



INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES COMMITTEE

Members present:

Mr J Pearce MP (Chair)
Mr GJ Butcher MP
Mr MJ Hart MP
Mrs BL Lauga MP

Staff present:

Ms M Telford (Principal Research Officer)

PUBLIC HEARING—INQUIRY INTO THE SUSTAINABLE PORTS DEVELOPMENT BILL 2015

TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, 29 JULY 2015

Cairns

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Committee met at 10.56 am

CHAIR: Good morning, everybody. It is good to see so many people here. I declare open the public hearing for the committee's inquiry into the Sustainable Ports Development Bill 2015 and I thank all of you for attending. I want to introduce the members of the Infrastructure, Planning and Natural Resources Committee. I am Jim Pearce, the member for Mirani and chair of the committee. Other committee members are Michael Hart, the deputy chair and member for Burleigh; Glenn Butcher, the member for Gladstone; and Mrs Brittany Lauga, the member for Keppel. Mr Shane Knuth, the member for Dalrymple, and Mr Lachlan Millar, the member for Gregory, are apologies for the day. The Parliament of Queensland Act 2001 requires the committee to examine the bill to consider the policy to be given effect by the bill and the application of fundamental legislative principles. Today's public hearing will form part of the committee's examination of the bill. Before we commence, may I ask that mobile devices be switched off or switched to silent mode please. The hearing is being transcribed by Hansard and is a formal committee proceeding. The guide for appearing as a witness before a committee has been provided to those appearing today. The committee will also observe schedule 3 of the standing orders. The first witnesses to appear are the Environmental Defenders Office of North Queensland. I would like to just state from the very beginning that because of all of the people who wanted to talk to us today we only have 20-minute slots, so we do not have a lot of time so I ask you to keep your opening comments brief so we can get a chance to ask questions, and I will have to keep it to the 20 minutes.

MATHEWS, Mr Brynn, Treasurer, Management Committee, Environmental Defenders Office of North Queensland

CHAIR: Brynn, would you like to make an opening statement?

Mr Mathews: Thank you for the opportunity to address the committee today. I actually looked at this legislation in its first draft last year when the previous government put it up—we were ready to comment on it then—so I have spent some time looking at it in its first iteration and this time around. I am rather concerned that, given the commitments that the government has made to the World Heritage Committee and pre-election commitments about what it was going to do to protect the Great Barrier Reef, this bill as the first bit of new legislation that is meant to address those commitments falls well short of dealing with them. One of the main concerns I had last year when I looked at this—and I still have—is highlighted in these maps that I have given you copies of. The legislation is very short on detail—very short. It talks about these priority development areas et cetera, but it is very vague about where the boundaries of them are. The previous government promised to provide these by December last year. That never happened. They are still not defined, so we are very concerned that the only things that are on maps are these really large areas which are the designated port zones. I presume they are the navigable areas or whatever that the port covers, but they are quite huge. Townsville goes right out beyond Magnetic Island. The Hay Point/Mackay one is a very large area of ocean and the Gladstone one picks up a whole heap of Curtis Island as well. They are just huge and the problem with that is that they contain a lot of very important ecosystems of the Great Barrier Reef. You have seagrass beds, you have inshore reefs and you have the whole gradation from the land to the deep ocean happening out to the Barrier Reef lagoon, which is a really sensitive environmental location.

The protections in the bill do not actually deal with these. They just say, 'We're going to tell you what the boundary is of the area that we're allowed to do whatever we want some time in the future as part of a master plan.' We feel that the bill is inadequate in that it should be telling the public up-front what areas it is dealing with and how it is going to protect those areas. Specifically it talks about marine parks as being an exclusion, but it does not talk about estuarine conservation zones, it does not talk about fish habitat areas and all these other areas of high ecological value that are protected under other bits of legislation. So that is one of the first problems with it—that is, it does not actually tell us where it is dealing with and what areas it is dealing with and it does not intend to identify those environmental values until it gets to the master planning stage, which is well down the road and there is no actual very clear statement about how much public consultation there will be at

that stage. So the really big concern is that I am looking at a bit of legislation that puts a whole load of really important decisions way off into the future without telling us what is on the table. That is the first problem with it.

Going through some of the detail of it such as the defined areas and the identification and mapping of environmental values, because these port areas and the master plans claim they are going to protect the environmental values, the ports authority is not the appropriate authority for these. The agencies that should be dealing with it are the Great Barrier Reef Marine Park Authority and Queensland national parks. They are the agencies with statutory responsibilities for protecting areas of high environmental value and the department of primary industries for your fish habitat areas as well. So it just seems to be usurping the powers of those agencies over these areas and what have we got?

Some of the problems in it, too, is that it gives the minister quite unregulated powers to change things. It can change and exempt other types of development within the master planned area through making or amending a port overlay with no actual public notification or scrutiny. So, again, it is a really poorly defined bit of legislation. It does not tell us what it is doing; it is just creating a framework—a sort of skeleton or whatever—to do all this stuff inside it without telling us what is going to happen. The minister has the powers to create and amend port overlays as well, so he can make overriding land use planning decisions without consultation or consent that override decisions under the planning act and land use plans under the Transport Infrastructure Act. It just seems that that is not right and that there should actually be some degree of accountability and reference to public opinion on those.

Clause 28(6) of the bill even prohibits the assessment manager for a development application from making a decision that is inconsistent with the port overlay. These port overlays can be amended at any time by the minister without any public consultation. So it is rather alarming just the reserve powers the minister has in this bill to make decisions about quite significant land uses on land and in the adjacent waters. In terms of public notification and public engagement, one of the things that was put up with the World Heritage Committee was that this would be an open and transparent process with the legislation that was going to be put in place to protect the Great Barrier Reef, but there is none of that in this bill. There is no public notification for port overlays. It says they are only implementing the master plan and that public engagement took place. A port overlay is quite a significant planning instrument and it should be subject to public scrutiny. One of the key issues with that public scrutiny is that it has to be accepted that the whole world is watching on this. It is the Great Barrier Reef. It is a World Heritage area. The whole world is watching. The World Heritage Committee has essentially put the Queensland government on probation and they are going to check again to see how you are performing in 18 months time or whenever it is. As the first piece of legislation that is meant to be enacting the promises and commitments you have made, this is not good at all. It does not deliver.

Mrs LAUGA: Excuse me, Brynn, but there is provision in the bill for consultation and notification of master planned areas and submissions are able to be received and the minister has to consider those.

Mr Mathews: Yes.

Mrs LAUGA: So are you saying that that is not sufficient?

Mr Mathews: Yes, and there is no actual facility for public objection as well.

Mrs LAUGA: But isn't that what making a submission is?

Mr Mathews: The thing with making a submission is you make a submission and it just goes into the void, into the process. When you look at planning law and so forth like the Integrated Planning Act and the Sustainable Planning Act, you make a submission and then you can become an objector if you are not happy with the final outcome. That is not built into this master planning process. You can make a submission about what you think is wrong with the proposed master plan, but when it is actually handed down that is it, end of story. There is no actual opportunities for objecting to it and that is quite serious when you compare what it does and the powers it has.

The other thing that the plan fails to do is because it targets the four declared priority ports it does not deal with other commitments that the government made before the election to actually look at the impacts of maintenance dredging, because you can knock over a portion of the reef with a very large project or you can knock it over with a large number of small projects, which is what is happening in areas up and down the coast with small ports and marinas. We are already finding damage from dredge spoil dumping which we believe is coming from Half Moon Creek and the Bluewater estate all

the way up the coast about 20 kilometres or so. Inshore reefs are getting covered with dredge slimes. So there is a problem with that in that the legislation should have actually looked at all these things. Instead, it actually talks about port facilities. It deals with port facilities only and it says that port facilities is land used in the operation or strategic development of a port authority's port and then it says that it does not include a small scale port facility being used for a tourism or a recreation purpose. The issue with that is that they are usually in areas of very high environmental value, so it is not actually looking at the impacts of marinas, boat ramps, boat harbours et cetera. It is actually not addressing the really big-picture issues of protecting the Great Barrier Reef from dredging, if that is what it is meant to be doing, because it is just focusing on these four priority ports.

CHAIR: Have you got much more to go?

Mr Mathews: If you have questions, just stop and ask me.

CHAIR: Yes, there will be a couple of questions.

Mr Mathews: Okay.

CHAIR: But we like to let you have your go first.

Mr Mathews: Clause 34 specifically talks about dredge spoil dumping from capital dredging and it has provisos on it. It says that you cannot dump it there unless a—what do they call it—beneficial re-use is impracticable. It should actually be just a straight out cut and dried statement that you are not going to do any capital dredge spoil dumping in the Great Barrier Reef lagoon. That was the commitment that was made by the government. It did not have any provisos or unlesses attached to it, and that is what should be delivered by this bill. Transshipment is the other thing that is missing from it, because transshipment potentially gives small ports the opportunity to expand without actually carrying out works on land. That was meant to be banned as well under a pre-election commitment from the government and it does not get a mention in this bill at all, and transshipment is a real concern because obviously it is taking place in open water in areas where impacts can be quite severe.

CHAIR: My understanding is that it is covered under other legislation, because I have raised that issue.

Mr Mathews: Is it?

CHAIR: Yes, it will be happening.

Mr Mathews: If that is legislation that is yet to be drafted, good; I am glad about that.

CHAIR: We will ask you a couple of questions. I want to start with the consultation process. What opportunity have you had with regard to consultation to make sure that your feelings get through? You put in a submission?

Mr Mathews: Yes.

CHAIR: Have you had any other contact?

Mr Mathews: No.

Mrs LAUGA: You personally or the Environmental Defenders Office?

Mr Mathews: The office and me.

Mr HART: Brynn, you said you have seen the reef 'knocked over'. I think they were your words.

Mr Mathews: Yes.

Mr HART: What sorts of things are you seeing? Have you got any evidence of that? There is legislation in place world-wide about the way vegetation spoils are dumped. Is something being done wrong?

Mr Mathews: The problem is that there is always these thresholds. If it is below a certain amount, then no-one is really bothering to regulate it very effectively and if it is not out in Commonwealth waters it does not have to go through the federal dredge spoil dumping approvals process, which is a lot more stringent. If it is just in state waters, then I do not think there is a lot of attention paid, because we have actually got recorded information about deterioration of a beach called Pretty Beach up near Yule Point north of here where the inshore coral has become covered in dredge slimes. It has been reported to various agencies and they all go, 'No, that can't be happening because, no, it's not dumped anywhere near there.' But this stuff gets mobilised in storms and can travel, and that is the issue. You are not looking at just sands; you are looking at slimes and so forth as well which quite readily get transported. So we are seeing impacts just from small scale maintenance dredging up and down the coast.

002

Mr HART: With regard to port overlays and master planning, it sounded to me like you want to see those defined now and locked in place forever and a day. Is that the case?

Mr Mathews: Not necessarily. I want to see the areas defined for a start, because the transport agencies must have been working on this since the middle of last year. Surely they have some idea where they want to put a line on the map and then we can start talking about the environmental values within that area and how they should be protected.

Mr HART: Do you see the ministerial discretion having way for changes over time? The situation might be this today, but in five years time it can be completely different and there may be other reasons why that port overlay may need to change.

Mr Mathews: Absolutely, yes. The problem I have with ministerial discretion is how it was exercised under the previous government and when you build it into legislation just how it can be abused in a whole load of different areas of legislation.

Mr HART: We will not go there. I will not ask that question.

Mr Mathews: No.

Mr HART: I will move on to other members.

Mr BUTCHER: Just in relation to transshipping, what are the concerns that you have particularly up here in Cairns with transshipping?

Mr Mathews: The big proposal that is on the books still which hopefully will not get up is a coalmine called Wongai on Princess Charlotte Bay that involves deep underground mining, a 15-kilometre conveyor belt loading on to barges off Bathurst Head and then barging out to sea and transshipping to larger carriers off the Flinders Island group.

All of these sites are of incredibly high ecological and cultural value to the traditional owners. When transshipping—transferring coal in open waters from a barge to a ship—the ability to have spills and cause damage is ridiculous, and it is in a position where anything that was spilt, any fines or whatever, would wash into Princess Charlotte Bay, which is a very significant dugong habitat with extensive seagrass beds. The possibility of choking those habitats is enormous.

Mr BUTCHER: Are you aware of any incidents that have happened previously in transshipping?

Mr Mathews: No. It is not common up here at all. I cannot think of anywhere where it happens other than decanting passengers off cruise ships and bringing them in. Possibly Trinity Bay transships to smaller barges at Quintel Beach, but that is freight. That is not bulk ore or coal.

Mrs LAUGA: They do do it in other places around Australia. I have a question regarding UNESCO. UNESCO obviously met, and the World Heritage Committee has made a ruling. It said in its ruling that it supports the government's long-term sustainability plan and the Reef 2050 Plan. This legislation is part of that. If UNESCO sees this legislation as part of what it wanted to see, does the Environmental Defenders Office disagree with UNESCO's position?

Mr Mathews: No, not at all. I think they are right in asking to see effective legislation to deliver the promises made in the Reef 2050 Plan, but I do not think this does it. I do not think it is effective. It lacks definition in too many areas. UNESCO will have a look at it, no doubt, but I cannot see that it delivers the commitments that have been made by the government

CHAIR: We will have to knock it on the head there. Thank you very much.

CREW, Mr Ron, President, Cairns Port Development Inc.

CUMMINGS, Mr Bill, Cummings Economics

GOWLETT, Mr Adam, President, Cairns Branch, Urban Development Institute of Australia

SENIOR, Mr Peter, Principal, Senior Consulting

CHAIR: Would anybody like to make a brief opening statement?

Mr Cummings: Yes, I will do that, Mr Chairman. Thank you for the opportunity to appear before the committee. Friends of the Port of Cairns started as an informal group of citizens of the Cairns region concerned with the port of Cairns and its future development. Cummings Economics has been supportive of the group and was pleased to prepare a submission to the committee on its behalf.

The group recently met and resolved to form an incorporated association under the proposed name of Cairns Port Development Inc., and with us is Ron Crew, who has been elected as president. Attached to the submission we have made is three submissions to the Coordinator-General in response to the EIS for the Cairns Shipping Development Project. One was from me addressing the economic benefits and the long-term experience of Cairns with onshore placement of dredge material. The second was on behalf of the Friends of the Port of Cairns by Peter Senior along with Norman Whitney. Peter Senior is with us. Their submission especially addressed costs and potential returns from dredge material to reclaim and develop the land at East Trinity. The third was by Adam Gowlett, the President of the Cairns branch of the Urban Development Institute, on the form and prospects of future urban development in Cairns, especially East Trinity. Also attached to the submissions is a petition with 164 signatures that have been collected in two weeks. The Friends of the Port of Cairns Facebook page currently records over 1,600 likes.

To turn now to the submission, the first section addressed the importance of Cairns as a seaport that in the context of this legislation should be regarded as a priority port. Cairns acts as a regional capital and transport distribution, manufacturing and services hub for over half the population of a large region from the Papua New Guinea border down to Etheridge shire. That covers half the depth of Queensland as a state. It is a region on a long-term growth path that since the 1970s has contributed more population growth in Queensland than any other region outside the south-east corner. With a population approaching 300,000, it is now the largest in population across northern Australia. The Cairns seaport is critical to the regional economy. It is highly diversified in the types of vessels using the port.

What is important to understand is that Cairns seaport currently leads Queensland's ports in terms of tourism and Reef Fleet operations, naval operations, fishing industry operations and coastal trading vessels operating including through to Indonesia. It is second to South-East Queensland ports in cruise ship operation, superyacht and cruising yacht visitation, slipways, ship and boat building, and maritime services operations. It is third in Queensland in container movements.

The region has more port-marine related activities by a long way than any other regions across the north. It leads in marine related activities across northern Australia and in Queensland outside the south-east corner. Past studies indicate the direct output of \$800 million a year and the direct employment of over 4,000. In overall vessel movements, Cairns will probably be second to Brisbane in the movements in ports throughout the state. In terms of piloted movements of larger ships, particularly if cruise ships that are having to stand off the coast are taken into account, the Cairns port would be up with and perhaps exceed Mackay and Abbot Point. However, in relation to bulk cargoes it is important to understand that because of the region's geography where no area is more than about 300 kilometres from the coast, the region has five bulk export ports—Mourilyan, Cairns, Cape Flattery, Weipa and Karumba. Tonnages shipped through those ports are more than the Townsville region, close to South-East Queensland, and more than the states of South Australia, Tasmania and the Northern Territory. Mineral output with a value of about \$2.7 billion was handled especially through Cape Flattery, Weipa and Karumba. The major bulk export commodity out of Cairns is sugar, a role it shares with Mourilyan Harbour. The other major bulk commodities through the port—fertilisers and fuel—play a critical role in the economy. Fertiliser imports serve as Queensland's largest cropping region outside of the south-east. Fuel imports via Cairns seaport are a major factor in the viability of many other industries and activities. This includes Cairns international airport and its large aviation sector that is vital to the region's \$3 billion a year tourism sector. It includes the major maritime sector

003

based in the Cairns seaport including the north-east naval base, Queensland's largest tourism fleet, Queensland's largest fishing fleet and Queensland's largest coastal shipping operations, all requiring large amounts of fuel.

Fuel is supplied by ship out of Cairns to communities in the Cape York and into the Torres Strait and via mother ships to a large fishing fleet operating up the east coast and around the gulf. Shipping, commonly used for the transport of sugar, fertilisers and fuel, has been getting larger over the years. Currently, the shipping for each of these commodities is unable to enter and leave the port with full loads. This results in costly inefficiencies. Sugar ships are only able to take on part loads and have to proceed to other ports to top up. Similar to sugar boats, fertilisers and fuel ships need to offload part of their cargoes at other ports before proceeding to Cairns. Larger international container ships are unable to enter the port.

As cruise ships become larger, more and more are having to stand off the coast and undertake highly inefficient shore transfers costing of the order of \$70 per passenger if all factors are taken into account. Cairns seaport's strategic position in Queensland's economy is set to continue expanding into the future against a background of expanding tourism including cruise shipping, maritime servicing, agricultural and mining development and general population and economic growth.

On the question of capital dredging, the current proposed legislation leaves the port exposed to a ban on capital dredging for expansion of other port facilities quite apart from deepening the channel like the marina, general cargo wharves and the Navy base, and this is unacceptable. Potential economic costs to the region would be massive. In regard to offshore placement, the beneficial provision appears to be very vague. Onshore placement would almost certainly come at a cost especially in the short term if capital dredging spoil were put on land so it could remain as dredging spoil if this became an issue in the future.

It is suggested that, having banned offshore placement, the state and federal governments have a real duty to assist in the development of technology and economic development perspectives that will enable onshore placement to occur at minimal initial cost and in a way that maximises future economic returns. It is essential that in this legislation this question is addressed including grant and long-term funding such that relevant port operations are not burdened with onshore placement costs that make further port development uneconomic. I would like to thank the committee for visiting Cairns. We are ready to help with any information that you seek.

CHAIR: Thanks, Bill. Does your organisation or people closely associated with you and local government or any other important potential stakeholders have a future development strategy in place for future development of the port? Wouldn't it be part of a regional plan or something?

Mr Cummings: I am not aware of anything formal. Ports North are facing issues there. No doubt that they will talk about further.

CHAIR: Who do you push your point with? If you have something in mind and you are concerned about it and you want it to go places, who do you push to make it happen?

Mr Cummings: I guess it is a combination of lobbying people and publicly being aware of issues.

Mr HART: The previous government had an iteration of this bill last year that was out there for people to have a look at. Has your attitude changed to the previous bill or this bill since the axing of the Cairns shipping development?

Mr Cummings: The Cairns Shipping Development project has been around for a number of years. I think the big development that has occurred has been the decision to ban offshore placement. The dredging of the channel, or the deepening of the channel, to enable us to take the larger ships was clearly economic with very substantial economic benefits if the dredge spoil was placed offshore. I am sure others will outline today that with the Cairns Shipping Development study there are a lot of parts of that study that indicated that there was not a real environmental problem with placing the spoil offshore. However, a decision having been made by governments not to go in that direction places the city in a need, if its port is going to be developed, to find other solutions to it. The most obvious one, of course, is onshore placement. However, the whole business of onshore placement was looked at to some degree in the EIS. It came in late. We believe it has not been fully explored, but we believe that there is a responsibility for the government, having made a decision to not place spoil offshore, to support and help get the solutions to the onshore placement or anything else. I think the major point is that it is very important to Cairns that the port be enabled to continue to grow. Over the years I believe the port has been progressively deepened as shipping becomes bigger and we have hit a point where that is necessary, driven in large part by the very rapidly expanding cruise ship

market, but also by the other shipping that uses the port. The other thing that we are concerned about is that this is the main naval base in Queensland. The current naval ships that are stationed here do not need an upgraded channel. However, looking into the future, an upgraded channel can be of importance for the efficient operation of that naval base.

Mr HART: You said that over the years the port has been deepened to allow for a cruise ship terminal. I see you got a new cruise ship terminal here four or five years ago that is capable of taking the bigger ships I assume. Has there ever been any issues with the dredging over the years that you are aware of that have caused issues to the reef? I imagine it is something none of you would ever like to see happen because Cairns revolves around tourism.

Mr Cummings: The situation is that Cairns has been in cruise shipping for a long, long time. In fact, there has been times when we have had cruise ships stationed here wherein the number of cruise ship movements were right up with and exceeding Sydney. That was smaller cruise ships that were stationed in the port. Currently, the channel is such that cruise ships up to about 2,000 passengers can come into the port. However, increasingly the cruise ship industry in Australia is growing strongly and also the cruise ships that are being built are more than 2,000 passengers. Most of the development in cruise shipping, which as I say is expanding rapidly, is in ships that exceed 2,000 passengers. We need the port upgraded to be able to take that type of shipping. Currently it is having to stand off the coast and effect short transfers. That is a costly operation. You have to send boats out to bring people ashore. You have to bus them into town if they are coming into town. Very often if the weather turns bad passengers cannot get off at all. Older passengers do not like onshore transfers in smaller boats. The other thing is that the cruise ship has to maintain full operational crew while it is at sea whereas when it comes into the port a number of its crew can go on leave, they can take on things in the port, revictualing and that sort of thing. There are very large costs per passenger. And, of course, the other major thing is the waste of time. People's time has a value. Transshipping onto shore and having to bus them into town, that sort of thing, adds to all those costs.

Mr HART: Have you done any economic modelling about what effect it may have on the town if the port expansion cannot continue in future?

Mr Cummings: There are two ways of looking at it in economic modelling. The first way is what is called economic efficiency and that is what I have just been outlining; the economic efficiency in terms of that cost to people, the efficiency of the whole operation. You are looking over a 25-year project period using a discount rate real four per cent, seven per cent; nominal you are looking at, I think, somewhere between \$250 million and \$300 million saving. The other thing is that into the future cruising right through this part of the world is expanding, particularly up into Papua New Guinea and into the Pacific. The home porting of vessels in Cairns would save a lot of dead leg sailing out of Brisbane for people who want to go and cruise up into those areas. Not being able to home port the larger ships here has a large potential cost also.

Once you have got an economic efficiency you get an economic impact and the economic impact is estimated—now this is over a 25-year project period—probably about \$5 billion extra. That is at current prices when they occur. If you discount that and bring it back to a net present value you are talking about a net present value of about \$1.3 billion.

CHAIR: With respect, I want to give everybody else a go and you have taken quite a fair while. We are just about out of time now. Ron, did you want to say something?

Mr Crew: Yes, I did, thank you, Mr Chairman. Right at the moment, outside Yorkeys Knob there is a boat sitting off it—a passenger liner that could not come in. It is a rough day. Very few people are going to be coming into town. I was notified of that when I was in transit to come in here today. That is something to be considered. It is a serious thing.

CHAIR: What is the problem with the legislation with regard to what you were just saying? We have to look at the legislation.

Mr Crew: The legislation has to allow us to have a dredged harbour so that the larger ships can come in. The economic benefits of that are great. If we don't have it the loss is going to be enormous because it will snowball. Our area is in the doldrums and we need that to pick up, that is for sure.

Mrs LAUGA: The legislation basically implements the Reef 2050 plan which is the federal government's response. The World Heritage Committee said that that is what they wanted to see—a long-term protection. The Reef 2050 plan was out for public consultation. I wondered if your group made a submission to that plan because essentially the state is enacting what that federal plan put in place.

Mr Cummings: No. In fact, I think when that was occurring the level of concern was not that high and the Friends of the Port did not exist at that time.

Mrs LAUGA: That plan basically specified that dredging be limited to priority ports and therefore it excluded Cairns. What do you think would happen if the legislation did not adhere to UNESCO's requests? Do you think that UNESCO might change its mind as to its decision not to list the Great Barrier Reef as in danger if we were to change the legislation and allow Cairns to be a priority port area?

Mr Cummings: I don't know. I don't know enough about the international situation. All I know is that if we are not able to dredge the port, deepen the port of Cairns, that there is a major economic disbenefit in this region.

Mrs LAUGA: If it was listed and UNESCO changed its decision to list the reef as in danger would that be a better outcome?

Mr Cummings: I have just said I don't know whether it would change it or not. What has to be recognised is that there is that major disbenefit. When it comes to Cairns obviously there are advantages to Cairns in the listing. However, what we are saying is that deepening still has to take place and the solutions to getting onshore or any other solution needs to be addressed.

Mr Crew: Can I add to that?

CHAIR: It will have to be very quick.

Mr Crew: Thanks. We want to dredge the harbour in a careful way so that we do not further pollute the Barrier Reef. It is as simple as that really. We have to find those solutions and I believe we can. We have talked to many experts about it and that is what we want to do.

CHAIR: Unfortunately the time allocated for this session has now expired. There being no further questions we will move on to another group.

004

HANCOCK, Ms Deb, Chief Executive Officer, Cairns Chamber of Commerce

MARINO, Mr Sam, President, Cairns Chamber of Commerce

TWOMEY, Mr Trent, Chair, Advance Cairns

CHAIR: Do you have a brief opening statement?

Ms Hancock: Thank you, Mr Chair. Advance Cairns and the Cairns Chamber of Commerce welcome the opportunity to further comment on the Sustainable Ports Development Bill 2015 and thank the esteemed committee for the opportunity to speak today. We take our earlier submission dated 30 June 2015 as read. Our submission focused on a two-part solution for the region and a two-port solution as they both support the integrated nature of our region's economy. Firstly, we will be requesting the trigger mechanism for legislative review as part of the bill and also the designation of Cairns and Mourilyan ports as strategic ports as part of the legislation. Cairns and Mourilyan should be designated as priority ports. The diversity of activity, for example, passenger, cargo, defence and marine precinct services, and the forecast growth of Cairns and the opportunity growth at Mourilyan require an increase in services to support population growth. Maintenance dredging arrangements must be maintained. Further, the Cairns port is recognised as one of Australia's busiest cruise vessel ports. The FNQ region has been identified as the fastest growing region in Queensland. Additionally, the FNQ region has the largest population of any region outside the South-East Queensland region. If the Cairns port is not designated as a priority port then there is little scope to master plan and for further growth and development in pace with our region's economic and population growth. Ports North will need to be able to continue to undertake incremental development projects at existing and new berths or channels to maintain operational efficiencies and/or cater for our region's growth and prosperity.

The window of opportunity to make submissions on this proposed bill was inadequate and amounted to only a number of days. The Department of State Development also acknowledged during their public briefing held on 25 June 2015 that this period was quite a short window of opportunity for the consulted organisations to reply to the draft copy of the bill. Considering the value of the Ports North's port related operations and port dependent industries worth \$1.7 billion, gross value added, this submission window is inadequate.

When inquiring with the department of state development about whether a regulatory impact statement has been or will be prepared for this proposed bill, the response on 3 July 2015 was that this bill is considered the policy option that generates the greatest net benefit to the community, and that stakeholder consultation has been ongoing over a period of three years. They went on to say that, based on the extensive consultation undertaken and the need to strike an appropriate balance between significant environmental and economic development considerations, a regulatory impact statement was not prepared.

The explanatory notes for this bill list only six organisations that were consulted on the bill—the Australian Marine Conservation Society, the Environmental Defenders Office Queensland, Ports Australia, the Queensland Ports Association, the Queensland Resources Council and the World Wildlife Fund. We put forward that this consultation is deficient and inadequate for the scale of the impact on our Far North Queensland regional economy. Furthermore, the department of state development advised during their public briefing held again on 25 June 2015 that when the new government was formed and they came to develop this new bill they stripped the process back to drafting instructions. They went on to advise that they had not looked at the previous bill and crossed things out and went back to the beginning of drafting the bill. They also admit that this bill is quite a different beast, which includes a prohibition on the sea based disposal of capital dredge spoil material in the Great Barrier Reef World Heritage area, which was very specific to this government. It was not a policy of the previous government. We ask the esteemed committee: how can it therefore be claimed that there has been extensive consultation undertaken on this bill over a period of three years and how can this argument be used to support that a RIS not be undertaken?

Mr Twomey: The bill does not meet the government's nor the opposition's commitment to grow Queensland's economy, jobs and the regions. As an example, the Cairns Shipping Development Project should be allowed to continue and not be prevented by this proposed bill to support the development of industries in our region. In the key findings relevant to the socio-economic environment related to the Draft Environmental Impact Study under baseline findings, it states that this project is expected to bring significant social and economic benefits in terms of economic output and jobs. This section of the Draft EIS also goes on to state that community consultation and research

conducted during the EIS has confirmed that the project has strong local support, driven largely by support for the economic benefits it will bring the region, while acknowledging that the reef environment needs to be protected at the same time.

The project's impact findings highlight the significant economic and employment benefits during the construction and operations phase, as outlined in the economics chapter, including: adding \$673 million to the regional economy over 25 years; adding an average of \$27 million to the economy per annum; creating 467 jobs by 2026; creating 680 jobs by 2040; and creating 135 full-time equivalent construction jobs. Additionally, home porting will generate additional economic benefit per voyage, there will be operational savings for cargo companies, and the project will result in significantly improved cruise ship passenger experiences during the operation.

Further, the Draft EIS's impact assessment findings concluded the following: the project will result in no significant construction impacts on the terrestrial ecology; there will be a temporary low impact to shorebirds' foraging habitat within terrestrial areas due to vessel wash; no operational impacts have been identified; and management plans will provide mitigation measures and protection to avoid or minimise impacts to terrestrial ecology. Science should lead to the management and placement of dredge spoil—imposing regulatory arrangements, increasing risk, increasing cost, and the impacts of the viability of the future project.

The Cairns shipping development environmental impact study demonstrates that material currently placed has no adverse impact on the reef and water quality. However, how can it then be said that not proceeding with the Cairns Shipping Development Project, which would be prevented by this bill as it includes capital dredging, would generate the greatest net benefit to the community? We query how this term 'greatest net benefit to the community' has been defined, quantified and calculated by the state government. We put forward that not proceeding with this project would have a disproportionate negative economic impact on the tropical North Queensland region. Further, technological improvements will provide for efficiencies in managing dredge spoil. An example is nanotechnology that attaches to particles and makes them heavier. Such an application to dredge material would provide for even more rapid settling of material in marine areas currently set aside for placement.

Regarding the opportunity created by the Australian government via the Northern Australia white paper, Cairns is seen as a key part of this agenda. How can this bipartisan growth planned for the Cairns region, as provided for in the white paper, be realised if our shipping capability is constrained? The Cairns Shipping Development Project, which includes widening and deepening of the existing channel and the development of associated portside infrastructure, has been identified as one of the region's key 8 plus 8 priority areas identified by all of the leadership organisations in the region. The current port of Cairns is constraining industry development and requires further development and investment. For example, larger cruise vessels must moor off Yorkeys Knob, increasing cost and risk. The bill provides no trigger mechanism for the current status of the port of Cairns throughout the life of the legislation. Our preferred option, however, remains for this bill to be amended to have both the ports of Cairns and Mourilyan designated as priority ports.

CHAIR: Thank you. Deb, you spoke about the consultation and you said it was inadequate and that has been noted. For the benefit of the committee, when you talk about the regulatory impact statement, how do you lose out? What difference would it make to the way you are thinking if that was made available?

Ms Hancock: There is a reason why a RIS is conducted in any bill that is put forward for consideration, and that reason is exactly what we are arguing for today—that the consultation has been deficient and inadequate and does not appropriately reflect the views of those who should have been consulted.

Mr HART: How many businesses in the greater Cairns area rely on the port for their future development?

Ms Hancock: That would be information that is privy to Ports North which I do not have access to at this moment.

Mr HART: What about the members of the chambers of commerce? How would they be impacted if the future of the port was unclear?

Ms Hancock: There are already significant negative impacts on business confidence in our region for a number of reasons. Again, this project has been promised by successive governments and has been failed to be delivered, so that has a serious negative impact on business confidence.

Directly and indirectly, I do not have the exact number of jobs or revenue impact in the Far North Queensland region, but I did indicate before that the value to the Ports North operations and allied services businesses is around \$1.7 billion.

Mr HART: You mentioned the white paper before. Do you see a big benefit to Cairns from that white paper? How will that be affected if the ports cannot expand?

Mr Twomey: The port of Cairns is just like our airport, just like the Bruce Highway, just like the Hann Highway—all of which feature prominently in the Northern Australia white paper. It is all about importing and exporting, making sure we remain competitive, not just in a national agenda but in an international agenda as well. Currently, the only way for us to ship south other than the port of Cairns is through the Bruce Highway, which this committee may or may not be aware of is often cut for extended periods of time during the wet season. We have had a commitment from the Commonwealth and the state to seal the secondary access route further inland, but again until that happens the only other form of transport for food and fuel is in and out of the port of Cairns.

Mr HART: Do you think the port can be dredged safely without any damage to the reef?

Ms Hancock: The evidence proves that it can be.

CHAIR: What evidence? Where is your evidence?

Ms Hancock: The environmental impact statement clearly states it.

Mr Twomey: It actually says in the 97th percentile in normal environmental conditions there is no adverse effect to the Great Barrier Reef. From an economic point of view, whether it be the Commonwealth government's Reef 2050, whether it be the UNESCO, we just want to say that it is the view of the Cairns Chamber of Commerce and Advance Cairns that the Great Barrier Reef remains one of our most important economic assets as well as one of our most important environmental assets. All we are saying is that it is not fair for the state parliament—government or opposition—to defer its core responsibility to a federal piece of legislation or an international environmental process. The port of Cairns is a core responsibility for the parliament of Queensland. We would like to see that any decisions made by the parliament of Queensland are based on science, based on environmental science, based on economic science—not what may or may not happen in a UNESCO situation.

Mr BUTCHER: In your submission, you advocate designating both the port of Cairns and the port of Mourilyan as priority ports. In your view, would there be any view in designating just one of them—as in Cairns rather than Mourilyan, or Mourilyan rather than Cairns—or do you still advocate that you must have both?

Mr Twomey: We are going for gold standard not just in an environmental sense but also in an economic sense. The reason we have a two-port strategy is that the ports are very different. Mourilyan is a natural, deepwater port which is for the exporting of not only our agricultural industry but also our re-emerging mining industry. The port of Cairns is very different. It is for our tourism industry, it is for our cargo industry and it is for the naval industry as well. So those ports complement, and we need both of those ports for our region to be able to reach its economic potential.

Mr BUTCHER: How far away are they from each other?

Mr Twomey: I am sorry, I do not know line of sight. It is about a one hour and 20 minute drive. If you had a chopper, it would probably be a lot quicker than that, but it is not that far south.

Ms Hancock: Just to add to Trent's comments there, I do not have the exact statistics on me but your question has triggered a comment in response. Anecdotally, about 30 per cent of the freight that is brought into the Cairns port is used for aviation fuel, so if we are not able to continue the servicing of our tourism industry via aviation—and remembering that \$1 that is invested in route development into our economy returns \$6 to our economy—that would have serious economic impacts.

Mr Twomey: What we are saying with that is we realise that both the LNP and the Australian Labor Party have bipartisan support for the Northern Australia development process in terms of both economic infrastructure and social infrastructure. This is about sustainable development. Our organisations do not support any development that would harm the environmental health of one of our most important economic assets, which is the Great Barrier Reef. The CEO made a great point—the airport is the largest airport in Northern Australia, so we do not see how either political party or how the parliament of Queensland could have a view on one hand to wholeheartedly support all of the aspects of the Northern Australia white paper yet restrict an important economy in that, in terms of not only the growth of the port but the airport as well which is intrinsically linked.

Mrs LAUGA: Did you convey all of this in the Reef 2050 consultation?

Mr Twomey: To the federal government?

Mrs LAUGA: Yes.

Mr Twomey: We were not notified of the public consultation period. We wrote to the Commonwealth government saying it would have been great for us to receive an invitation. We wrote a letter outlining everything, just to say that unfortunately we were not afforded an opportunity to make a public submission.

Mrs LAUGA: It says in the consultation report that they advertised on radio and in public newspapers. I would have thought that this would have been a really important—

Mr Twomey: I wholeheartedly agree with you, and I would have thought that considering Cairns and the Cairns economy is so intrinsically linked to the Great Barrier Reef that the Commonwealth government would have sought fit to actually contact Advance Cairns and the Cairns Chamber of Commerce to make a submission. I wholeheartedly agree.

Mrs LAUGA: The former government's Ports Bill was introduced in 2014 and there are similarities between this bill and the previous government's bill and there are differences. What is it that is different about this bill which you have concerns about?

Mr Twomey: I hope you know the subtlety of our comment has been to both political parties and to the parliament, because we were not happy with the previous government's wording either because the previous legislation did not allow for the port of Cairns or Mourilyan to be designated as priority ports, so we had an issue with both. In answer to your specific question though, it is the at sea dumping which increases the economic cost of this particular project. That is our specific point with the new iteration but we have issues with both.

Mr HART: Is that highlighted by the axing of the Cairns development?

Mr Twomey: To be completely honest, neither government were forthcoming in a timely fashion with funds to be made available for that particular project. All we are asking for here is not a funding request for a specific development project; it is saying that we need a regulatory framework which would allow Ports North, both through those two ports as outlined, to grow unencumbered in an environmentally sustainable way to meet the economic demands of our region.

One of the key things highlighted by the current government and the previous government is youth unemployment. We have the outpost that has the highest youth unemployment in the nation, and we do not see how on one hand both governments could have a policy to actually decrease youth unemployment yet in the same breath have a policy that restricts the development of this important piece of public infrastructure.

CHAIR: We will have to wind up. Have you identified a difference in the costing between dumping at sea and dumping on land?

Mr Twomey: The environmental impact study highlights that, so I would just refer the committee to that. But we are not asking for a funding request in our submission.

CHAIR: And is the two-port strategy a document?

Mr Twomey: It is in our submission to you.

CHAIR: Okay. Thank you very much.

Mr Twomey: Thank you. We appreciate your time.

BOLAND, Mr Chris, Chief Executive Officer, Ports North

VICO, Mr Alan, General Manager, Planning and Infrastructure, Ports North

CHAIR: Welcome to Ports North. Would you like to make a brief opening statement?

Mr Boland: Firstly, I thank the Infrastructure, Planning and Natural Resources Committee for inviting Ports North to today's public hearing. Welcome to Cairns. Ports North ports include the trading ports of the Port of Cairns, Mourilyan, Cape Flattery and Karumba, and the community ports of Thursday Island and Quintell Beach. These ports play an important part in assisting the growth of the regional economy. Safe, efficient and well-managed seaports are critical for economic growth and they connect our state to all markets.

Our ports are not just about mining and resource exports. They serve vital industries including domestic household commodities, agriculture, tourism and defence, while providing key access to the remote northern islands. We recognise that the key policy objectives of the bill are to provide protection to the Great Barrier Reef World Heritage area through sustainably managing port related development in and adjacent to the area, and we support the policy objective. While we support the intent of the bill, we wish to highlight a number of areas that Ports North considers will have an adverse impact on our ports and the regional economy without any change to the environmental protection of the reef. We welcome the opportunity to raise those issues now and their effect can be considered further.

In capital dredging, Ports North recommends that capital dredging is permitted in the long-established ports of Cairns and Mourilyan either by making these ports priority ports or by expanding the capital dredging exemptions for small-scale facilities to allow incremental growth for port facilities within existing port limits. These small-scale developments with minor capital dredging can be delivered in a sustainable way while protecting the reef. Examples in Cairns include the barge ramp constructions, cargo wharf expansions, re-fit wharfs, defence berths. The legislation should allow flexibility to allow port development in the long-established ports of Cairns and Mourilyan for known future requirements and also emerging opportunities in the future that are not defined at this point in time.

Well-managed placement of marine sediments back in a marine environment is the most common practice adopted by ports globally. A review of international practices by GHD for the department of environment concluded that Australian assessment and management process for this approach was consistent with best practices. In addition, it is important that the government understand the long-term economic consequences of blanket provisions of at-sea relocation of capital material within the Great Barrier Reef World Heritage area. The prohibition of at-sea relocation contained within the bill will add significant cost to industry and necessitate large areas of coastal land being used for dredge material, and this is not without its environmental risks. Channel expansions and port facility developments have occurred periodically in almost all regional ports since they were established to pay for both the increasing number of ships to support ongoing population growth and the increase in the size of ships that occurs over time. Few ports could function today with channel depths and widths or berth capacities that occurred even 30 years ago.

I wish to comment on some specific provisions within the legislation. With regard to the transitional arrangements, Ports North appreciates that the bill has transitional arrangements for projects that have commenced an EIS approval process, such as the Cairns Shipping Development Project, but requests that this gets extended to smaller projects that are in an approval process that do not need an EIS. An example of this is the Cairns common user barge ramp, where planning commenced in 2012 and a development application was submitted for environmental approvals in January 2015. This project is clearly part of an approval process. It has low environmental impacts not requiring an EIS but will not be covered by the transitional arrangements within the bill.

With regard to maintenance dredging, we appreciate that the bill makes a clear distinction between capital and maintenance dredging. We place our trust in government that existing policies on maintenance dredging will be protected and supported. Dredging to ensure that designated depths are maintained is critical to ensure the safe operation of our ports that support our regional and national economies. This is particularly the case for Cairns, which is located in a cyclone active zone and accordingly subject to periodically and unpredicted high levels of siltation, bringing about immediate requirements for maintenance dredging.

Not only is maintenance dredging an essential activity; it is highly regulated, well understood and comprehensively studied with extensive monitoring and shown to have only localised impacts. Our ports have a long history of developing coordinated maintenance dredging programs that minimise environmental impacts. The large majority of maintenance dredging activities are

undertaken by the *Brisbane*—a state-of-the-art trailing suction hopper dredge built in Cairns in 2001 specifically designed for operation in the Great Barrier Reef ports with modern environmental design features. Any ban or restriction on the long-established maintenance dredging process of placing natural sediments at designated at-sea sites will be devastating economically for the port and their client industries. These natural sediments are transported from nearby shallow areas by floods and currents and settle into the deeper channels and berths.

Thank you for the opportunity to table these issues. I would like to emphasise that Ports North has a profound interest in protecting the Great Barrier Reef and considers leading environmental practice to be an essential element of operating our business. Ports North would be pleased to work with the government on refining the bill to ensure that new management measures to protect the environment are based on strong environmental elements.

In summary, there are three issues. Firstly, the bill should include provisions to allow the ports of Cairns and Mourilyan to incrementally grow by undertaking capital dredging so the ports can develop and meet the future regional customers' needs. Second, the bill should expand on its transitional arrangements to not only protect the Cairns Shipping Development Project but also allow projects that have commenced non-EIS approval processes. Third, the government should protect the existing well-understood maintenance arrangement.

The Port of Cairns was established more than 100 years ago and it has been progressively developed since that time. In the past 30 years the port has continued to develop facilities to meet the needs of our customers. In those 30 years new port facilities and development plans, most requiring capital dredging, have been undertaken in a sustainable way and include facilities such as new super yacht berths, new reef fleet berths, expanded marina, slipway berths, slipway travel lift, barge ramps, new cargo wharf and widening of the channel to meet shipping requirements in the late nineties. We asked the government to consider how this bill will allow similar sustainable development of the ports of Cairns and Mourilyan for the next 30 to 100 years. Thank you.

CHAIR: Thanks, Chris. During your presentation you spoke about best practice in terms of relocation of material. When you look at world best practice, does anywhere else have such a sensitive area as the reef close by when they are dumping? That was a pretty broad statement that you made.

Mr Boland: In the case of Cairns, the spoil placement zone is not near the reef; it is actually adjacent to there. Based on the current arrangements, how currents move through the inlet, the dredge material is placed at a location that has been proven through extensive monitoring to be sustainable. The benthic communities on those spoil grounds are re-established quickly. There are only localised impacts during the dredging process itself, and that material is shown to stay in and around that spoil location and not in any way interact with the reef.

Mr HART: With regard to the transitional arrangements that you were talking about and the Cairns shipping development process, that had already started—the EIS was in place—so it could have carried on. What is your understanding of the transitional arrangements in the bill now that the new government has said that that will not proceed? Can you come back at a later date or is that dead and buried?

Mr Boland: My understanding of the transitional arrangements, as the bill sits, is that if an EIS has been commenced and is ongoing then the bill allows that EIS to continue. The Cairns Shipping Development Project is still an EIS that is under consideration at the moment. Clearly, if the EIS stops in a year's time or six months time and we need to revisit a project like that in five years time or 10 years time or 20 years time, that is the key problem with the bill. The transitional arrangements for the Cairns Shipping Development Project EIS is secure under the bill, but it does not allow for those sorts of projects and much smaller projects to progress in the future.

Mr HART: In terms of the idea you had about incremental increases in the site, what sort of incremental number do you think would be reasonable?

Mr Boland: It varies depending on the circumstances, but we have examples. If we were, for example, building a barge ramp, I think the volumes associated with dredging a barge ramp might be 5,000 to 10,000 cubic metres. It is a backhoe from the land to dredge the material. So it can actually be quite small volumes of material and obviously that increases depending on the scale of the project.

Mr HART: Sorry, I might have misunderstood. I thought you were saying that the port should be allowed to grow by five per cent a year or one per cent a year?

Mr Boland: There is a clause in the legislation that talks about small-scale marine facilities for tourism and recreation, and we completely support that. That is strongly supported by the tourism industry in Cairns. We believe that there should be a clear distinction between long-established ports

007

and greenfield ports. Therefore, there should be additional clauses in the bill that talk about small-scale facilities and incremental growth within long-established ports. So there should be a clause within the bill that will allow the port to meet the customer needs for a wharf expansion or a barge ramp expansion or those sorts of small-scale facilities within the port and allow those to develop.

That does not cover the issue of a channel which is obviously a channel deepening and widening. Obviously the transitional arrangements for the Cairns Shipping Development Project cover that in the short term, but if that project does not progress or if there is a new project required in 10 years time to meet a change in the size of a fuel ship to come in and service Cairns and the airport, then there are no provisions in the bill for the port to look at an economic case of deepening and widening the channel to allow for a larger cargo or fuel ship to come in in five years time.

Mr HART: Can I ask a quick question about the point that the chamber of commerce raised about the aircraft fuel requirement? Is that going to be an issue in the future if the port is not dredged or is that okay for a number of years yet?

Mr Boland: In terms of the existing trades—and I think it was mentioned by one of the earlier speakers—many of the ships coming into Cairns have to come in not with their maximum efficiencies because of the draft of the existing channel. The widening of the channel that happened in the late nineties was driven by fuel ship sizes. So we widened the channel from, I think, 76 metres to 90 metres to meet the requirements of the Ampol TBA I think it was at the time. So it was driven by that fuel requirement, and that fuel was for both the community and the airport. About 23 to 25 per cent of our fuel that is imported is Avgas that is used at the airport. Clearly, the requirement for channel width and depth in the future will be dependent on the industry requirements. That fuel is presently brought to Australia, to Cairns, from Singapore. Obviously, as our fuel demand goes up then there is a need for us to consider additional ships and infrastructure to meet those shipping requirements.

Mr Vico: That has typically been the history of the Cairns channel expansion. The Cairns channel was expanded in the sixties from a width of 25 metres to 40 metres; in the early seventies from 45 to 60 metres; in the early nineties from 60 to 75 metres; and then to where it is now. Cairns growth in shipping has been very low compared to other ports. There has been a steady growth in existing industries. One of our major concerns with not having the ability to undertake incremental growth is that we are going to lose competitiveness and the ability to maintain our existing trades, let alone develop. It is not a question for the Cairns port about creating new berths for coal or even cruise shipping for that matter. The cruise shipping berth and the terminal is infrastructure that is already there. Our concern is losing the ability to service those existing trades.

Mr BUTCHER: If it came to the fact that you were allowed to dispose of dredge spoil, do you have the facilities or what would be your plan or what is in your plan to dispose of dredge spoil on land around Cairns?

Mr Boland: There are two separate parts. If we talk about maintenance dredging, we have a long-term permit with the Great Barrier Reef Marine Park Authority to do sea disposal. We do comprehensive monitoring and testing to ensure that we comply with their requirements and to also ensure it is sustainable. We are in the middle of our EIS—it has been out for public consultation—for the Cairns Shipping Development Project. We identified an at-sea disposal site for that which was environmentally sustainable and economically cost effective.

The EIS explored a number of alternative land based disposals. It is fair to say that, because of the attractiveness of the sea disposal solution, those land based disposal sites had environmental risk and significant cost impacts. We would need to look at those more carefully and more thoroughly in the future if they were going to be considered.

Mr BUTCHER: For that development was the only proposal looked at at sea?

Mr Boland: We looked at seven or eight land based disposal solutions and assessed those. There was multiple criteria. We looked at cost issues and at environmental risk issues. We decided that a lower environmental risk and a lower cost was at-sea disposal. When that at-sea disposal is no longer available both because of legislative changes from the federal government and what is proposed by the state we would need to retest all those assumptions in the EIS.

Mr BUTCHER: So the other forms you looked at were bund walls or land based solutions?

Mr Boland: All of those have been considered to date. We will need to look at those again.

Mrs LAUGA: This legislation is about enacting the Abbott government's commitments made in the Reef 2050 Plan. We have heard that several stakeholders did not make submissions in that process but Ports North did, I understand. I can only assume that the contents of the submission that

Ports North made is similar to the submission made to this committee. What did the federal government say to Ports North after that submission was made as part of that Reef 2050 Plan consultation process?

Mr Boland: There was no feedback. Generally our position with the previous Queensland ports strategy, the previous legislation, this legislation and the process around the Reef 2050 Plan has been consistent. We believe that there are no significant environmental benefits associated with not making Cairns and Mourilyan priority ports. We believe that you can deliver both environmental outcomes and still allow Cairns and Mourilyan to be priority ports and undertake dredging in a sustainable way.

Mrs LAUGA: So you were involved with the previous government's port statutory and making a submission in relation to that at a state level?

Mr Boland: Absolutely. We have said the same thing—that is, that Cairns and Mourilyan should be priority ports.

CHAIR: There being no more questions, we thank you for appearing today.

MANNING, Mr Bob, Mayor, Cairns Regional Council

QUINN, Mr Neil, Executive Manager, Mayor's Office, Cairns Regional Council

CHAIR: I welcome the representatives from the Cairns Regional Council. Mayor, would you like to make a brief opening statement?

Mayor Manning: Our position is a fairly straight forward one and is aimed at clearing away the clutter. An EIS has been done. The EIS was done at considerable cost. It was done under the auspices of the Office of the Coordinator-General. That produced outcomes or recommendations which were quite clear cut in terms of cost, in terms of dredging, in terms of the placement of the material into a different location. That is a valid report and it cannot be discarded.

The second leg of our position is that it is hard to accept and lay down given that a city the size of Cairns and with the development and population trajectory would have its port effectively shut down. Whilst the port of Cairns may not be large in terms of tonnage, it is large in terms of the number of vessel movements. In fact, it is probably the busiest port in the state in that regard. Given the industries that rely on the port—tourism, the three shipyards, the navy, the fishing fleet—and the potential for the growth of cruise shipping, which is without question, the position becomes quite untenable if we are going to impact those industries to the extent that is proposed.

CHAIR: Mr Quinn, would you like to make a comment?

Mr Quinn: The mayor and I have backgrounds with the port authority in Cairns. If the Cairns Shipping Development Project does not go-ahead and if the proposed legislation is implemented as it is at the moment, basically the government has no plan for the port of Cairns. From a community perspective that is untenable. The region and city will grow. We are being hampered by the fact that there are no plans for the future of the port of Cairns and the ability of this regional economy to grow. That is an important consideration in terms of what it means to this region.

Governments of various persuasions have been committed to regional Queensland. This is just another example of an impediment that has been placed on our development. We want to at least maintain what we have got so it can go grow along with the regional economy.

Mayor Manning: I will just add a supplementary comment. If we did have that EIS report done by Ports North under the auspices of the Office of the Coordinator-General we would not be sitting here today like this. We would be saying, 'If that was the evidence then it is conclusive and we have to back away.'

We recognise the primacy of the reef. We are tourism. This is a nature based tourism destination. That is the way we want it to stay. That is the advantage we have over everybody else. If we were sitting here and that had been a bad report then we would not be here today. It was not. How do you flush that down the toilet?

CHAIR: Who commissioned the EIS?

Mayor Manning: I guess it was commissioned by Ports North. It was called in by the Office of the Coordinator-General and ultimately the report was presented by him.

CHAIR: With regard to the concerns that you have at the moment with reference to the future development of Cairns port, how long has this been an issue for the council and the community? Is it only since that EIS was done? Were people feeling strongly about this prior to the EIS being done?

Mayor Manning: We have been dredging the port of Cairns for 100 years. We did it with our own dredge many years ago and then with the port of Brisbane dredge, the *Sir Thomas Hiley*. We did it with that up until we got the new vessel, the *Port of Brisbane*, which was, ironically, designed and built in Cairns by NQEA. The technological changes in dredging that that brought about were incredible. The vessel went from a crew of about 29 to five. The vessel was one-third of the size. It is a very advanced piece of dredging equipment.

The dredging has always been a big issue, but it has been an issue that has been very closely managed and monitored by the port authority. The amount of material that the port authority has in terms of dredging records, in terms of where dredge material has been placed, the profile of that, the fact that it remains where it is placed is incredible. There is a room of evidence in that regard which Ports North could take you to.

The port authority in particular and the business community in general have always been mindful of dredging and the fact that dredging needed to be carefully managed and controlled. We needed to be monitoring that all the time when dredging.

This issue that is coming up now comes on the back of a few others. I think in the eyes of the community it really does raise the question: what does the Northern Australia paper mean? Probably nothing. What does regional Queensland mean? Probably nothing.

I go to Brisbane fairly regularly. I drive around Brisbane and I cannot count the number of building cranes. It is like being in China. I dare you to get in a car in Brisbane and drive north and ring me and tell me when you find the first building crane on a private development. I think you will get to Cairns and you will not find any or if you do it might be one in Mackay or one in Townsville. That is all it would be. The disparity between what is going on in the South-East Queensland corner in terms of development and what is going on in the coastal cities is extraordinary.

I talk to Jenny Hill, Deidre Comerford and Margaret Strelow quite a lot. We really are in a two-speed economy. When something like this comes along it is just another whack. They do not want us to have a port now.

CHAIR: I am just having trouble understanding why it is an issue now. Why was this not an issue for the community 10 years ago?

Mayor Manning: It has not been an issue in that nobody brought down legislation which said we are going to deprioritise you as a port and you will not be able to dredge and you will not be able to dispose of the material. I hate using the word 'dispose', but 'replace' the material. What comes out of the channel and where it is being put stays the same. There is no coral there, there is no seagrass there, there are no fish breeding grounds.

Mr Quinn: In terms of the impact on the community, we have a population of about 160,000 people. Tonight there will be 40,000 visitors in this town. They all come here from the airport. Our tourism industry is our biggest industry and it will continue to grow. The last time we dredged the port was when the fuel ship size was increased and we had to dredge to accommodate the larger ship. Some 30 per cent of fuel coming into the port is used at the airport. The continued growth of tourism will drive fuel demand. We are now facing increased limitations on the way that industry can grow. Planes do not have to fuel up here, but they do and it is an important part of this economy. We are driven by tourism and the port has to keep pace with the growth in those other industries. Otherwise, we will go backwards.

CHAIR: Thank you.

Mayor Manning: If we just go back to that fuel issue? The last time there was capital dredging done was when the fuel companies, which provided fuel from the south up to here, put on a new vessel called the *Ampol 2VA*. We had to deepen and widen the channel—not a lot, but it had to be done. I might add that the dredge was on its way from Brisbane to do the work and we were still pleading with state and federal governments for the approvals. We got them the day before it arrived, or the night before it arrived.

The fuel now does not come in from the south anymore; it comes in from the north. It comes in from Singapore. The vessels that come in are at varying sizes. The situation could arise here where there may be a bigger vessel that is coming in from Singapore to supply fuel to here that is outside the dimensions of the channel. Will the government guarantee fuel supplies to Cairns regardless of the vessel?

CHAIR: I am not—

Mayor Manning: I know you are not. Sorry, I am just looking over the top of your head.

CHAIR: I understand. We ask a lot of different questions. If you had the opportunity, what part of the legislation would you change to meet your future needs?

Mayor Manning: Before we get to the legislation, the first thing would be that that EIS would be parked and kept alive in that report. If there is some sort peer review or a review done of that to prove the science in that and then if you have two ticks, it is pretty hard then to ignore it. But it must not be killed. How can you kill something that is perfectly healthy, especially something that does not have something wrong with it? So that is No. 1.

Number two, then, is the legislation. Cairns and Mourilyan should be priority ports. There is no reason they should not be compared with Mackay, which is a comparable port to Cairns in most respects. If it is the Barrier Reef issue, my understanding is from an article that I read some little time back in the daily commercial news where it said that a lot of the hullabaloo that was going on was about the problems that were happening at Abbot Point. We are in the position where in, being a non-priority port, because of what happened at Abbot Point. How about we fix up the Abbot Point issue and then look at Cairns as a stand-alone issue?

Mr Quinn: I think the inclusion of Cairns and Mourilyan as priority ports at least gives an indication by the government that there is some sort of thought and plan for the future of these ports, not just leaving us in limbo and giving us no room to move to grow with the regional economy. Secondly, whilst there are some exemptions in there for tourism and marinas, there is a multiuser port. We have shipbuilding, we have the Navy—we have a variety of other uses. Small scale capital works are required to sustain and grow those businesses, because every business needs to grow to make it profitable. That is not allowed under the current legislation. These are not major dredging projects—they are relatively small scale capital works—but they are required here to allow the visitors to grow. We have a significant marine service industry in Cairns—a huge employer, a world-class reputation in terms of having the ability to deliver. Again, those sorts of industries are impacted

Then thirdly, in the legislation you have taken a blanket approach to the disposal of dredge material—all dredge material must go on land. Dredge material varies in composition. In some cases, it is 98 per cent or 100 per cent sand. In Cairns, it is 98 per cent to 100 per cent silt. If it was sand, sand lends itself to land disposal. There is no question about that. Where it is primarily silt, with potential acid sulphate soils, the best disposal method of that is water. That is the situation that we have here. For the dredge material to be disposed, the best outcome environmentally would be to dispose of that material in water, not on land.

Mayor Manning: I think there is about 4½ million tonnes of silt or dredge material to be taken out. If you go up to the top of this building today and have a look out over the inlet out to sea, because there have been strong south-easterlies blowing for a while, you will see that the water is very turbid out for about four kilometres. Based on reports that have been done previously, there is about 50 million tonnes of silt in suspension out there at the moment—from Rockhampton through up north somewhere north of us—50 million tonnes in suspension. We are talking about the dredging of four million tonnes. We are talking about the relocation of it into a well-defined place where the water is 18 to 20 metres deep. If you are flying home this afternoon, have a look at the coast and how far the turbidity goes out. If we had a northerly breeze blowing tomorrow, within 24 hours that silt settles and it is blue water right up to the beach.

Mr HART: It was not really clear when you talked about the EIS before. For any of our members who might read *Hansard* later, I assume you are talking about the Cairns shipping development proposal, the EIS?

Mayor Manning: Yes, that is correct.

Mr HART: The EIS has come back from that. Can you tell us what the results of the EIS are, really briefly, with regard to the dredge spoil?

Mayor Manning: Results as I recall it is that there was no problem seen with the dredging and that they had located a new disposal site. The advantages of that were two or threefold. One was that it was in deeper water. I am reliably informed from academic staff in Sydney and Melbourne that, once you get down to 80 or 20 metres, you can have a cyclone up there and there is not going to be much—unless it is a massive tidal surge or tsunami—there is going to be no impact down there.

The retention of dredge material was assessed at 99 plus per cent, whether it was calm or cyclonic events. The seabed at that point contained no grasses, no corals, no organisms breeding there, or whatever. So you were putting like for like. The cost, I think they had it down at about \$102 million—just over \$100 million. That is a guesstimate, but they had it at \$100 million. So it ticked all the boxes in terms of, 'What is the issue here?' What is the issue here?

Mr HART: So as far as transitional arrangements go with this bill, if this bill allowed that EIS to be parked and to come back at a later date, would that be enough for you?

Mayor Manning: A later date is not 2030. If that is going to be parked, and it should be, unless somebody is going to say, 'Well, look, we are going to make Cairns a priority port'—and we also say that Mourilyan should be the same—that would be a better outcome. But I accept and understand that there are issues outside the ambit of Australia that are creating some concerns. So the idea of parking and then either proving or disproving that report, it is a matter of bringing in another group of experts to look over the work has been done—is the modelling right? The data process? Does that all stack up? If it does, it does. If it does not, then—

Mr HART: So do you think that you need a specific exemption for this proposal? Is that better?

Mayor Manning: I think some sort of a general exemption. This is not any reflection on you blokes. I think people would not believe it, because we have been caught a few times now.

Mr Quinn: An assessment has been made on the proposal to dredge the Cairn shipment channel on current technologies. Technologies change. What is going to be the technology for dredging in five years time? We do not know. I am sure that there is developing technology around

008

the world that can result in better dredging practices. We are closing the door to all of that by introducing legislation such as this and rejecting the Cairns shipping development project, if it is rejected ultimately. We are not opening ourselves up to the potential and the opportunities that better technology can deliver.

Mr HART: What is your understanding of how long a Cairns shipping development proposal can lie dormant before this legislation overcomes it?

Mayor Manning: There are a few surprises out there—ones that still have to come home to roost. I do not know UNESCO is going to do tomorrow, or there could be a decision, or some inquiry by them. This is a fairly dynamic field that we are dealing with here. That makes it all the more important that we deal based on science and nothing else but science. If the science shows that there is a problem, then there is a problem and we should pack our bags up and go and crawl back into our holes. But while the science is indicating that there is not a problem, then why should anybody walk away from it? It is either proven or disproved. At the moment, the odds are in our favour in the sense that the report is there and the report stacks up. It is not a report plucked from nowhere.

Mr Quinn: And I think in the whole dredging debate, there are two primary commentators in the dredging debate. We have the Greens on one side and we have the mining industry on the other. We represent very much the middle ground in this: the community, what it means to local business, what it means to developing the northern part of the state. The science must prevail. We are here to protect the reef. We are here to protect the rainforest. That is our lifeblood. We are not saying that we are going to destroy all of that. But the science must prevail and somewhere in between the most-heard views on this matter is the truth.

Mayor Manning: How much work has been done in universities around the world about improving the technology of dredging material and placing it back on to the seabed? Probably none. Like Neil said, you have views from one lobby and views from another lobby over here, both of which are trying to stretch things as much as they can and we are the dummies in the middle. If scientific minds were put to perhaps the ability to mix something with the dredge material and then to pump it down on to the seabed and place it there carefully—this is like the shows you see with the kids on where they start telling you what the future is going to be like. I am sure that there are technological gains to be made that we have not even dreamt of yet.

Mr HART: There are world standards around this—the London—

Mayor Manning: Yes, dumping conventions. But for years we have been dredging and dumping. The companies will do this at the lowest cost they possibly can. But we are living in a whole new world now of where the environment reigns supreme. We understand that and we understand it better than anybody else.

Mrs LAUGA: UNESCO in 2014 handed down its draft decision and had grave concerns about the dumping of dredge spoil on the Great Barrier Reef. Are you suggesting that the bill should not consider those concerns that were raised by UNESCO in 2014?

Mr Quinn: Can I just kick that off? Dredge spoil is never dumped on the Barrier Reef. That is wrong. Dredge spoil is disposed of within the marine park and that is a continual issue.

Mayor Manning: The marine Park is just out here.

Mr Quinn: That is very emotive among the general public—that dredge spoil is dumped on the reef—and it is wrong. It is disposed of in the marine park. If the science says that if the disposal of material in the marine park is not damaging the environment, why do we not follow the science?

Mrs LAUGA: This particular decision was based on a proposal to dump dredge spoil near the Great Barrier Reef.

Mayor Manning: In the marine park.

Mrs LAUGA: So it was not on the reef, but it was near, and they still had concerns about that then.

Mayor Manning: This one is not even midway out to the edge of the reef. It is not even midway. I can remember, because I am a little bit older than most others in the room, when those marine park boundaries were set. It was decided to have boundaries on this side. I remember when the line was drawn as to where the port limits were—and it was really two lines—and then we drew another one in here and then we split it fifty-fifty. That was the science of it then.

Mrs LAUGA: I just want to go back to the EIS. I understand that the draft EIS has been submitted to the Coordinator-General, that there has been a couple of extensions on the lapse date and that the revised lapse date is, I think, March 2016. So is it not likely that the EIS will be submitted before that lapse date? Is that what the concern is?

Mayor Manning: In terms of the EIS, as far as I am aware the Coordinator-General has made his report to the minister, if it is the minister. I do not think he reports to the parliament; I think he reports to the minister.

CHAIR: He does.

Mayor Manning: We understand the lapse date will be March 2016.

Mr Quinn: But the submission of the EIS is the responsibility of the proponent which in this case is Ports North. Certainly, we are a strong supporter of that and we would follow their lead.

Mrs LAUGA: The information at hand suggests that the EIS has not been submitted yet, that it is in a draft form and that that draft has been submitted but that the lapse date—that is, the time in which the proponent has to submit the EIS by before the whole process lapses—is March 2016. So the process has not lapsed—it is still ongoing—but the EIS has not been submitted, but it has to be submitted before March.

Mayor Manning: I am not being rude here at all, but we are not really interested in the process. We are interested in the outcome. In terms of the process we are not a direct part of that at all and we would not have any right to say much except to the newspapers, but we now have the right to speak to you so we are very pleased that we have got that.

Mrs LAUGA: But the project is not dead.

Mayor Manning: If you can get something signed and give that to me, I would love it thank you. If we can keep that going for as long as possible, I would love you even more!

Mrs LAUGA: Reading a media release from the minister only a couple of months ago it was said that the EIS process is ongoing and that they would welcome the submission of the EIS once completed.

Mr Quinn: The EIS is one thing, but it is the components and the work undertaken within that EIS that is critical. It is very easy to move the scope of work within the EIS to get a different outcome. The original EIS involved the widening and the deepening of the channel, and that is the critical issue.

Mrs LAUGA: My understanding is that the EIS does still involve that, but the only thing that has changed is that the transitional provisions in this bill do not allow the dumping of the dredge spoil. Onshore disposal or beneficial re-use are the only two options and that has been considered by Ports North.

Mayor Manning: The parameters are pretty locked in there, aren't they? You cannot dispose of it in the ocean—at sea. You certainly cannot dispose of it on any terrestrial site around here. We have a great love for the Barrier Reef. We have as great a love for the tropics—for the land and the trees and the vegetation we have here. If you put dredge spoil on that, you would kill everything. You may create a problem then with acid sulfate soils. This is not a simple matter. The science says the best place to put it is back where you got it from—in the water.

Mr HART: Mayor, we might make inquiries with the department to see if we can clarify this situation for you.

Mayor Manning: Sure.

Mrs LAUGA: I just wanted to add that Mr Moller of Ports North did say after the bill was introduced that Ports North would be considering alternative plans in terms of no longer being able to dump dredge spoil as proposed by this bill. My understanding is that the project is not dead, they are looking at alternatives and the EIS is still yet to be lodged.

Mayor Manning: I am encouraged.

CHAIR: With regard to previous dump area sites—previous sites where you have dumped your spoil—has there been any research done to see what impact that is having on the seabed?

Mayor Manning: I am a little bit out of the mainstream now on that, but I think I said before there is probably a room down there of material which has been gathered with regard to the monitoring of the dredge disposal sites. That was done on a regular basis and to the best of my knowledge no profiling ever showed any movement or relocation of spoil. That was in sites that were in much shallower water than this proposed site, the 18- to 20- or 22-metre site. I think Ports North—and I can feel Chris looking at me from behind—would have a lot of evidence down there to back that up.

CHAIR: We do not have any time left unfortunately, so thank you.

Mayor Manning: Thank you very much.

GALLEN, Mr Bernard, Maritime Union of Australia

O'SHANE, Mr Terence, Maritime Union of Australia

RAINBOW, Mr David, Maritime Union of Australia

CHAIR: Bernard, have you got a short statement you want to make?

Mr Gallen: Yes. We are appearing more or less to endorse Bob and Chris Boland about the dredging. We have a position in that we are saying there is a whole complex issue for Cairns as a society and we would support a bridge across Admiralty Island. Some of us believe that the fuel farm should be shifted from where it is for security reasons because now it is foreign seamen—previously it was Aussie seamen—and that fuel farm would then free up 30-odd acres in the middle of Cairns if it was moved to Admiralty Island. Consequently, there would be some primary dredging in behind what they are talking about where the smaller shipbuilding industries are. As they have explained to you about the *Brisbane*, it was built here, as was the *Leeuwin*, *Melville* and copious others by NQEA because they are restricted there by the width of the creek. They can only push it in and then it bumps the mangrove. We have trouble where Chris was talking about with the duck pond or the ramp when we are pushing a barge in there. We end up in the mangroves. But that is a much bigger scale—grander scale—but we endorse exactly what Bob said. People should not forget to make this a priority port because, in real terms, much of it is small shipping. It services Thursday Island. It services the communities. There is a navy base here. This is the hub for the fuel for all around the Top End here. Consequently, if you have a look—Chris did not go so far—I heard you talk about the new cruise terminal. I would not call it new. They revitalised an old shed, but that is okay; it looks new. That is the thing: the stuff that has gone on here over the years has been very minimal because we have been a second-class citizen. I would suggest for employment's sake and for the opening up of the Aboriginal community over there and the university and everything it would get much closer if there was a bridge. It would cut their travelling time by the better part of two-thirds. It would be a 20-minute trip and not an hour. That is what I am saying. With regard to the dredging, I can guarantee you this: I have been part of it here. He has been part of it before me. There is constant monitoring on that site—floating monitors and stationary monitors all the time at regular intervals by their own environmental people.

CHAIR: You say at that dump site, so is it only one dump site?

Mr Gallen: Right now? Yes, you are only dedicated to one.

CHAIR: In the past? Is it an ongoing one?

Mr Gallen: Yes, that is right. We do the barges, but the *Brisbane* dumps in the same place. That is right. The aerial view of the *Brisbane* doing a spin is a bit like—

Mr Rainbow: That was mischievous.

Mr Gallen: It is a bit like this instance where we are saying it is dumped in the reef, but it is nowhere near the reef. If you want to get an aerial view of when the Barron is flooding, which is how many times a year, the plume there—

Mr HART: How far away from the reef would it be?

Mr Rainbow: Twenty mile.

Mr Gallen: Not quite, but it is closer to Yorkeys Knob and Holloways by three times.

CHAIR: Because you are very close to what is happening out there and you have been here a long time and you have seen the rivers flood and the creeks and all that sort of thing and the sediment get dumped in their area, wouldn't there have to be a significant difference between the sediment that is dredged and the sediment that comes out of the river systems?

Mr Gallen: I think you will find exactly what Bob explained—that is, people who have dived here in this creek will explain that the bottom—I do not know—is six or eight feet suspended sediment.

Mr Rainbow: Let me describe it. In terms of going for a dive here, I have done so when checking out yacht moorings with big chains. You go for a drive and with your weight board on you go down and your waist will be stuck in a quicksand mud solution and above you will be suspended siltation that just sits there. The swing basin outside Trinity Wharf here is the deepest spot in Cairns, so all the rubbish that washes off the roads and everything eventually gets trapped in the deepest sink hole off Cairns. We can either clean it out with a sweep dredge or eventually it flushes out into the reef lagoon. If dredging does not get done properly, it is a worse environmental mess than just leaving it.

009

Mr O'Shane: It will flush during the wet season anyway, so it is going to happen there. I do not have a problem with UNESCO and some of their concerns, but it has to be balanced against economic, social and cultural development of the communities here too. I have to say that I thought Deb Hancock made a comment that there would be no consultation in terms of the legislation. I think governments are here for the people, by the people and so forth. I think that it is a bit of a shame that the government had not seen fit to actually consult with the local community about what is going on. I think that is where you start first. In terms of the legislation, whether you want to change it or do not want to change it, I think you go back to square one and actually go through the whole process and then look at an integrated process. As the mayor, Advance Cairns and others were saying, they were just focused on the dredging itself whereas I think, as Bernie just talked about, there really needs to be an overview in terms of how we actually do a port redevelopment and look at where you place your fuel, where your slipways are and where your sugar terminal boat might end up or where your naval base might end up. I think it has to be looked at in that regard and a long-term planning arrangement. The way in which it is now it is just an ad hoc process which I do not think is going to work. People talk about poisons in terms of dredging. The bloke on the end would know all about it. Part of the dredging I worked in was down in Gladstone on the Curtis Island project of course. We know old matey very well and the MUA are great supporters of the gentleman over there and we are part of that campaign.

We had barramundi, turtles and dugong that all died. We would have learnt from what happened in Gladstone. They have a multiprocess that goes on. They have a bund wall which they pump into. They pump spoil out to sea and so forth. There is a range of options. That happened four or five years ago. I went to Darwin after that. If we are not learning every day in terms of science and so forth, then I think there is a problem with how we are doing business. But if the government is not coming back and consulting with the people and the community then we have a problem.

I do not roll with environmental people. I see myself as an environmentalist. My mother is an Aboriginal woman from up this way. We have been environmental for 70,000 years in this country and we are part of that. At the same time, we need some sort of economic development but it has to be structured economic development that recognises and respects there is an environment that we also have to protect in the process. I think that is the story that you have been getting here, and I think that has been lacking in terms of where the government has gone with this legislation.

Mrs LAUGA: I have a couple of questions. Did the MUA make a submission to the Reef 2050 Plan?

Mr Rainbow: No, we were never invited.

Mr Gallen: As this forum is local, we were informed by some stakeholders. I have had a discussion with some stakeholders who are principals of some of those slipways about expansion, because there are people here who have left. NQEA, for instance, has trained thousands—and I am saying this as a figure plucked out of my nostrils—of apprentices over the years. That has diminished. His brother now runs Norship, a very good enterprise, and things are going on. But in the long term here we have lost a brewery, meatworks, bush pilots—you name it. We have now become this business so work it out for yourselves. What is the Australian average wage and what would the average wage be here, forgetting the unemployment that is here? What would the average wage be here? We need to get some industrial stuff going again. We know that there are going to be 3D printers and everything, but for shipbuilding and suchlike we need incremental increases, exactly like Chris said before. That, without doubt, would mean some capital dredging.

Mrs LAUGA: The ports bill in 2014 would have banned the dumping of capital dredging in the World Heritage area, as does this bill. Were you involved in the previous committee's bill?

Mr Gallen: Not at all. I have a different view. All I ever heard was East Trinity. My view—and it is only my view—would be to Google on your computer what Admiralty Island is. Look at the minimal—and I mean minimal; probably from here to that glass—mangrove perimeter on most areas, except the areas that run with the tidal creeks, and you will find most of it is a salt pan which, to me, is nonproductive. I have spoken with one Aboriginal elder from there and he said, 'Bernie, I think we have two shell middens there.' I have listened to what you have been saying and what other people have been saying about land based and all the rest of it, but as I think Bob pointed out quite clearly if you put lime with sulphate it neutralises it. There are all sorts of things that can happen. That is just my opinion.

Mr Rainbow: As the mayor said before, I would not recommend throwing the baby out with the bathwater either when referring to the executive summary of the EIS. I do believe that it is an incomplete document and there can be a lot further studies done, particularly with onshore dumping
Cairns

in regard to employment prospects with bricks made out of the dredge spill, even if it is only for bund wall construction. If you look at the city of Cairns, it is built on dredge spoil made to the city, Portsmith and—how many acres? A third of the city would be built on dredge spoil over the years. It is not in the natural state that it was. Dredging can be beneficial to the environment. If you want a case of that, have a look at Port Phillip Bay and all the whingeing that went on before the latest dredging project there. Port Phillip Bay is now cleaner than it has been for 100 years. Port Phillip Bay was never designed with a city of five million people living right beside it when it was a native colony 220 years ago.

Mr Gallen: To get back to your point, though, we have not been involved as a group with the 2014 bill and the others previously. As you would all probably know, when you are from North Queensland you realise there is a line marked down there. Go for a drive and have a look at how many cranes there are. We understand that. We also understand some pretty simple stuff. A port authority owned both the port and the airport. Part of the deal was that we are going to sell the airport and we will give you a new hospital. There was a lot of loose change after that but they are government entities. One thing we do know is they are making a lot of money out there. It no longer belongs to the people. This technically still belongs to the people. When I asked a bloke called Clive Scarrott, who was the chairman at one stage, 'Clive, how can you do that,' he said that is realising your assets and you create new ones. All we are talking about now is creating a new asset which has been very clearly talked about here with cruise ships and very big employment opportunities.

Mr HART: Have you consulted with your local members of parliament? Have you given some feedback in that way?

Mr Gallen: Exactly like you are saying, we do have an entry permit to a few of them. Curtis Pitt and his dad live up here and Pyne is just around the corner. We have not until now because this committee will be making the recommendations, but we will also be making recommendations to them plus the member for Cook plus the member for Barron River, Craig Crawford. We will be making strong recommendations.

Mr O'Shane: In terms of the decision about dredging, I think Cairns has to be looked at in terms of its strategic position and in terms of the Cape York area. I think the other mob are talking about Cooktown, Thursday Island, Weipa and Karumba. I think we have to look at how that is going to roll out. There is maybe \$260 million to progress the Peninsula Development Road for the next couple of years. I suppose that will continue until they get bitumen all the way to the tip of Cape York and all the arterials out to those communities, and they will be coming through here. Cairns has always been basically the hub for the cape or the administrative centre for Cape York. If we limit the ability of Cairns to develop even further because Cape York is going to develop, then I think we do the country a disservice. I think it is a very strategic place where Cairns is located. Accordingly, I think we have to develop strategies that enhance development rather than restrict development because of the flow-on effect that will happen to the whole of Cape York. That is just my opinion. I do a little bit of stuff up in Cape York but not much. Old mate came and said to me about half an hour ago, 'Mate, are you going to front up to this working committee.' We have not had much time to prepare but we are having a bit of a go sitting here. We are workers. This community has looked after us for a long time. As I said, I have been here for 70 years and I hope my grandchildren will be here for another 700 years. We do not want to see something happen in five years that will restrict the development for my grandchildren's grandchildren.

Mr Rainbow: I would like to endorse what comrade O'Shane said a minute ago. This is a transport hub. This is the hub for the islands. It is not only the Indigenous islands in the Torres Straits but a lot of resorts like Lizard Island. I have worked with a crowd based in Cairns that is the biggest Australian flagged fleet, believe it or not—a crowd called Sea Swift. We are a fuel hub that delivers fuel to all these resorts and islands. Railway, road transport, aviation, maritime—it is all here.

CHAIR: We are going to wind up. You are very close to what is happening with the dumping and you see the impact that it is having.

Mr Rainbow: Yes, we do see it firsthand.

CHAIR: I would like an honest shot from you—not that I think you haven't been honest—is there anything that can be done to improve the process as it is at the moment with the dredging and the dumping?

Mr Rainbow: As I said to you before, I myself believe that by keeping the swing basin deep, by keeping the channel wide, you are not only helping with flood mitigation but with environmental disasters as well. We get a wet season here every year with big tides, and some of the toxins that

are probably sitting at the bottom of the swing basin would probably be residue from agriculture from 50 years ago when they did not know as much as what we do today, and maybe there are some sorts of chemicals there that we do not normally use.

CHAIR: Thank you all for your attendance today. I think we have enjoyed the session. We have certainly gathered a lot of valuable information that will help us in our examination of the legislation, which is the Sustainable Ports Development Bill, as you are all aware. Thank you for your attendance and thank you for working with us during the short period of time that we had for discussion. We will take it all back and sit down and consider it.

Committee adjourned at 1.12 pm