



Speech by

**Hon. R. WELFORD**

**MEMBER FOR EVERTON**

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Hansard 27 August 1998

**MINISTERIAL STATEMENT**

**Wharps Pastoral Holding**

**Hon. R. J. WELFORD** (Everton—ALP) (Minister for Environment and Heritage and Minister for Natural Resources) (10.14 a.m.), by leave: I bring to the attention of the House a matter of grave concern about the conduct of the previous Government. The joint State/Commonwealth Sugar Coast Environmental Rescue Package was established in 1995 to secure habitat of the mahogany glider in the Tully/Ingham region and to provide protection for rare and threatened species and ecosystems endangered by cane expansion along the coastline. One of the most important holdings identified as being worthy of protection was a leasehold property about nine kilometres south-west of Ingham called Wharps Pastoral Holding. It is leased by brothers Arthur, Edward and William Hobbs and contains an area of 10,900 hectares, most of which is in its natural timbered state and used for cattle grazing.

In November 1997 the Department of Natural Resources commissioned a valuation from a private firm, Taylor Byrne rural valuers, to assist with negotiations with the lessees to acquire the property. In negotiations between the Hobbs family and departmental officers on 28 January 1998 a without-prejudice offer to the lessees included their retention of up to 450 hectares and a cash payment of \$1.25m for the balance of the conservation area. This offer was apparently viewed positively by the lessees. But during the next few days there was a dramatic change. The land-holder approached the Borbidge Government, and suddenly three National Party Ministers, and later a fourth, started interfering with a legitimate agreement process. Suddenly the lessees wanted much, much more. Why?

Let me tell members about a meeting that took place on the 15th floor of the Executive Building in the then Premier's office on Wednesday, 4 February this year—just six days after the in-principle agreement between the land-holder and the departmental officers. Those present at the meeting included the then Premier, Mr Borbidge, the then Environment Minister, Mr Littleproud, and the then Natural Resources Minister, Mr Howard Hobbs. At that meeting, the land-holder was informed by the National Party that by a special deal the leasehold would be allowed to be converted to freehold title—not just the 450 hectares but a massive 1,000 hectares. On top of that, they were led to believe that they would also be compensated for the loss of the balance area on the basis that tree-clearing regulations in relation to the land would not apply.

These Ministers were happy to go along with the destruction of critical mahogany glider habitat in direct contravention of the Commonwealth/State agreement. The Ministers just wanted to give "one of theirs" a lucrative golden handshake at the expense of every Queensland taxpayer and against the best legal and departmental advice on offer. Not only that, advice from both departments at the time was that this sort of grubby deal could not and should not go ahead because of native title implications and because of the impact that this would have on the valuations of all other State lands. In effect, the deal would have set an extraordinary and dangerous precedent that could have more than doubled the compensation value of all leasehold land in the State.

Unluckily for the land-holder, but luckily for the rest of us, their namesake, the honourable member for Warrego, resigned in disgrace on Friday, 13 February—nine days after the 15th floor meeting. Luckily for all Queenslanders, the land could not be converted to freehold title, despite further political lobbying by the land-holder and some misguided cane interests in the area. But that did not stop the former Government from trying. They had another clandestine meeting.

This time the new Natural Resources Minister, Mr Springborg, took up where his ignominious predecessor left off. Minister Springborg, now the shadow Attorney-General and shadow Minister for Justice, met with Environment Minister Littleproud and lessee Arthur Hobbs on Tuesday, 28 April. This time the Ministers agreed that the lessees should apply for a permit to destroy all the trees over the 1,000 hectares that they had earlier tried to transfer to freehold. They offered to get Cabinet approval for compensation to the lessees on the basis that the tree-clearing regulations did not apply. In fact, the solicitors representing the land-holder enthusiastically drafted a Cabinet submission to that effect for the Minister. But that was not all.

To assist in the preparation of the Cabinet submission on the compensation issue a second private valuation was obtained from Taylor Byrne rural valuers. This valuation cost the Government \$1,750. As it was meant to, this valuation ignored the tree-clearing regulations. It rocketed the compensatable value of the property from \$1.25m to \$4.6m—a massive \$3.35m windfall—a \$4.6m publicly funded down payment on mahogany glider extinction. How was the extra money to be paid? Was it to be through extra funding from the Commonwealth or was the former Natural Resources Minister going to pressure the department to do his dirty work, to make an unbudgeted ex gratia payment?

It is obvious why these deals were kept secret by the previous Government. This is one of the biggest potential land scandals this State has ever seen. What would have happened if the coalition forces had retained power? Not only would the land-holders be busy slashing and burning 1,000 hectares of critical mahogany glider habitat on Wharps Holding; they would have been banking nearly five million taxpayer dollars and possibly selling off the equivalent of 10 canefarms—another potential \$5m windfall—given to them gratis by these over-friendly former Ministers. \$10m—can members believe it? How warped can one be?

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