

Submission No. 085

11.1.22

30 June 2014

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The Research Director
State Development, Infrastructure and Industry Committee
Parliament House, George St
Brisbane QLD 4000
Email to: sdiic@parliament.qld.gov.au

Dear Erin,

Thank you for the opportunity to comment on the *State Development, Infrastructure and Planning (Red Tape Reduction) and Other Legislative Amendment Bill 2014* (the Bill).

As you know the Queensland Resources Council (QRC) is the peak representative organisation of the Queensland minerals and energy sector. QRC's membership encompasses mineral and energy exploration, production, and processing companies, and associated service companies. QRC works on behalf of members to ensure Queensland's resources are developed profitably and competitively, in a socially and environmentally sustainable way.

Our first point is that the nature of omnibus legislation makes it inherently difficult to assess and review. This difficulty is compounded when the legislation amends existing complex approval processes and seeks to implement these reforms in an accelerated timeframe. This scenario increases the risk of unintended or material consequences from the legislative changes, including from potential drafting errors.

Given the short time in between the Bill's introduction on 3 June and the deadline for submissions, we have done our best to get across the many different aspects of the Bill. Our efforts have been assisted by the opportunity to hear the Department's public briefing on 12 June and also the willingness of the Office of the Coordinator General to walk us through the changes on 17 June. We thank both the Committee and the Department for their assistance.

QRC's comments are limited to three aspects of the Bill – the amendments to streamline the *State Development and Public Works Organisation Act 1971* (Coordinator General's Act) as well as the repeal of two pieces of redundant legislation, the *Clean Coal Technology Special Agreement Act 2007* and the *Wild Rivers Act 2005*. In brief, QRC supports the repeal of the two pieces of legislation, with a small caveat around the timing of the *Wild Rivers Act 2005* repeal and its interaction with the *Regional Planning Interests Act 2014*. However, we have some notable concerns with the speed of the introduction of the new EIS B process which has had extremely limited consultation and contains some very broad powers and minimal clarity about how the new process will work in practice. This is explained in further detail below.

(i) Streamlining the State Development and Public Works Organisation Act 1971

QRC supports the objective of the streamlining reforms to the Streamlining the *State Development and Public Works Organisation Act 1971* (Coordinator General's Act), but is concerned by the speed at which these amendments are being implemented. The assessment of coordinated projects is an inherently complex task, so while it is appropriate to be testing whether the Act remains efficient and appropriate, these reforms seem to have been introduced in advance of such a sober review process.

Making extensive changes to a complex process may well produce substantial economies of time and cost, but the risk of unintended consequences is also high when the revisions proceed so swiftly.

The Bill proposes a new, more flexible variation on an EIS under the Coordinator General's Act, which will be called 'EIS B'. QRC understands that this cut down EIS process is not intended for resource projects, but is interested to understand the rationale for the new 'EIS B' and how the criteria for this new process might be set. Similarly, the Bill appears to provide substantial latitude to the Coordinator General in setting the terms of reference for the new 'EIS Bs' and how the scope of the assessment will be determined.

QRC notes that the focus on shorter timeframes continues to see a growing role for the Initial Advice Statement as a substantial pre-EIS assessment. The Bill continues this front-loading process, which while clearly having the capacity to help move projects through the CG's processes with alacrity; but may deter companies from applying for a CG's assessment if they are required to do such substantial background work and preparation of documentation before formally commencing the assessment process.

QRC requests further information on timeframes for the new EIS process and more broadly would recommend timeframes be applied for decisions on the standard EIS process as per the *Environmental Protection and Biodiversity Conservation Act 1999*. In regards to the new 'EIS B' process under this Bill, if the process itself is going to be fairly similar to a standard EIS process, then clarification around public notification periods will be necessary to give clarity of timeframes to both the proponent and stakeholders.

Lastly QRC is seeking clarity on whether the CG can call in a project to undertake an 'EIS B'?

QRC is broadly supportive of the direction of these reforms, in order to ensure that the unique role of the Coordinator General remains current, relevant and focused. QRC will work with members to identify any further issues at the public hearings.

(ii) Wild Rivers Act 2005

QRC wholeheartedly supports the repeal of the *Wild Rivers Act 2005* (WR Act), long having put to government that while the resource industry fully supports protecting Queensland's most significant environmental assets, this should not be interpreted as a needing an extra system of blanket bans for particular activities.

QRC has always been concerned with the WR Act's significant potential to sterilise mineral and energy resources without an appropriate assessment of the economic and social impacts. QRC maintains no overall objection to the concept of protecting pristine areas of environmental significance, however continues to encourage a sound environmental, economic and social basis for all decision making, utilising the government's pre-existing Environmental Impact Statement (EIS) process. This approach of assessing impacts and making an informed decision seems the best avenue to maximise

the benefits of resource development for the people of Queensland and minimise potential adverse environmental impacts.

However, we note that, with the commencement of the *Regional Planning Interests Act 2014* and the Regional Planning Interests Regulation 2014 on 13 June 2014 there is now the peculiar situation where there are effectively two legislative frameworks governing the Wild Rivers areas. The first being the *Wild Rivers Act 2005* (repealed by this Bill) and the second the *Regional Planning Interests Act 2014*. The Strategic Environmental Areas created under *Regional Planning Interests Act* have been almost completely overlay the existing wild river declaration areas but in some respects with what appear to be more restrictive requirements. The duplication of frameworks during the transitional period was not effectively communicated to industry, making the transitional period even more complicated and uncertain for industry already operating in a complex regulatory environment.

(iii) Clean Coal Technology Special Agreement Act 2007

QRC supports the repeal of the *Clean Coal Technology Special Agreement Act 2007* but maintains our strong support for carbon capture and storage (CCS) and other low emissions coal and gas technologies.

CCS is one of a range of technologies that can contribute to reducing carbon emissions. The International Energy Agency has identified CCS as a significant technology to reduce CO₂ emissions from the use of fossil fuels in power generation and industrial applications.

QRC notes with pride the role of QRC members in securing Queensland as the location for a number of projects that have made a major contribution to global efforts to demonstrate CCS for power generation including:

- The Callide Oxyfuel Project – a world-first demonstration of oxyfuel technology with CO₂ captured at a substantial scale, with a target of 4,000 hours of industrial operation by the end of November 2014.
- The Tarong Energy Bio Carbon Capture Algal Synthesiser Project – which trialled the capture and beneficial use of CO₂ through Algal Synthesis technology.
- The Tarong Energy Post Combustion Capture pilot plant – a two year trial undertaken to assess the effectiveness of CO₂ capture using amine-based solvents, with results currently being evaluated by the CSIRO.

If you require any further information, QRC's contact is Katie-Anne Mulder who can be contacted on (07) 3316 2519 or alternatively via email at katie-annem@qrc.org.au

Yours sincerely



Michael Roche
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Queensland Resources Council