



Queensland
Conservation

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The Research Director
Agriculture, Resources and Environment Committee
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Submission on Environmental Offsets Bill 2014

In Brief

QCC draws the Committees attention to:

- A natural environment in poor and declining condition
- The removal of balance between economy, society and environment in Government policy
- Our opposition to the concept of offsetting essential habitat
- The lack of evidence that offsets provide a positive conservation outcome
- No independent arrangements proposed to assess whether an impact could be avoided or mitigated
- Many major projects could be exempt
- Significant inconsistencies with Commonwealth policy
- The notion of financial settlements is extremely dubious

Our Comments

Queensland Conservation Council (QCC) welcomes the opportunity of making comment on the proposed Environmental Offsets Bill 2014. Environmental organisations throughout Queensland are deeply concerned about the condition of the environment and its future resilience, given the multiple and cumulative effects of development in the State.

We draw your attention to the submissions provided by other environment groups and to the detailed submission provided by the Queensland Environmental Defenders Office, which focuses upon the proposed detailed changes to the legislation that are

required.

Whilst environmental offsets are often mooted as a means of achieving positive conservation outcomes from these many and multiple developments in Queensland, there is little evidence that this is the case.

What is beyond dispute is that the natural environment, on which economy and society depend, is under increased stress and pressure. The Queensland State of the Environment Report, the recent Strategic Assessments of the Great Barrier Reef World Heritage Area and State of the Region Report (SEQ), for example, all point to a natural environment in poor and declining condition.

In its Measures of Australia's Progress Report 2012 (ABS), an assessment of data compiled over the past 10 years about economy, society and environment, the ABS asks:

Is life in Australia getting better?



Legend:

- Progress has generally been made in this headline indicator compared with ten years ago.
- This headline indicator has generally regressed compared with ten years ago.
- There has been no significant movement in this headline indicator compared with ten years ago.
- There is either no headline indicator for this area of progress or no time series.

Environmental Offsets

As a general principle QCC does not support the concept of offsets as a means of compensating for environmental damage. Whilst there may be an argument for degraded landscapes being subject to an offsets regime, there is no justification for endangered, of concern or essential habitats being considered for an offset.

Environment that is assessed in these categories and environments that are considered important for community safety and well being (eg. Scenic or natural protection from extreme weather) should be permanently protected. Economic development should not be considered as more important. There is ample opportunity for industrial or urban

development in areas where these outlined values are not threatened.

Economic development should be seen in the context of ecological sustainability. That is economic development that *'uses, conserves and enhances the communities resources so that ecological processes, on which life depends, are maintained, and the total quality of life, now and in the future, can be increased.'*

(Extract from Principles of Ecological Sustainability ESD).

We note that all Australian Governments, including the Queensland Government, have committed to these principles and their inclusion in all government policy and practices. In essence these principles spell out the importance of balancing economic, social and environmental needs.

We also note that the Department of State Development, Infrastructure and Planning (DSDIP), who will, in many cases, be required to assess development applications and environmental offset conditions, have removed ESD Principles from the Draft Planning for Queensland's Development Bill and the Queensland State Planning Policy. This move sends a very strong and clear signal that DSDIP does not understand or support the Principles of ESD.

Where environmental offsets should be considered are on parcels of land and waters where the environment has already been degraded and disturbed. In these cases a comparable area of degraded/disturbed habitat could be offset and, subject to a management plan, returned to its original and natural condition.

Offsetting of undisturbed natural habitat concerns the loss of that habitat. It is illogical to think otherwise. However, the offsetting and rehabilitation of disturbed environment would represent a clear and obvious positive, conservation outcome.

Key Recommendations

Performance of Existing Offsets

As stated earlier, the case for offsets to achieve a positive conservation outcome, has not been made. Queensland has had a number of offset programs in place for several years, yet the State has not provided any evidence that it has achieved any success.

One of the objects of the Environmental Offsets Bill is *to provide stronger environmental outcomes* and yet the State has not provided any evidence what previous offsets have provided or any positive environmental outcomes. Surely, an assessment of previous offsets and their performance should have been the first action of any environmental policy review. This assessment needs to be made and completed before the State even considers or proceeds with a new Environmental Offsets Bill.

Independent Review of Offsets

The proposed Environmental Offsets Bill and associated policy states that proposed developments should avoid, mitigate or offset identified impacts. However, it does not outline how this will be achieved or assessed. QCC believes that all development applications that the offsets policy applies should be subject to independent review, to

establish whether a development could avoid and mitigate any impacts.

From our understanding, in most cases in this proposed policy, DSDIP (with possible advice from DEHP) will make that decision. DSDIP has an agenda on economic growth; issues of environmental protection are outside the Department's area of expertise and primary interest. Recent legislation and policy changes by DSDIP confirm that the Dept. is not concerned with the balance that the Principles of ESD can provide.

An Independent expert review panel should be established to review any development application to establish how impacts could be avoided or mitigated. This should include options such as relocation or infrastructure consolidation. In the event of an offset condition being applied DEHP should make such a condition, not DSDIP.

State Significant Developments

Under the proposed policy, State Significant Developments are exempted from the Environmental Offsets regime. Whilst it is assumed that the Coordinator General will impose offset conditions, these will be at the Coordinators Generals discretion. This is not appropriate.

The recent Productivity Commission Report into Major Projects (December 2013) supported the *'institutional separation of environmental policy development from regulatory and enforcement functions.'*

As both proponent/supporter and regulator the Coordinator General should not be exempted from this policy.

Consistency with other Offset Policies

The Environmental Offsets Framework aims to consolidate a range of options under one umbrella policy and to set out the relationship between the three jurisdictions that can impose offsets-Commonwealth, State and Local Government. The removal of inconsistencies between policies is outlined as an object of the bill. Despite this, the State policy is inconsistent with the Commonwealth Policy.

The Queensland Environmental Offsets Bill and policy sets a lower standard than the Commonwealth EPBC Act. It does not apply to major projects, objects do not reflect ESD Principles, and it does not consider significant residual impacts and applies different offset ratios. It is difficult to see how the Commonwealth and State can justify how their policies will be consistent.

Offset policy normally establishes an offset ratio. This ratio is a requirement to ensure a perceived positive or net benefit for the environment. For instance, a development that impacts upon a parcel of land should offset and protect a minimum area of comparable land, on a like for like basis.

The Commonwealth requires a **minimum** 90% direct offset whilst the state established a **maximum** 4:1 direct offset. This maximum figure represents a significant difference in approach. It means that irrespective of an offsets calculator outlining how a conservation outcome will be achieved, the policy may prevent that from being imposed.

By capping the condition to a maximum ratio, the policy undermines its own intent. Conditions need to be imposed based upon maximising conservation outcomes not limiting their opportunity.

The application of a minimum ratio, QCC policy supports a 3:1 minimum, ensures that *'the best possible'* conservation outcome could be achieved through this policy. (Note: the *best possible* outcome still represents a loss. The best possible outcome should be the avoidance of the impact in the first place)

Additionally, the State policy permits a financial settlement, in lieu of a direct offset. This suggests that where an offset is unavailable, that a payment can be made as an alternative. This is not supported by QCC. Proposals that would allow financial settlements to be directed to other activities such as weeding or unassociated rehabilitation works is also opposed. Financial settlements represent a point of significant inconsistency with other jurisdictions.

We also note that there is a current Senate Inquiry into Commonwealth Environmental Offsets currently underway.

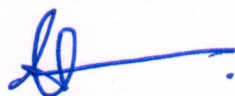
Strategic Investment

The notion of financial settlements instead of direct offsets is an extremely dubious option. If there are no comparable offsets in a region, and therefore a financial settlement applied, that is a very clear signal that impacting upon a habitat is unacceptable.

As indicated earlier, the notion of applying offset policies to already degraded or disturbed environments, could allow the option of financial settlement, with funding dedicated towards strategic corridors and areas, so that they are permanently protected.

QCC notes that only about 5% of Queensland is included in the Protected Area estate. In other parts of the world (Eg USA, NZ) far greater proportions of land are under protection-in both those jurisdictions protected areas amount to about 30% of total land mass. A strategic investment could assist the development of a greater protected area estate in Queensland. However, this cannot be done at the expense of other areas of environmental importance and significance.

Regards



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