sibelco Australia Ltd is now the only sandmining company operating on the island.

In terms of the amendments outlined in the bill concerning mining activities on North Stradbroke Island, I would like to mention three key elements. First is the extension of mining activities to 2035. The bill will amend the North Stradbroke Island Protection and Sustainability Act 2011 to enable Sibelco to seek a renewal of sandmining leases in 2019 at the Enterprise Mine until 2035. This amendment is being made because the current framework under the act does not provide sufficient time for the economy of North Stradbroke Island to transition to one that is not dependent on mining. The economy of the island was, and still is, largely dependent on sandmining operations. It is estimated that Sibelco currently injects close to \$30 million annually into the state's economy.

The population of the island is highly dependent on sandmining for employment and income. At the time of the 2011 census there were 848 employed persons residing on North Stradbroke Island, whilst 61 residents were unemployed and looking for jobs. Mining is the second largest employer for the island's residents. At the time of the census there were 115 persons living on the island and employed in mining, which accounted for around 14 per cent of the island's total employment. This is more than four times the three per cent share that mining employment represents state-wide.

The government has undertaken an economic regional impact report on the impact of mineral sands mining, and this report has been provided to the committee. The report shows that extending the Enterprise Mine mining lease from 2019 to 2035 will provide considerable economic benefits to North Stradbroke Island and the state through increased economic activities in terms of production, value-added activities, royalties and jobs. In particular, the report noted that extra mineral production of \$1.5 billion would result value-added to the gross regional product—which also feeds in, of course, to gross state product—of close to \$1 billion, royalties to the state of over \$75 million and the retention of around 107 full-time-equivalent jobs.

The second element I would like to draw the committee's attention to is how the bill deals with the restricted mine path. The bill will also remove the restricted mine path in non-winning condition over part of the Enterprise Mine. The legislated end to mining on North Stradbroke Island as introduced by the previous government materially cut short Sibelco's proposed mining activities and the resource life potential of the island. Under the current act, mining is to cease at the Enterprise Mine in 2019, the Vance Mine in 2025 and the Yarraman Mine in 2015. Sibelco is the only miner in Australia to have a mine path dictated by legislation at a point in time instead of one generated through an ongoing process of exploration, risk assessment, market review and mine planning.

The third element I would like to draw the committee's attention to deals with the environmental authority. Consequential on the removal of the restricted mine path and non-winning condition over part of the Enterprise Mine, the bill replaces the environmental authority covering

mining on the island. The replacement environmental authority will be attached to a schedule to the North Stradbroke Island Protection and Sustainability Act 2011 rather than under the Environmental Protection Act 1994. The replacement environmental authority will operate and be administered under the Environmental Protection Act 1994 once it takes effect.

The replacement environmental authority includes a range of measures to ensure the environment is protected. The new environmental authority includes a number of conditions such as: buffer zones up to 100 metres to protect environmentally sensitive areas and balance limitations provided by site constraints; and a monitoring program that must be conducted, with the results provided to the Department of Environment and Heritage Protection annually. The monitoring program facilitates assessment of any changes in environmental values that could be caused by the mining activity. The EA also allows for the provision of a site investigation report for any area that is likely to be contaminated land and a requirement to carry out the work to ensure the land is suitable for its final land use. It also allows for financial assurance as security for compliance and for the development and implementation of a risk management system. The EA also allows for the notification of emergencies.

In relation to the renewal of particular mining leases for rehabilitation, the bill will provide for an opportunity to renew mining leases associated with Yarraman Mine and Enterprise Mine until 2020 and 2040 respectively, with a non-winning condition for the last five years. This will provide the necessary mechanism to allow for rehabilitation of the mine sites, because the act previously did not provide any mechanisms for the mining leaseholder to access the mine sites at the end of the mining lease to carry out the necessary rehabilitation.

As a final comment on NSI matters in the bill before I move to the vegetation management aspects, I would like to briefly mention two points about national parks and native title rights. The amendments being made to the North Stradbroke Island Protection and Sustainability Act 2011 do not involve any areas on the island that are national park. The department is also confident that the amendments in this bill are being made in accordance with the requirements of the Commonwealth Native Title Act 1993 and will not breach or necessitate any amendment to the current Indigenous land use agreement between the state and the Quandamooka people.

Now I will turn to the amendments made by the bill to the Vegetation Management Framework Amendment Act 2013. The Vegetation Management Framework Amendment Act 2013 was passed by parliament on 21 May and contributes to delivering a number of government commitments, including growing a four-pillar economy and reducing the regulatory burden and red tape on landholders, businesses and government. The act introduced new clearing purposes for which vegetation clearing can occur. Two of these purposes were: for high-value agricultural clearing, which includes perennial and annual horticulture and broadacre cropping—here clearing can occur for the establishment, cultivation and harvesting of dryland cropping but does not include clearing for grazing or plantation forestry activities; and for irrigated high-value agricultural clearing, which includes perennial, horticultural and broadacre cropping supplied with water by artificial means. While clearing for irrigated high-value agriculture is permissible for irrigated improved pasture for grazing, it does not include plantation forestry activities.

These provisions have not yet commenced. It is anticipated that these provisions will commence in late 2013. Sections 22DAB(2) (d) and 22DAB(3) of the act require applicants to demonstrate how they propose to minimise and mitigate the adverse impacts of clearing and provide a significant beneficial impact for the clearing of endangered and of-concern regional ecosystems. The significant beneficial impact provided must be located on the applicant's land. Once an applicant has satisfied the relevant purpose requirements under sections 22DAB and 22DAC, he or she can apply under the Sustainable Planning Act 2009 for a development permit.

Applications under the Sustainable Planning Act are assessed under the state development assessment provisions module 8, Native Vegetation Clearing, which commenced in July 2013. This requires all applications to demonstrate how the development will minimise and mitigate the effects of the development and provides for the consideration of clearing in endangered and of-concern regional ecosystems. As proposed in the amendments before you today, the requirement to provide a significant beneficial impact will be transferred to the state development assessment provisions to avoid duplication with the Vegetation Management Act.

I would now welcome any questions the committee may have about the bill.

CHAIR: Thank you very much for that briefing, Brett. I have read the bill and have gone through the explanatory notes. In terms of the deadline of 2019, had your department previously been looking at the transition for that date?

Mr Heyward: On these matters I would not mind referring initially to Neil, and Neil may involve Bernadette. Neil, would you like to respond?

Mr Bray: The term of the mining lease was under consideration, particularly for the transition of the economy to alternative industries. The executive director of mines policy and Mark Kelly are subject matter experts. I invite them to make comment.

Mr Kelly: With regard to the actual tenure to 2019, the election commitment made clear that there was going to be an extension to mining on the island. So in terms of the policy development that has occurred since then, that was in line with the election commitment.

CHAIR: Could I just have some clarification of 'non-winning'? Does 'non-winning' mean that it is not profitable? What does 'non-winning' actually mean?

Mr Heyward: Basically, you cannot take for economic gain. So it is really about accessing for rehabilitation purposes. I will hand over to Mark.

Mr Kelly: What Brett has just said is correct. 'Non-winning' means you are not winning any new mineral from the site. Effectively, you are there for rehab only and you are not allowed to mine any further mineral from that area.

CHAIR: I see that some of the access for rehabilitation was limited under the previous act; is that correct?

Mr Kelly: I will have to take that question on notice with regard to the previous act.

CHAIR: It says in the explanatory notes that the North Stradbroke act did not provide any mechanism for mining leaseholders to access mine sites at the end of the mining lease to carry out necessary rehabilitation.

Mr Kelly: I think that is in terms of when the lease has actually expired. Often after that the rehab is still not complete. Under the provisions of the earlier act there was no legal access for the company to go in and continue their rehab.

CHAIR: And this will be corrected in this legislation, will it?

Mr Kelly: I understand that the extra five years rehabilitation period—from 2035 to 2040 with regard to Enterprise and from 2015 to 2020 in the Yarraman lease—is for that purpose only.

CHAIR: A bit of poorly drafted legislation.

Ms TRAD: Firstly, welcome, Mr Heyward. I understand that you are the new director-general of the department.

Mr Heyward: Yes.

Ms TRAD: I do not think I have been to a committee hearing where the director-general himself has shown up, so welcome. Just to follow up from that question put by the chair, Mr Rickuss, in terms of the standing environmental application—this might be a question for someone from EHP—the requirements under the EA would have necessitated rehabilitation work; is that correct?

Mr Hertslet: That is correct.

Ms TRAD: So that would have been the legal instrument for the mining company to access the particular leases for rehabilitation purposes?

Mr Hertslet: It is my understanding that the challenge arises in terms of the ownership of the land and then gaining access if they do not own the land, and there is no tenure upon which they have legal authority to enter.

Ms TRAD: But does that need a legislated outcome or is that something that the government at the time can respond to?

Mr Hertslet: I do not believe we would have the power to require them to go on to land which they do not own under the head of an EA.

Ms TRAD: Mr Heyward, the map provided at page 40 of the bill does not have very much detail. From the information on the map, it looks to be supplied by Sibelco; is that right?

Mr Hertslet: Yes, it is a map supplied by Sibelco as part of their submission. That has certainly been endorsed by our department.

Ms TRAD: Endorsed by the department for inclusion in the bill?

Mr Hertslet: Yes.

Ms TRAD: So we are working from information provided by Sibelco, not independent information verified by the department; is that right?

Mr Hertslet: As with most applications, yes. It is supplied by the proponent, in this case Sibelco.

Ms TRAD: Okay. I think it is probably quite important, particularly from my perspective, Mr Heyward, that a map provided by the department—and I understand that clause 5 of the bill suggests that there is a map on your department's website which has a bit more detail in relation to North Stradbroke Island and mining leases. I could not find that. I am not sure where on your website it is located. But I actually think we need a better map that has overlays of environmentally sensitive areas, Ramsar areas and native title holdings. So I am asking for your commitment to provide to the committee, well before the next public hearing, a more detailed map so that we can make some assessments in relation to the amendments that are placed in this bill. Can we do that?

Mr Heyward: I will take that one on notice. At face value it seems a reasonable request. In terms of accessing map material I would imagine that largely would be through the Queensland Globe, which is a new website that works off Google Earth that we put overlays of tenure information and other land based information. So it might be of benefit to the committee, too, if we do a demonstration of the Queensland Globe. It is designed to enable people to access it. I think a combination of both of those, if that would address the member's—

Ms TRAD: Just to be incredibly clear, what I am after is a map of North Stradbroke Island that has overlays of all of the land tenure issues. That includes native title, Ramsar issues and environmentally sensitive areas for other reasons, as well as all of the mining leases.

Mr Heyward: We will take that one on notice. Thank you.

CHAIR: I note that the legislation actually talks about EAs not attracting public notification requirements. Arguably this is a breach of section 4 (3) of the Legislative Standards Act. The reason is that the previous EA was larger than that. Would I be correct in my understanding of that?

Mr Hertslet: That is certainly the primary reason for moving down that path. That is coupled with the fact that an environmental studies report which had some public notification was also conducted in 2003 with the report issued in 2004 over the same mining leases.

Ms TRAD: Can the department please provide a list of all of the external stakeholders who have been consulted in the drafting of this bill in terms of ensuring that the process has included a range of views? That would be incredibly useful.

Mr Heyward: Yes.

Ms TRAD: Mr Heyward, you would have been briefed in the lead-up to this session that the issue of continuation of sandmining on Stradbroke Island attracted a bit of attention at estimates this year. I am assuming you have read the *Hansard* or you have been advised of it. At that time the shadow minister, Mrs Jo-Ann Miller, tabled some documents including a proposal by Sibelco for a simplified tender process. It appears to me that quite a significant number of the asks within that briefing note have been accepted and are reflected in this bill. Are you aware of this proposal by Sibelco and are you aware of any differences between the asks from Sibelco and what has been proposed in terms of amendments to the act?

Mr Heyward: On this matter I would have to rely on the advice of staff that have been intimately involved in this matter. I open that for comment initially from Neil and then will pass to Bernadette.

Mr Bray: I was at estimates in my substantive role as Valuer-General at the time. The information had been received from Sibelco, but that just formed part of the decision government ultimately made. Bernadette, did you wish to make comment?

Mrs Ditchfield: Sibelco did provide the government with a proposal and that was used but was not the only basis for the government's decision.

Ms TRAD: Was a proposal sought from the Quandamooka traditional landholders?

Mrs Ditchfield: Not on the mining amendments themselves because they related to the actual mining proposal.

Ms TRAD: I guess they would have had an interest in the continuation of mining on the island as well. For the benefit of the committee—I seek your indulgence and approval, Mr Chairman—I have done a bit of an analysis of the asks Sibelco had within their briefing note and whether or not they are replicated or represented in the bill. It seems that absolutely everything they have asked for

is included in the bill. I would like to table a copy of that. I am very happy to make that available to the department. In terms of the necessity for transparency in this process it would be important to, I think, advise the committee of other considerations that were taken into account in relation to this amendment bill and other stakeholders' views that were taken into consideration during the drafting of this amendment bill.

I am interested to note also at estimates earlier this year there were a number of meetings that were highlighted between Sibelco and representatives from the government, including departmental representatives. But on a number of occasions there were no departmental representatives included in those meetings. The purpose of those meetings, which were facilitated by a lobbyist company, was to discuss proposed legislative amendments. I am wondering if the department—I am assuming it would be you, Mrs Ditchfield—could advise whether or not there were subsequent requests after meetings that departmental officers were not involved in in relation to the drafting of this bill.

Mrs Ditchfield: I am not aware of any meetings that were held between the minister's staff. I know that you raised that at estimates. Unfortunately, I was not party to those meetings at all so I would have to defer to our minister, Minister Cripps. Again, I cannot answer that question.

CHAIR: If the staff were not involved, they are probably not going to know whether they were involved or not.

Ms TRAD: The issue that I am asking about, Chair, with all due respect—

CHAIR: They are not going to know where the question has come from if they were not involved in the meeting, are they? They will not know whether they were generated out of that meeting.

Ms TRAD: Thank you, Mr Chair. At estimates—I am very happy to supply the minutes of estimates as well—dates were detailed. In relation to requests following those meetings on particular dates, I am asking whether requests were received from the minister's office in relation to the drafting and formulation of this bill.

CHAIR: I think that has been answered by Bernadette in the fact that she has referred you to the minister.

Ms TRAD: I am just clarifying for your sake, Mr Chair. Moving on to native title, Mr Heyward, you mentioned in your opening remarks that you did not believe that there are native title issues in terms of this amendment bill. So advice was received in relation to the native title considerations? You do not believe you are contravening the national native title laws; is that correct?

Mr Heyward: That is correct, yes.

Ms TRAD: Was that Crown Law advice, Mr Heyward?

Mr Heyward: Yes, that was Crown Law advice.

Ms TRAD: Would you be able to make that Crown Law advice available to the committee?

Mr Heyward: Not personally, no. It is a legal privileged document between the client, ourselves and Crown Law.

CHAIR: You would have to request the minister for that if you want that.

Ms TRAD: Yes, I understand. It does seem that ministers do reveal Crown Law advice when it is in the public interest. I would contend that this is in the public interest, particularly in relation to—

CHAIR: Take that up with the minister.

Ms TRAD: Yes, I will. Mr Heyward, was other advice sought from other legal representatives or legal firms, not just Crown Law?

Mr Heyward: I have only seen Crown Law advice, but I will also ask my staff if they are aware of any other advice.

Mrs Ditchfield: Honourable member, I am not aware of any other advice. We predominantly go to Crown Law for our advice.

Ms TRAD: I refer you to proposed section 11F of the amendment bill relating to the limitation of review and appeal. Can you explain this?

Mr Heyward: I would ask Rex Meadowcroft to answer this question.

Mr Meadowcroft: The clause relates to the application for renewal of the leases in 2019. With regard to the purpose of the clause, as explained in the explanatory notes, the main driver behind this bill is of course the economy of North Stradbroke Island. In order to provide Sibelco with sufficient certainty to undertake further investment that is required to keep mining operational, it was determined that appeals should not be allowed so that that certainty would be provided.

Ms TRAD: Okay.

CHAIR: I have a question while we are talking about native title relating to the Crown Law advice. The ILUA is still in place; that will stay in place. In terms of royalties, will the government still receive royalties for a longer time out of this sandmining operation from Sibelco?

Mr Heyward: Yes. How the bill is drafted and the extension of mining operations, particularly out at Enterprise Mine, will enable royalties in the order of \$75-plus million to come back to the state. In terms of the royalty agreement in that that may also be associated with the ILUA, I am not at liberty to disclose that. It is a confidential agreement between the state and the Quandamooka people.

CHAIR: The Quandamooka people will receive royalties for the next 20 or 25 years as well.

Mr Heyward: All I can say is that the ILUA deals with the issue of royalties.

CHAIR: And they are private and confidential, are they?

Mr Heyward: Yes.

Mrs MADDERN: Just on ILUAs, do they have a time limit? Does the ILUA continue basically in perpetuity, or does it have a defined time line?

Mr Heyward: I would have to take that question and ask for advice.

Mrs Ditchfield: I am sorry; I am not aware. We might have to take that one on notice, Brett.

Mr Heyward: Yes.

Mr Bray: But the implementation continues. We coordinate seven other departments and are proposing our next quarterly meeting in early December, so it is an ongoing process of engagement.

Mrs MADDERN: Yes. I was just interested to know how long that ongoing process is.

Mr Bray: We will get some advice.

Mrs MADDERN: Yes. If you take that on notice, that would be great. Thank you.

Dr ROBINSON: First, I want to acknowledge the Quandamooka elders who are present here today, particularly Uncle Bob Anderson and Auntie Joan Hendriks, and the other Quandamooka elders. I welcome you. I also note Brett as the new director-general. Just in terms of my role today, I am simply here as the member for Cleveland, the electorate that includes North Stradbroke Island. I did not expect to be sitting at the table here today as opposed to just in the audience and observing, but I am happy to have the opportunity to ask an occasional question. In terms of the native title ILUA issues, I wonder if someone could comment in terms of attempts in this parliamentary period to contact and engage with the Quandamooka people, particularly through the QYAC organisation, and wonder if we can be aware of attempts to make contact and engage and consult.

Mr Heyward: Sure. Neil, initially if I could ask you to respond. You are the primary contact point.

Mr Bray: In terms of the most recent engagement with Cameron Costello, I have had direct contact and a meeting as recently as last Friday. There have been meetings. I know the minister's last meeting was in August and there have been offers made to facilitate meetings between QYAC and Sibelco. Bernadette, did you want to add to that?

Mrs Ditchfield: Our main involvement and engagement has been through the implementation of the ILUA, so we more recently—in the last six months—set up a round table discussion about the implementation of the ILUA. In relation to this proposal, there has been limited consultation, although through the minister's office there was a meeting which I thought—I am sorry, Neil—was in May.

Mr Bray: May? Okay. I only started in the role—

Mrs Ditchfield: But I will clarify those dates for you. I would say that most of the direct contact has been through the minister's office.

Dr ROBINSON: Thank you.

Ms TRAD: Just going back to a comment you made before, Mr Meadowcroft, in relation to the limitations of review and appeal, is that just for the mining company Sibelco? It is not for the TOs in terms of challenging the extension of mining?

Mr Meadowcroft: It purely relates to the minister's decision whether to extend the leases in 2019. That is what that clause relates to.

Ms TRAD: Right. I assume that the native title owners could have rights in terms of review and appeal in terms of the extension of those leases.

Mr Meadowcroft: If you are referring to rights under the Native Title Act for example, certainly nothing in this bill has any impact on the Native Title Act. That would still prevail. This obviously only applies to decisions made specifically under this bill.

Ms TRAD: Mr Kelly, just in relation to an answer you gave earlier about the transitioning of the economy, you stated that after the election of the government—and quite clearly they had a policy of extending sandmining on Stradbroke Island—all policy work was geared towards that. So does that mean that any of the transition work that had started under the former Labor government in terms of ending sandmining in 2019 had stopped so that any of the transition work had ceased with the election of the new government?

Mr Kelly: I was not involved in any of the economic transition task force work, so I am not able to answer that in that I have no knowledge of what was occurring in that space in terms of the economic transition.

Ms TRAD: Okay. Mr Heyward, who from the number of public servants here could answer that question? I would like to know. There is a statement in the explanatory notes. The minister in his speech to parliament upon introducing the legislation said that the time frame to 2019 was not sufficient in terms of transitioning the economy of the island. I would like to know what that is based on.

Mr Heyward: Sure. I would have to rely on the advice of the—

CHAIR: I just want to interrupt here. The departments were set up in different ways and I think it was DEEDI, the then department of environment, economic development—

Dr ROBINSON: I am happy to comment.

CHAIR: Yes. They were set up in different ways, so I do not know whether DNR was actually the lead agency even in the previous government. Mark might be able to advise on that.

Dr ROBINSON: I am happy to clarify. I believe that DERM initially was the lead government agency. It then transitioned to some degree, I believe, to DEEDI and both DERM and DEEDI had some role. I am not completely aware of the hierarchy of that. It seemed to be quite confused at times.

CHAIR: I cannot even remember what DEEDI actually stood for.

Ms TRAD: Getting back to the question—

Mrs Ditchfield: Honourable member, there were seven agencies involved in the implementation of the ILUA and all agencies have been working with the Quandamooka and more recently where NRM has sort of stepped up is to try to provide some whole-of-government coordination and a contact point through our agency. So we have implemented in the last six months a round table discussion so we could have that level of transparency. I cannot comment today about the engagement post the election, and that is because I do not know what the other agencies did. We can only provide comment on the contents of the bill and the implementation is outside of the bill framework, but we are happy to take that question on notice.

Ms TRAD: So just to be clear, Mrs Ditchfield, what you are saying is that there had been a round table with all of the relevant agencies working within the ILUA on a transition of the economy; is that right?

Mrs Ditchfield: Yes, which is separate to the contents of the bill.

Ms TRAD: I understand that. But just to make sure that I understand you correctly, what you are saying is that the round table ceased after the election?

Mrs Ditchfield: Again, my background is probably only in the last six months or so. That is when NRM took more of a lead role in the last six to eight months and that is when we could see some separate conversations happening, so we provided that whole-of-government coordination. So when we come together as a round table it was all agencies that were having those separate conversations.

Ms TRAD: Terrific. So could you provide advice as to the limitations around the transition of the economy within the original time frame of 2019? The explanatory notes, which I assume were prepared by the department, make that point that it was insufficient time. I am just wondering how you make that claim.

Mrs Ditchfield: Sure. So we engaged the department of state development to undertake an economic impact study, which I believe was supplied to the committee for your information, and that was the information that was used to assist the government in its decision making.

Ms TRAD: Okay. There are a lot of figures and there are a lot of assertions in that impact statement that I am not sure have been verified by Treasury or any external stakeholders, but I just want to put that on the record. It is really not in relation to seeking an answer from you, Mrs Ditchfield. I have more questions. Would you like me to continue?

CHAIR: I have a supplementary question to what you just asked about. You just spoke about the ILUAs. Is the rest of the community being involved as well in the transition? I wrote down that there were 848 jobs and 115 related to sandmining, so there is a whole other business community over there. Are they being included in some of these discussions about the transition, too?

Mrs Ditchfield: I am sorry, Chair, but I cannot answer that question. My sort of level of knowledge regards the mining component and the bill component. NRM is providing that point of entry, but I am unaware of conversations that might be happening elsewhere by other departments with the local community.

CHAIR: Does anyone else at the table have any information about whether there is any engagement with the tourism operators or the other business communities that might have to pick up the slack when the mining stops?

Mr Bray: At the risk of reinforcing it, the key impact is summarised in that report from the Department of State Development, Infrastructure and Planning where the economic impact of mining and its potential withdrawal are summarised in terms of the community, the community's engagement, the level of employment and the associated beneficial industries from the mining.

CHAIR: Thank you.

Ms TRAD: I understand that Yarraman is closing in less than 18 months and any mining activity is to cease at the end of 2015; is that correct?

Mr Heyward: I will just pass that one to the mining inspectorate. We have a visual aid that might be able to help the committee in the explanation. I will ask Rex to grab that.

Mr Kelly: I not sure if you are able to read it, but this is Yarraman up the top right-hand corner. Under the previous act it was closing in 2015 and under this amendment bill it is being extended out to 2020 for rehabilitation purposes only with non-winning earth and material.

Ms TRAD: So how long is the rehabilitation process?

Mr Kelly: How long is the—

Ms TRAD: Five years? It is five years?

Mr Kelly: They are being given five years under the amendment bill for rehabilitation purposes.

Ms TRAD: So my question is what happens to those jobs from Yarraman? This is all about transitioning the economy.

Mrs Ditchfield: I think that is a matter for Sibelco to answer. I understand they have a workforce plan. I am unaware of the workforce plan, except I know that they are preparing one.

Ms TRAD: Because I did not notice that it was included in the economic impact statement that was provided by State Development. Given that we are extending sandmining on Stradbroke Island for jobs and economic transitioning, I would have thought there would be some perspective on that.

CHAIR: Is their capacity of mining going to reduce? Is the capacity of the product they are going to mine going to reduce? Just because you are closing down one mine, are they going to mine more at the other two sites?

Mr Heyward: The nature of the mines, as the inspectorate will talk about, is they extract a different type of minerals at each location. So condensing the activities down to the Enterprise Mine reflects the firm's desire to extract a certain type of mineral. Would you like to talk about that?

Mr Kelly: If we are looking down to the Enterprise Mine, the mining leases there—11107 and 1105—extended to 2035 with a further five years for a rehabilitation purposes and the non-winning clause. That is a heavy mineral sand mine. In terms of your question, in terms of would they ramp up, that would be a question only that the company could answer, but what I can say is that the area in which mining can take place will be governed by the plan of operations and the environmental authority approved by the Department of Environment and Heritage Protection. So they will still be governed under those rules in the extension period.

CHAIR: Okay. And the other mine, its life has been extended to—the one in the middle there—

Mr Kelly: The Vance Mine is not affected by this amendment bill. It is a different type of operation. It is a high-grade silica operation for glassmaking. The amendments that have been tabled do not affect that.

CHAIR: Okay. Could we have a copy of that?

Mr Kelly: Yes.

CHAIR: Does the committee accept that?

Mrs MADDERN: Yes.

Ms TRAD: Maybe in A3 format.

Dr ROBINSON: While I cannot speak on behalf of Sibelco, in terms of Yarraman Mine it was my broad understanding that there would be some transfer of workforce with the winding down of Yarraman Mine across to Enterprise and that some of the workers could potentially be absorbed into that. Working off the assumption of that non-winning period of time of five years with Yarraman, I would assume that that would involve some additional employment of people in the rehabilitation work and revegetation work that Sibelco conducts themselves, which incidentally, in terms of 2008 I believe it was, they won the EPA award for Queensland for the rehabilitation and revegetation work. So I would expect that there would be some employment, probably small, in terms of that. That is just my sense of it. I do not have all the facts at hand. I think that Sibelco would need to address any of those issues with the latest information.

Ms TRAD: I think that is a comment, not a question.

Dr ROBINSON: Sorry, Jackie, I was just providing additional information for the sake of the committee. I am happy to operate as a bit of a stopgap where there are knowledge gaps. I am happy to do that.

Ms TRAD: Excellent. Can I turn your attention to page 6 of the explanatory notes, please, Mr Heyward. There is an assertion in the explanatory notes that electricity prices may increase as Sibelco is currently funding a large proportion of the island's electricity transmission network costs. I understood that electricity prices were set by a state-wide determination. Are you saying that Sibelco subsidises electricity costs for residents on the island?

Mr Heyward: The economic drivers there, I would have to rely on the policy advice of others. I suppose in broad terms, just as a comment, there is a difference between the cost of supply and the actual tariff. Sure, the tariffs are set by government, but reflective of that the costs of supply, if they do rise, have to be cross-subsidised. I suppose that is the pure economics of it. The money needs to come from somewhere. We might need to take it on notice if we cannot—

Ms TRAD: The assertion is being made in the explanatory notes.

CHAIR: It was only an assertion—may affect the price of fuel, may affect the price of power.

Ms TRAD: But it is important to be able to give evidence as to why an assertion is made.

Mr Bray: I will take that on notice, unless Bernadette or Rex wish to add anything.

Mrs Ditchfield: No, I think for a fuller answer we will take it on notice and we can provide, as you suggest, some evidence.

Ms TRAD: Right. Can I turn to some environmental concerns, please. Perhaps we will go to the EA that is included in the legislation. It is quite uncommon for environmental authorities to be included in legislation. Is that right?

Mr Hertslet: I am not aware of other instances.

Ms TRAD: So this is unique.

Mr Hertslet: I do not know whether it is unique. I do not know whether it has been done before.

Ms TRAD: Can you take that on notice, please. Who is the head of power for the Environmental Protection Act?

Mr Hertslet: The Environment and Heritage Protection agency, I would say.

Ms TRAD: I am just wondering if there are any legislative issues in relation to putting an environmental authority in an act that is governed by another, or has another head of power other than the CEO, or the minister, or the department that has responsibility for administering the EA.

Mr Hertslet: It is my understanding that the answer is no, because the environmental authority is an instrument that is then created by this act, but would then become administered under the Environmental Protection Act as though it was an ordinary EA under the act.

Ms TRAD: So why include it in legislation?

Mr Hertslet: I guess there was some consideration to the various options through the process. It was considered that including it in this legislation was probably the best way to progress the EA without going down another bureaucratic process and requiring environmental impact statements and the like, which had already been done under the previous environmental approval. So it was deemed that this was the most appropriate way forward.

Ms TRAD: Mr Hertslet, did Sibelco ask for an amended EA to be included in the legislation?

Mr Hertslet: No, it was a number of options that were considered and it was one of the options that Sibelco had asked for.

Ms TRAD: What were the other options that Sibelco put up?

Mr Hertslet: I should say that the options that were considered were a deeming provision within the act to provide for it to be a minor amendment and the other one was for it to be pursued as per the standard EA practice for it to be considered a major amendment.

Ms TRAD: So why was this the favoured option?

Mr Hertslet: It was considered the deeming provision was not the best way forward. In terms of the major amendment, or considering it as a major amendment, again, that would have triggered an environmental impact statement and it would have been, I guess, just an additional regulatory burden on an entity that has already conducted the equivalent of an EIS through their environmental management assessment done in 2003.

CHAIR: We have been cutting red tape, of course.

Ms TRAD: I know what you have been cutting. Mr Hertslet, just in relation to the mine path, comments were made by the DG earlier that it was unique that a mine path had been stipulated in the former act. Why was it originally?

Mr Hertslet: I do not know the answer to that.

Ms TRAD: Can you take that on notice?

Mr Hertslet: Yes.

Ms TRAD: It seems to me that there are a significant number of environmental concerns in relation to the mine path. There are some national park considerations.

CHAIR: Are you—

Ms TRAD: I am asking a question.

CHAIR: Can I just get clarification? Are you asking a question about the previous act? Is that right?

Ms TRAD: I am asking a question in relation to the comments made by the director-general earlier in the relation to the mine path.

CHAIR: About the previous act; is that right?

Ms TRAD: About the mine path.

CHAIR: Of the previous act.

Ms TRAD: Yes, and its exclusion now.

CHAIR: All right. Thank you.

Ms TRAD: It is an environmental concern. In relation to that, the removal of the mine path may, in fact, allow for the mining company to open up new parcels in order to get to new leases. Can you explain to me why an EIS would not be necessary in that respect?

Mr Hertslet: Effectively, the 2004 environmental studies report to which the old environmental approval related to did consider all of the environmental impacts over the mining leases and effectively the area depicted as area A on the map of the environmental authority contained in this bill. That particular studies report was assessed by our officers and considered to be suitable for mining operations. In other words, the degree of environmental harm was acceptable within the mining leases.

Ms TRAD: So Mr Hertslet, that was in 2004.

Mr Hertslet: Correct.

Ms TRAD: Okay. But in the existing environmental authority that stands now, in the new EA, there is a requirement that mining not occur in category A or B environmentally sensitive areas except for mining lease 1109. My question to you is if it was determined in 2004, why does the existing EA still have that no mining occurs in category A areas? I am happy to table the existing EA for the benefit of the committee.

Mr Hertslet: I just need to clarify what they mean by category A. I am not sure of the question in terms of category A under the existing mine lease.

Ms TRAD: My issue is that there seems to be a significant removal of environmental conditions from the existing environmental authority and the one that is included in the legislation. One of the differences is that there is no requirement in the new EA that mining not occur in category A and B environmentally sensitive areas. So I am asking for an explanation of that, Mr Hertslet.

Mr Hertslet: Sure. I go back to what was considered in the assessment, which is looking at the environmental studies report of 2004 and looking at what is the category A and B area, which primarily relates to the regional ecosystem status. From my understanding—from my recollection, anyway—the regional ecosystems that are now approved under the mine were not currently, and I am just trying to think of the right word, not of concern. It was considered reasonable based on the ESR of 2004 for that to be impacted or effectively lost.

Ms TRAD: Why didn't the EA change if that was the case? Why does the current EA still have a condition not to mine these environmentally sensitive areas?

Mr Hertslet: Can I take that on notice?

Ms TRAD: Can you provide the report to the committee—the one that you refer to for 2004?

Mr Hertslet: Yes.

Ms TRAD: Just a follow-up question, because there seems, as I said, having a look at the existing EA and having a look at the EA that is included in the legislation, quite a lot that is different, I think for the benefit of the committee it would be important to actually provide evidence of the differences; so not just the general comments in the explanatory notes but an explanation of what elements of the existing EA have been removed, how they have been replaced or why they have not been replaced.

Mr Hertslet: Yes, we can do that.

Ms TRAD: Thank you very much.

CHAIR: Any other questions?

Ms TRAD: Yes. Can I ask generally was there any attempt to, through the ILUA, negotiate for the extension of sandmining on the island, Mr Heyward?

Mr Heyward: I would have to rely on the advice from Neil. Can you recall any discussions in that regard?

Mr Bray: In the first instance, I have only been in this role for several months, but in relation to the extension of mining, that was clearly an election commitment. It was openly discussed, but not specifically—again I will seek Bernadette's advice whether it was specifically discussed in the ILUA discussions.

Mrs Ditchfield: Could you repeat that question, please?

Ms TRAD: I wanted to know whether or not there was any attempt at all, before introducing legislation, to negotiate through the ILUA for the extension of sandmining with traditional owners?

Mrs Ditchfield: Not that I am aware.

Ms TRAD: Mr Bray, I do understand it was an election policy, but it was also the Premier's commitment that he would be consulting with the traditional owners in relation to this. I just wanted to be clear that there was no attempt that you know of.

Mrs Ditchfield: Not that I am aware. I know there has been correspondence, but, I am sorry, I am not privy to how government formed its decision.

Dr ROBINSON: Can I make a comment through you, Mr Chair? I think that was a question that I previously asked in the sense of what attempts had there been to, in this parliamentary period, engage in dialogue and interaction with the Quandamooka elders via QYAC. I am aware of meetings. I have been in two meetings myself. I know the minister has been in a meeting. I know the minister has sought further meetings. I think the minister had also sought to have representation at the QYAC AGM but was not successful, neither was I in terms of being able to attend. So I think that the public record, should you take it on notice and go back and look further at attempts to write letters to have meetings, I think there will be quite a record of attempts to engage on a range of matters from the minister and also from myself.

Ms TRAD: Just by way of comment, if other people are going to provide comment—

Dr ROBINSON: You have provided a lot of commentary.

Ms TRAD:—I feel like I can provide commentary.

Dr ROBINSON: You have.

Ms TRAD: With all due respect, I think an Indigenous land use agreement actually gives some responsibility to all parties to sit around the table and negotiate. I do not get a sense that the government has entered into good faith in this respect. Mr Hertslet, I did want to say I do have a number of issues in relation to the different environmental authority that is included in the legislation, but I will reserve those questions for the next time—we have another session in relation to this bill—to give you ample time to get the change analysis done.

CHAIR: No other questions?

Mrs MADDERN: Not at this point.

CHAIR: That brings this meeting to a close. Thank you to the departmental officers for coming along. For any questions taken on notice or any additional information, could you provide clarification and your answers by close of business on Friday the 25th. Sorry it is a bit short, but the bill timeline is fairly tight.

Ms TRAD: Unnecessarily so, I would say.

CHAIR: I declare this public briefing closed. Thank you very much for your attendance. Thank you for your answers and clarifications.

Committee adjourned at 10.34 am