



AGRICULTURE, RESOURCES AND ENVIRONMENT COMMITTEE

Members present:

Mr IP Rickuss MP (Chair)
Mr JN Costigan MP
Mr SV Cox MP
Mr S Knuth MP
Ms MA Maddern MP
Ms J Trad MP
Mr MJ Trout MP

Staff present:

Mr R Hansen (Research Director)
Mrs M Johns (Principal Research Officer)

PUBLIC BRIEFING—EXAMINATION OF THE ENVIRONMENTAL OFFSETS BILL 2014

TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, 2 APRIL 2014

Brisbane

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Committee met at 12.17 pm

ALLEN, Mr Mark, Senior Planning Officer, Environmental Policy and Planning, Department of Environment and Heritage Protection

BUCHANAN, Mr Scott, Director, Ecosystem Outcomes, Department of Environment and Heritage Protection

COVERDALE, Ms Vanessa, Principal Policy Officer, Ecosystem Outcomes, Department of Environment and Heritage Protection

HEMPEL, Mr Craig, Principal Project Officer, Ecosystem Outcomes, Department of Environment and Heritage Protection

HUTCHISON, Mr Peter, Executive Director, Environment and Water Quality, Department of Environment and Heritage Protection

POWELL, Hon. Andrew, Minister for Environment and Heritage Protection

CHAIR: Welcome, Minister Powell, and officers from your department: Mark Allen, Scott Buchanan, Vanessa Coverdale, Craig Hempel and Peter Hutchison. Minister, if you would like to make an opening statement, please feel free to do so.

Mr Powell: Thank you very much, Mr Chair. Yes, I will make a short opening statement and then I will be very happy to take questions of the committee. I am pleased to be invited to attend today's hearing on the Environmental Offsets Bill. Thank you, Mr Chairman, and your committee for this opportunity to respond to some of the concerns raised by people who have submitted and appeared before the committee. I would like to thank everyone who have been involved in today's hearing, especially those who have been involved since the project commenced.

The department and I personally have undertaken extensive consultation on the review of the offsets framework since mid-2012. This has included three formal rounds of consultation with targeted peak bodies, interest groups and interdepartmental representatives. As you would appreciate, the bill cuts across a number of portfolios. This consultation has continued since referral of the bill to the committee, with departmental officers meeting interested clients from both the conservation and industry sectors and responding to ongoing email and phone inquiries from the public.

The Newman government is interested in listening to people's concerns with this bill including issues that affect industry getting on with their job, as well as concerns that people may have about environmental outcomes. I am pleased to see the level of interest that has been generated by the bill which demonstrates a common interest in ensuring that the revised offset framework works.

What this bill does is simplify and streamline the existing complex offset framework in Queensland which has raised concerns across all sectors, the conservation sector included. It does this by establishing primary legislation that enables the delivery of a single consistent environmental offset framework to give certainty and currency to offsets in Queensland. The bill provides the basis for integrating the existing mixture of statutory and non-statutory policy so that all offset requirements are consistently applied without duplication of requirements across and within jurisdictions. It also prevents a proliferation of new offset policies that add complexity and confusion to the framework.

The Newman government is keen to ensure that this bill leads to improved environmental outcomes. It takes a pragmatic approach to achieving environmental outcomes on the ground while removing unnecessary green tape in getting there. It does this by providing certainty through a regulation on the matters of environmental significance and ensuring where impacts on these matters are significant a strategic approach is taken to ensure their viability into the future.

Unlike under the existing policies where ad hoc offsets can be scattered across the landscape, the new framework encourages offsets to be located in strategic offset investment areas where they have the best opportunity to thrive. The bill also enables offsets to be provided as a financial settlement. This enables industry to get on with the job where they choose to while leaving the provision of the offsets to the experts.

Additionally, offset provision will be focused on managing threats to significant environmental matters to improve their long-term viability in the landscape. This will occur through supporting mechanisms such as pre-identified strategic offset investment corridors and direct benefit management plans. In most cases offsets will be delivered by landholders or land custodians that understand and own their land, not by taking away their land and locking it up in national parks as happened under the previous government.

I understand that there has been some concern raised in submissions about the lack of detail in the bill on what significant environmental matters are and what constitutes a significant residual impact. These matters are best covered by supporting regulations and guidelines so they can be updated where circumstances change such as accreditation and matters of national significance by the Commonwealth or new learnings about the significance of impacts.

This bill recognises the need for industry to get on with their business, including power entities that have been at the forefront of offset provision for decades. It unashamedly removes obstacles to business by establishing a framework that streamlines offset requirements including those of local government. It also recognises those that are proactive in the offsets field by accepting the value of advance offsets and the contribution that landholders can make to protecting the long-term viability of significant environmental matters.

I welcome the opportunity provided by today's meeting for members of the public who have taken the time to make a submission to the committee to have their questions and concerns answered with regard to this bill and the proposed approach. Mr Chair, I am very happy to take the committee's questions.

CHAIR: Thank you, Minister. I will start. You touched on some of the corridors. As you know, something close to my heart—and probably close to the heart of South-East Queensland—is the Flinders-Karawatha zone. Would that be a zone that you would envisage could be used for some of these offsets? What that be a process that you would think about going through?

Mr Powell: It certainly is, Mr Chair. That is certainly the conversations I have had with a number of landholders in that corridor already, including that time that you and I visited a number of them some years ago. It is probably the most formed corridor to date. There is another one that Scott and his team have been working on with local councils and with landholders out in the Galilee Basin, again, to provide a strategic outcome for the environment when we are looking to sight offset opportunities through this bill.

CHAIR: One of the earlier submitters this morning from the Queensland Resources Council—and it was also mentioned by some of the other development groups—raised the option of staging offsets and how they could do that. Has the department any opinions on that?

Mr Powell: Certainly one option that we are giving project proponents is the pay-and-go option. Previously the proponents would have to have demonstrated that their offset had been secured and put to one side before their project could get going. By paying into the fund that is being proposed to be set up by this bill, it allows us to then seek that offset strategically over a period of time and allows the proponent to get on with the work that they want to do. Scott, is there anything you want to add in terms of staging?

Mr Buchanan: In terms of staging, there is nothing in the bill that talks to staging, but the policy that has been released for consultation definitely includes staging as a process as part of the offsets. So for long-term linear infrastructure or long-term mining infrastructure—for example, gravel extraction which can happen over 90 to 100 years—the proponent would be able to stage their offset in line with the development and the impact on the matter.

CHAIR: I have one last question. The Logan City Council were concerned that they feel they have a pretty good offset process in place and they do not want to be overridden by state government legislation. Will this be able to be managed in the regulations along those lines?

Mr Powell: There are a couple of things around local government interaction. The first thing is that we are trying to remove duplication. We do not want a project having to provide an offset at the national, at the state and then at the local level. I guess in some ways the Logan City Council can reflect on those concerns because we are trying to ensure that we are not double counting an

offset. There is certainly provision for a council to identify areas that they consider of local environmental significance. There are opportunities in the legislation, and subsequently in the regulation, for them to identify that. There are then also transitional arrangements for those councils that have already identified local areas of significance in their town planning scheme. Scott, do you want to address the detail of that perhaps?

Mr Buchanan: I think the minister has covered it, but there are provisions for local government to have an offset policy. What we are trying to achieve through the bill is that we continue with that theme of consistency. So if you are a proponent that has to deal with the state but may also have to provide offsets for local government, the process that you follow is very similar. So we have this consistency of approach which simplifies the application process.

Mr Powell: But, again, I might add that Logan City Council, in particular, has a vested interest—and a significant one at that—in the Flinders-Karawatha corridor. It does present a lot of opportunities for Logan City Council, for landholders in that corridor and for the state as a whole to utilise the extensive amount of work that has gone in to identifying that area.

Ms TRAD: Good afternoon, Minister.

Mr Powell: Good afternoon.

Ms TRAD: Nice to have you here.

Mr Powell: Always a pleasure.

Ms TRAD: Minister, we had invited a submission from or for the Coordinator-General to attend but unfortunately he cannot do it, as was advised this morning. Could you explain the government's policy decision in excluding called-in projects by the Coordinator-General from the offsets policy?

Mr Powell: Thank you very much, member for South Brisbane. It is no different from what was previously the case under the previous Labor government—that is, the legislation that the Coordinator-General operates under is separate to the Environmental Protection Act, is separate to the Nature Conservation Act, is separate to the Vegetation Management Act, and the Coordinator-General, consistent with the powers that they had under the previous government, can make a decision around offsets that is of his own volition.

Ms TRAD: Or her.

Mr Powell: Or her, thank you. Having said that, the default is to use this Environmental Offsets Bill and the policies that will surround it to determine offset opportunities. But, consistent with what has occurred in the past, that has been maintained.

Ms TRAD: Okay, so your answer was: 'We are doing it because Labor did it.'

Mr Powell: Gee, member for South Brisbane, I wish you had been here for the last 18 years. It might have been a different government!

Ms TRAD: That is actually your answer. In terms of the full framework, Minister, where are the guidelines and where are the regulations?

Mr Powell: Again, it has been a longstanding practice of governments of all ilk, member for South Brisbane, to make sure that we have the legislative framework right before we finalise the regulations that sit under it. It is very rare that you would bring in the full package of legislation and subordinate legislation, regulation and policy guidelines, because, as we have seen, the benefit of these committee meetings is for us to have a robust discussion as parliamentarians but more so with the broader public and with interested peak bodies and stakeholders that may end up with changes being made to the legislation. It is easier for us to determine what that legislative framework needs to look like once the bill is passed the House and then to provide the subordinate legislation and regulations that sit under it. Again, I can assure the community and assure the stakeholders present here today that there will be further rounds of consultation around the regulation that sits there, but it is consistent with a lot of the consultation that has occurred to date.

Ms TRAD: With all due respect, Minister, I do not think your assurances are enough. You ask that for matters of environmental significance and also the damage caused by proponents that people should just have confidence in the fact that they are being dealt with in the guidelines and the regulations. People want to understand the whole offsets framework, and that cannot happen unless you produce the guidelines and the regulations. Minister, I am just wondering—

Mr Powell: Can I respond to that? The intent of providing a legislative framework is a first for Queensland. Under the previous government it was never considered. All we had—

Ms TRAD: That is rubbish.

Mr Powell: Where was the legislative framework for environmental offsets that clearly announces when an offset is required, that clearly stipulates a project proponent needs to demonstrate that they must first avoid any impact on significant environmental matters and if they cannot achieve that to mitigate the impacts on significant environmental matters, and if they cannot achieve that to have a conversation around whether it is possible to achieve an environmental offset? This is the first time that has been put clearly into a single piece of legislation that announces this is the approach the government is taking when it comes to providing for offsets. It is a first. We want to get the legislation right and then we will provide the detail in the regulations and they will be laid upon the table of this House. We can have a debate if there is something in there that this committee or the individual member for South Brisbane is concerned about, as we always do and as we always have done. I apologise because the member for South Brisbane is new to this and is not aware that is how the parliament operates, but that is how the parliament operates.

Ms TRAD: I draw the minister's attention to the fact that the Deputy Premier has in the past tabled regulations with the legislation. It is not uncommon for that to happen. This is quite a significant policy shift and direction, and I think it is incumbent on the government to provide the full suite of documents relating to the framework.

Mr Powell: I would say that because it is a significant shift we want to make sure we have the legislative framework right before we do provide the subordinate—

Ms TRAD: Well, it is not right and we have heard from experts here today that it is not right.

Mr Powell: In your considered opinion.

Ms TRAD: Minister, in terms of the one to four ratio can you please explain how that is calculated?

Mr Powell: The basis of the financial calculator is using a calculator that has been used by the Commonwealth, I understand, for a number of years now. There is a rigorous scientific basis for the calculator itself. The decision to cap it at one to four was a policy decision of the government. The reason we have done that is because of the strategic approach being taken by this offset bill, the benefits achieved by taking that strategic approach, by looking for corridors, by looking for direct benefit for species, in particular, means that unlike the previous model where you ended up with ad hoc protected areas dotted here, there and everywhere around the state where there was significant concern whether the environmental impacts you were having could actually thrive, where there was therefore a suggestion that you go a lot higher potentially one to eight and so on, what we are achieving is a better outcome for the environment by taking that strategic approach which allows us to make a decision to cap it at one to four. What I will add is that that one to four does not apply at this stage to matters of national environmental significance. That is a decision for the Commonwealth government to make. Let me say that again clearly: that one to four cap does not apply to matters of national environmental significance that is up to the Commonwealth to decide how they utilise the same calculator, nor does it apply to protected area estate.

Ms TRAD: But one to four what, Minister?

Mr Powell: I am happy to provide the member with a very detailed briefing on the calculator and on its application. What it is based on in simple layman's terms—

Ms TRAD: I can actually download the calculator from the EPBC Act. I am asking you to explain one to four.

Mr Powell: A simple explanation for the member because she has no trouble understanding this: what it does is it takes a scientific approach to the kind of habitat that is required to benefit or to ensure that a species in particular can continue to thrive. In some cases that is one to one, in some cases it is one to two, in some cases it is one to three, one to four and so on. What it does is look at the species that will be impacted if an offset is agreed upon, if it is decided that the project can proceed. What we will do is put that into the calculator and see what it puts out. It may be that a one to three is sufficient. It may be that one to four is sufficient. It may be that slightly more is required, in which case it will be capped because, as I said, the benefit will come from having a strategic approach to providing the environmental offset.

CHAIR: One of the experts did say one to one is a better result because if you can replace it with one with one it actually works. Gecko in its submission, and this was something that the member for South Brisbane highlighted earlier, stated—

We are also concerned that the regulations for the Bill are still being drawn up and will be effective with the Bill once it is passed without any further public consultation. Minister Powell agreed at the Community Cabinet that he would look into extending consultation to cover the regulatory provisions and we ask that the Committee discusses this with him.

You can take that on notice if you want to go back and check—

Mr Powell: No, it is fine. As I said, we were always intending to have further consultation on the regulations. Consultation on this started in mid-2012, and a lot of what we are providing initially in the legislation and then subsequently in the regulation has already been put out in the public for their consideration. There certainly will not be too many surprises from what has been discussed already with a range of proponents and the public, but as I committed at that community cabinet there will be opportunities for further consultation on the regulation. As I said to the member for South Brisbane, if there are any concerns when it is laid upon the table of the House there are opportunities for this committee to consider it and for us to debate it if necessary.

Mr TROUT: My question relates to something the Queensland Resources Council mentioned. They asked whether some of the land rehabilitation that is required going forward in the future can be considered as part of their obligation to the offsets.

Mr Powell: Can I just clarify that? You are suggesting that as they rehabilitate as they go does that count towards an offset?

CHAIR: Was it more about land banking?

Mr Powell: Because there are two issues here. A number of companies have already banked land on the basis of knowing that they will require an offset. What we have allowed under this framework is for them to still use that land if they choose to do so. Some of them invested considerable amounts of money in purchasing that land particularly for offset value. A land based solution is still an option. The pay and go option is a new addition that they can choose to access if they do not have the land required. In terms of whether they can offset the rehabilitation work, that is a technical decision that is really left on a project by project basis. In some ways it starts off as a separate discussion around their rehab requirements and then that can be drawn into consideration around the offsets. Scott, is there anything you want to add to that?

Mr Buchanan: Essentially during the assessment process the rehabilitation program that would be put in place is part of the assessment of the mitigation of the impacts. If the rehabilitation is going to take a certain pathway, then it can count as mitigating the impacts, making sure that the impacts are minor in nature and temporary. But if they are going to be over a long period then they are not seen as mitigation and there is still some residual impact that needs to be offset. Rehabilitation is part of what they need to do as part of their operational procedures. What we are offering is if their rehabilitation is of good enough quality it can be offered as an offset down the track for further opportunities, but it should not be an offset for that project because it is part of what they are required to do.

Mr COX: Earlier Dr Hugh Lavery appeared as a witness. He is very qualified. He has been in environmental offsets since 1967 and spoke well. He seems to support the intent of the bill but he has said there is a bit of work we can do to get to world's best practice. As you have indicated, the aim of this is to get the framework right and the regulation will come later. We had a submission from the Australian Prawn Farmers Association. It is worried about offsets as they are already highly regulated. We need to be careful where we go with this industry because of its association with other ecosystems. Their queries could be answered later as to how strict the regulation may be imposed upon them with offsets.

Mr Powell: The short answer is that we are happy to have a conversation with any industry group on how the offset policy applies in their circumstances. I think we are setting the bar incredibly high with this. I think there is only one other state—New South Wales—that has a legislated framework in a similar form as that which we are providing so we are right out in front in that regard. As I said, once we put the regulations, the policy and the guidelines around it, I guess people in the chamber today will have a clearer picture of where we are going. I think it is up there with the best in terms of a coordinated offset policy that will deliver significant environmental gains across the state while also allows industry where it has to have an environmental impact and where that is deemed appropriate to get on with doing what they do.

Again, a couple of questions still assume a company can jump straight to an offset. As Scott just pointed out, what they have to first show is that they have made every attempt to avoid having an impact at all and that they have made an attempt at mitigating that impact in some way. It is only if they have done those two and they cannot prevent the significant environmental impact that we start having a conversation around offsets and it does not necessarily lead to a tick. It may still lead to a cross and you cannot proceed but it is a conversation we can have.

Mr COX: Thank you. That did answer the question that they still have to get through the other regulations first.

Mr COSTIGAN: I would like to raise the issue of offsets for marine ecosystems which, as you would appreciate, Minister, is not surprising given the electorate I represent and our familiarity with North Queensland and the coastline in particular. I would like to ask what particular features of the government's environmental offsets framework and the bill are designed to address those issues associated with marine offsets.

Mr Powell: Thank you for your ongoing concern and interest in coastal matters and marine matters. One of the intents of the bill was to look at the five preceding offset policies and one of those was very much around fish habitat and marine aspects. What we have done is work very closely with DAFF to bring this policy in under this legislative framework. The majority of what was previously provided for under the fish policy has been carried over but what we are applying is that calculator. We are applying the option of payment. We are applying a range of direct benefit management programs that can be achieved so again we are taking a very sensible consolidated approach to the marine environment as much as we are in the terrestrial environment.

Mr Buchanan: That is right. What I would like to add is that previously you could make a financial offset for fish habitat and marine habitat, but it was based on a system trying to measure ecological services whereas our system is similar to the terrestrial is measured on how do you provide a replacement for what has been lost, so the cost of replacing that value that has been lost. It is a very similar process.

Mr COSTIGAN: Thank you.

Mrs MADDERN: Given that with all the best intentions in the world we are still going to have some projects that have offsets and that it is a relatively complex process, we do have brokers out there. Where do you see the brokers may fit in this overall scheme of things in expediting the acquiring of offsets or the financial calculator that goes with it, and what kind of accreditation or registration or something along those lines that would give those people the capacity for the government to have some certainty that they are doing the right thing?

Mr Powell: There are some wonderful offset brokers, and I understand that you may have heard from some of them earlier today. Earlier this morning I was standing on the banks of the Neurum Creek with one of them and had to go and change my shirt unlike him. But they do wonderful work around the state, particularly here in South-East Queensland, and they have done some outstanding jobs across South-East Queensland and the state. They will continue to play a very important role.

There are two options for them: the project proponent can deal directly with an offset broker, and that has been the case now and that can continue to be the case. They do not need to come through the government at all; they can deal directly with that offset broker. If the project proponent decides to make a payment to the government to acquit their offset requirement, it is very likely—because I do not have the staff, or the expertise, or the time, or the ability to undertake the offsets ourselves—that we will outsource that to a broker again to undertake that offset, either directly to a landholder or potentially to a broker to undertake that work.

In terms of what their regulation or their monitoring there is nothing specific, but what they do need to demonstrate to us is that they can actually deliver the offset. To deliver the offset is not as simple as going out and planting a number of trees and then walking away and forgetting them. It is about monitoring what is going on, it is about reporting to us that the offset is continuing, and it is making sure that the offset that they promised is actually being delivered. So it is a pretty significant business, as you said. Even with the simplification of the processes it is still a fairly complex business, because they still need to understand what needs to be achieved and how they can demonstrate that the offset has been achieved. There are probably only a few at this stage that have the capabilities to do that. They have established a market reputation and will continue to do so into the future.

Ms TRAD: In relation to the accreditation process, I understand that Queensland is undergoing an accreditation process with the Commonwealth in relation to the offsets policy and that is being led by the Deputy Premier—or at least his department. Can you update the committee as to how that is going? I do understand that the Queensland Department of Environment and Heritage Protection is still party to those negotiations.

Mr Powell: Most certainly, member for South Brisbane. We are intrinsic in those negotiations. But consistent with our broader discussions with the Commonwealth around the environmental one-stop shop—or the bilaterals approval, as it is otherwise known—that process is being led by the Deputy Premier with the assistance of myself and my team.

In terms of how we are going, those discussions are ongoing. We have made it very clear to the Commonwealth—and the Commonwealth have accepted, it is my understanding—the delineation between matters of national environmental significance and matters of state environmental significance. We have shared with them the framework that you are discussing today. We have shared the details of the calculators and the proposed regulations and the guidelines and where they are at at this stage. Again, they are in the same boat as a lot of other people. They are waiting to see whether the legislation is passed and finalised and in what form before the finalisation of those discussions.

But I guess it is fair to say anecdotally the discussions have been very positive. We have a very good working relationship with the department of environment around all matters but have had a longstanding discussion around environmental offsets, and I hope to see a very positive outcome in the very near future.

Ms TRAD: I am just curious. You have provided the Commonwealth with the regulations and the guidelines—

Mr Powell: I said, just to correct you, with what has been developed to date with the regulations.

Ms TRAD: Yes, with what has been developed. I do understand. So they are at a stage where you can actually share them with the Commonwealth, but not with Queenslanders. Why is that?

Mr Powell: Because they are, as you rightly pointed out in your first question, one of the most significant proponents that we need to work with to achieve accreditation, and it is beneficial for us to be talking to the Commonwealth about getting those regulations right before we put them more broadly. There is no point putting something out that the Commonwealth is going to struggle with. We would be back to the drawing board.

So again the assumption here is that we are being sneaky about what's in the regulations or what is in the policy guidelines. Unlike the previous government, we are quite open and transparent about these kinds of things and I am very happy to have—

Ms TRAD: You are just not sharing them with Queenslanders.

Mr Powell: No, again you are twisting my words, member for South Brisbane. I made it very clear that the regulations will be consulted on. They will be made public. People in this chamber and across Queensland are able to have conversations with my department, as they have since mid-2012. We will continue to do so, and to suggest otherwise is just false.

Ms TRAD: Minister, you said that you were waiting for the legislation to pass before going out with the regulations and the framework, but that is only the case when it comes to Queenslanders, not when it comes to the Abbott government.

Minister, I am interested in the fact that the Commonwealth Senate has actually conducted a review around the efficacy of environmental offsets. Did you think to wait for that inquiry before further pursuing the legislation before us?

Mr Powell: If my recollection serves me correctly, member for South Brisbane, that is the third Green's led Senate inquiry that this Senate is undertaking. This is nothing more than grandstanding by Senator Larissa Waters around her fascination and fundraising based on the Great Barrier Reef. I am happy to wait and see what comes out of those inquiries. But, consistent with previous Greens led Senate inquiries, I do not think it will be scientifically or factually based.

CHAIR: Minister, I would like to ask a question. There was a question about the language that was being used, some of the definitions and that sort of thing. 'Significant tests' and 'significant impacts' were some of the ones that were put up, and I think Dr Martine Maron also had some issues about some of the language. Is there some modification?

Mr Powell: No, that language is consistent with the Environment Protection and Biodiversity Conservation Act at the federal level. We are bringing that in line with the federal legislation to be consistent.

Ms TRAD: Mr Buchanan, if I could ask you: what is the ratio cap in the EPBC offsets calculator?

Mr Buchanan: The EPBC calculator has no cap.

Ms TRAD: So why does the Queensland offset policy have a cap?

Mr Powell: As I stipulated, that was a policy decision made by the government again around the basis that previously—and as is currently applied under the Commonwealth calculator—you are getting ad hoc environmental outcomes which necessitate greater than one to four to ensure that you can get the environmental outcome to thrive. By providing a strategic approach that looks at biodiversity corridors or looks at direct benefit management plans for species, that cap can be applied and you can still achieve an environmental outcome.

Ms TRAD: Thank you, Minister. Given your comments about the ad hoc outcomes of the previous policy, could you please table the review of the policies and all of the research that has led you to make those statements?

Mr Powell: No doubt you have already heard, Mr Chair, from a number of proponents today and a number of written submissions that there are any number of examples where we have isolated pockets of biodiversity that are locked up under offset programs that are achieving very poor environmental outcomes. One of the things that I studied many years ago at the University of Queensland through my geographical science studies was around biogeography and around the importance of corridors, the ability for species to move between areas of habitation and the importance of having it connected so they can do so safely. What we have in a lot of urban areas in particular are little pockets of biodiversity that serve no real purpose other than for someone to look out the back door and have a green vista. In terms of habitat protection and biodiversity outcomes they are pretty poor.

Ms TRAD: Minister, no-one is disputing that, but can you table the research and review—the evidence?

Mr Powell: Again, there has been an extensive amount of information. If the member wants to go back and look at some of the early discussion papers that were provided to Queenslanders—who she seems to think that we do not talk to—there is a lot of evidence in those discussion papers that identify that the previous system proposed by the former government was not working.

Ms TRAD: Just table the review of the policies—

CHAIR: I think we will move on from that.

Ms TRAD: Why won't you table them?

Mr Powell: If the member is too lazy to actually go and do some work, I understand she has 22 members in her opposition office. It is the most well-resourced opposition that I have ever heard of. If they cannot jump on the internet and have a look at the papers that have been put out there on this since mid-2012, I am happy for us to provide those papers to the opposition office and they can have a good read of them.

Ms TRAD: Was there a review of the current policies?

Mr Powell: Member, I will make available to you the discussion papers that we put out to the sector—

Ms TRAD: The preliminary impact statement that you just spoke about, could you please table that?

Mr Powell: I will check that it is not cabinet-in-confidence. If it is not cabinet-in-confidence, we will make it available.

Ms TRAD: So it will be taken to cabinet on Monday?

Mr Powell: That is a practice that the previous government undertook, member for South Brisbane. We are a lot more open and transparent than that.

Mrs MADDERN: Minister and all your team, this is probably going to sound like a really simplistic question, but given the complexities of this and that people who are trying to do developments do not quite understand how it all works—frankly, I do not either—we are trying to reduce the double dipping, as you say, the duplication or the triplication. This is where I do not quite understand how this works. Basically what you are saying is if there is a federal requirement, then that steps over top of the state requirement for offsets. How does that fit with the local government? Because when the local governments were here, they and some of the other organisations also indicated that there could still be that duplication between local government and the state-federal combination, if you get what I mean?

Mr Powell: The easiest way is to use an animal species, I guess. The Commonwealth has a list of threatened species; we have a list of threatened species. What has occurred in the past is that there are a number of animals on both lists, and so what potentially could have occurred is the Brisbane

Commonwealth required an offset for that animal and then the state did as well. What also potentially happened was that the local government had made a decision that there was a potential block of land that also might have housed that species that they felt was particularly important, so they might have required an offset as well. What we are saying is that if it is protected under the federal list, it is a matter of national environmental significance and that is the end of the story; that is the one offset that is required. So what we are doing is saying there will not be duplication or triplication across species across matters of significance, and that might be vegetation, it might be seagrass, it might be what have you. In simpler terms, there is one offset required per species. Then potentially, just so you know also, you might find a number of species within the one area. One offset, the highest offset, would be required for that area because often if you are able to offset some biodiversity for one species, you are offsetting it for all of the species as well.

Mr COX: Just one quick question to the minister just on the back of the previous question and the one before from the member for South Brisbane. At the end of the day while we are simply trying to shorten things, I guess we are trying to get away from the old attitude which we did see in the previous government of just locking something up and throwing away the key. We are actually about trying to get better outcomes for the environment here through this new offset policy.

Mr Powell: One of the easiest ways to explain that is you just have to look at some of our national parks where the government was a woeful manager of those properties. They were full of weeds and full of pests. What we do know is that it is the private landholders in particular who have an interest in their property and its productivity, but also want to protect the environment, that will get the best environmental outcomes. We have seen some stunning examples around the state of where that has been achieved, and this opportunity gives those landholders further opportunities to explore receiving a financial return for the work that they do and for the management that they do of the environment and for the protection that they provide.

Mr COX: And that would extend to marine too, I presume?

Mr Powell: That is right.

CHAIR: One of the other speakers, I think it was Dr Hugh Lavery, advised that he felt Queensland was in a pretty good condition. I think someone else, Miss Berlinda Ezzy who was from AMEC, also mentioned that we are one of the leading areas in biodiversity, offset trading and all that sort of thing. Have you looked at other offset trading around the world in America, Canada and other areas?

Mr Powell: We certainly have, Mr Chair, and I have had a number of conversations with Dr Lavery. He is based up there at the university on the Sunshine Coast and we have caught up for a coffee every now and then and had a good chat. He has certainly shared with me—and I have shared it with the department—some of the other models that are being proposed around the world. We will always keep an eye on what is going on around the world. If there are improvements we can make, we will certainly be willing to make them. We believe this approach will deliver the best outcome for the environment. It will deliver those strategic environmental outcomes that we have spoken about, opportunities for us to really drill down and deliver some fantastic outcomes for specific species which never before under the previous offset policies would have been able to be achieved.

Ms TRAD: Minister, the Productivity Commission handed down a report late last year, and essentially it called for a dedicated and independent review of offset policies, legislation, outcomes, methodologies used in terms of calculating offsets and they asked for that to be done. I am not sure if the Commonwealth has responded; I assume not. They asked for some sort of report to be handed down by the end of this year. Are you aware of that report? Has your department considered it in

CHAIR: That is a federal report you are talking about?

Mr Powell: I would be pleased if the member would provide information on that report. We are happy to have a look at it.

Ms TRAD: I am happy to, Minister. Would you be happy to provide the scientific review of the current offsets policy that have informed—

Mr Powell: I have already answered that, member for South Brisbane.

Ms TRAD: And what was the answer?

Mr Powell: We will provide you with the documentation that is available, that has been available to the broader public around our review of the previous offset policies, and how we propose to bring them together under one single environmental offset policy for this state. Contrary

to what the member for South Brisbane might suggest, this has actually been to cabinet twice previously. If those documents have gone to cabinet, I cannot share them. The member knows that well, even though she has not sat around a cabinet table.

Ms TRAD: Minister, just to be clear, I am not asking for you to reissue the discussion papers; I am asking for the scientific evaluation of the current offsets policy to be shared with this committee and to be shared with people who are interested in the offsets framework.

Mr Powell: I have already answered that question, member for South Brisbane.

CHAIR: Yes, I think we have laboured the point long enough.

Ms TRAD: I will keep going. In terms of the EPBC calculator, has that been by and large grafted to the state one?

Mr Buchanan: I would not say 'grafted', but we have taken the main components from their calculator and used it in our calculator. So it replicates the same sort of figures that the Commonwealth would be assessing, such as the habitat quality of the offsets site and the impact site, the risk of loss to species, the historical loss to that certain species, the historical loss or degradation in quality and the potential improvement in quality from the offset sites. So it takes all of those factors into consideration, which are common to the Commonwealth calculator.

Mr Powell: Again, member for South Brisbane, the reason is that, as you asked previously, we are seeking accreditation of this program with the Commonwealth. It made sense to adopt the Commonwealth's approach.

Ms TRAD: Obviously. The current terrestrial calculator, do you have that available in a form that can be shared?

Mr Buchanan: Yes, that is available and has been made available to industry and conservation groups.

Ms TRAD: Have we received it? We have not received it, Mr Buchanan. Could I ask you to table it?

Mr Powell: It is a calculator. You cannot table it.

Mr Buchanan: It is quite a big spreadsheet and it includes all the metadata as well. We can provide that, but it is a digital spreadsheet. It is not a piece of paper.

Ms TRAD: Okay. In terms of the framework for the calculator—the key points—

Mr Powell: It can be made available, member for South Brisbane.

Ms TRAD: Thank you, Minister. In terms of the marine calculator, how is that going?

Mr Powell: It is one and the same. Again, I know the concept might be very hard for the member for South Brisbane to get her head around, but the idea here is that we are taking five offset policies and turning them into one. We are taking differing calculations and methodologies and turning them into one.

Ms TRAD: Minister, in relation to the marine habitats, there has been a number of people who have contributed to this process who have said that the marine calculator and the terrestrial calculator being one and the same leaves a lot of deficiencies in terms of the marine calculator. I do not think that any of those concerns have been addressed and they certainly had not been addressed by your acerbic response to me just then.

Mr Powell: Member for South Brisbane, as Mr Buchanan pointed out to you, it is a very complex calculator that looks at a range of metadata and a range of matrix to determine what offset is required. The suggestion that by having one you have to then have one calculation for every species, I have just pointed out to you that for some it is one to one, for some it is one to two, for some it is one to eight. It allows a level of flexibility within the calculation to bring up the differences between a marine environment and a terrestrial environment.

CHAIR: Member for Maryborough?

Mrs MADDERN: We spoke before about Dr Lavery. I notice a comment here that he would like to see in our offset policy environmental banking and trading offset credits. Can you tell me if you see that fitting in with our system and how that might fit in? He seems to think that it is important.

Mr Buchanan: As part of the early consultation on the review of the offsets we did look at what is called biobanking, which is how they do environmental banking in New South Wales. There are some components of that system that we see benefits in but also we recognise that the Brisbane

feedback that we got from industry and the community was that the offsets provisions in Queensland is still at a very immature stage. So the market is still quite immature and biobanking could, I suppose, skew that market. We have not discounted it, but it is not part of the framework at the moment. It may be something that comes down the track as the market matures.

CHAIR: In relation to the information for the public and for the conservation groups, are you going to have an information campaign that is going to go with this legislation once it has passed through the House? As much as there are a limited number of groups who are interested at the moment, once it starts to happen in neighbourhoods and that sort of thing it will become a fairly big issue.

Mr Powell: There will be a range of information and education opportunities for the broader sectors—conservation and industry alike. Mr Chair, if I may just go back to the Productivity Commission report that the member for South Brisbane referred to. Interestingly enough, I have received some advice that what the report did say was—

The draft report considers the application of offsets in approval processes. The Commission notes proponents' concern that approval conditions are becoming more prescriptive and onerous without improving environmental outcomes. Particular concerns were raised with regards to offsets imposed being disproportionate, costly, inconsistent and ineffective in achieving environmental outcomes.

It sounds to me that we have addressed that through what we are proposing here today. But as I said to the member for South Brisbane, I am happy to have a look at that report a bit more closely.

Mr COSTIGAN: Minister, just going back to what you said about public education and so forth, I take it that it is a given that that will be rolled out across the state so that people in various regional communities will be across the reforms that are being put forward?

Mr Powell: There will be varying levels of education—varying levels of interest. I think the industry and the offset brokers in particular will have the greatest interest. Obviously, the conservation sector will be interested. We will provide information to them. Information will be provided to local governments. For the broader public, there will be some available information for them, but I think the public more generally is concerned that we get this right, that we get those strategic environmental outcomes and what we will be able to demonstrate over the coming years is that this framework allows us to do that.

Ms TRAD: Minister, given the Auditor-General's report, which was tabled yesterday in the House, I am interested in how the offsets are going to be monitored and evaluated in terms of their efficacy against environmental authorities.

Mr Powell: Contrary to the previous government, which did not bother to have a register of these things, we are going to have a register of them.

Ms TRAD: Every department had a register, Minister. I think that is incredibly misleading.

Mr Powell: It is one thing to say they have a register; it is another thing to actually use it.

Ms TRAD: Minister, to get back to my question, you are currently the one responsible for the Department of Environment and Heritage Protection. How are you going to ensure that offsets that are attached to environmental authorities are assessed and accredited according to the environmental authority?

Mr Powell: Because, unlike the previous government, we are going to have a register. These properties are going to be listed on them, or the offset is going to be listed on them. As I mentioned before, the offset broker has to demonstrate that they are monitoring and reporting on that offset. It is not a novel approach. I know that it is not something that Labor has ever done before, but we will get it right.

Ms TRAD: Yes, right—like you have got so much right in the last two years. So the department is not going to assess or accredit the offsets? What you are saying is that the offset trader will.

Mr Powell: No, that is not what I am saying at all, member for South Brisbane. We, of course, will be determining what is the appropriate offset. We will be defining what it is that the offset needs to achieve. We will be assessing and we will be approving the offset. When it comes to delivering, monitoring and reporting, that will be provided by the offset broker and that will come into a register held by the department.

Ms TRAD: So the offset broker will be monitoring and informing the government in relation to how the offsets are proceeding? So no-one from your department is actually going to get out of their workstation and do an in-field assessment?

Mr Powell: Again, the member is referring to the good old days of DERM, where officers spent all of their time tucked behind desks and could not get out because they were just snowed under by all the assessments of low environmental risk activities and a whole range of process. The previous government was great at process; they were terrible at outcomes and that included achieving environmental outcomes. Consistent with our regulatory strategy across all industries, my officers will be out, will be doing checks, will be on the ground making sure that the information that we are receiving from the offset brokers is actually being delivered.

Ms TRAD: The Auditor-General does not think that you are doing a very good job, does he?

Mr Powell: The Auditor-General is reflecting on years and years of the department of environment and resource management. He has not told us anything that we did not already know when we inherited the basket case that you provided us.

Ms TRAD: Yes. One of the things that he tells us that we knew, but now it has been made public, is that you do not talk to the Department of Natural Resources and Mines and that there is a lot of coordination that is going undone because—

CHAIR: I do not think that has any relevance—

Ms TRAD: It actually does.

Mr Powell: You are going to have an opportunity to consider the Auditor-General's report and I so look forward to coming back and addressing the committee when you do that.

Ms TRAD: Yes, absolutely.

Mr Powell: Because that statement is completely and utterly false. At all levels in my department—

Ms TRAD: Really?

Mr Powell: We talk to the Department of Natural Resources and Mines. We have a very productive relationship with that department and we will continue to do so. Unlike the previous government—

Ms TRAD: Unless there are huge improvements that the Auditor-General analysed—

Mr Powell: Huge improvements? How many staff were in DERM? Five thousand seven hundred—5,400. How many follow-up inspections did DERM undertake of an environmental nature in one given year? Fourteen. How many proactive inspections have we done in EHP? Two hundred and eight-nine.

Ms TRAD: Let us go through the figures.

Mr Powell: Two hundred and eighty-nine with 88 follow-ups. Do you want to challenge the Auditor-General's report? I am happy to have that conversation when you get to that, member for South Brisbane.

Ms TRAD: Let us see look at what has happened on your watch. That has led to 500 public servants sacked, particularly out in the regions.

CHAIR: I think we have some irrelevance here. Third-party auditing is part of most common business practices these days, whether you are into food or whatever. That is really the style of auditing that you are going to go down—third-party industry auditing with the occasional check from departmental officers. With the Woolworths supplier, or the Coles supplier, the audits were not done by Woolworths or Coles on your food quality; they were done by someone else.

Mr Powell: That is exactly right. The member for South Brisbane actually spoke very positively of the green tape reduction bill that we entered into the House last year, crowing that it was a lot of Labor work.

Ms TRAD: It was.

Mr Powell: What that bill actually did—

Ms TRAD: It was.

Mr Powell: What that bill actually did was allow us to take a third-party auditing approach to our monitoring and compliance. This feeds into that and delivers on that. It is interesting now that she wants to change her view of how good that was and suggest that somehow it is not appropriate.

Mr COX: You have probably answered this, but the member for South Brisbane referred to the previous government. Not only are you trying to simplify things; this is about better outcomes. At the end of the day, it is about the ongoing monitoring of these offsets, which, as has been pointed out, is important. Can you just clarify, as far as the rest of the country goes, whether we are starting to lead on this?

Mr Powell: Yes. There is only one other state jurisdiction that I am aware of that has a legislative framework for offsets that will have the rigour and the clout that this will have. Certainly, whilst it is delivering a simplification and it is removing the duplication, I am very confident that it is going to deliver the environmental outcomes that this state deserves.

CHAIR: Thank you, Minister. I think that has wound up the session now. We look forward to the bill coming before the House.

Mr Powell: Thank you very much, Mr Chair, and thank you very much committee members.

Committee adjourned at 1.14 pm