



Speech By  
**Hon. Andrew Powell**


**MEMBER FOR GLASS HOUSE**

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**ENVIRONMENTAL OFFSETS BILL**

**Second Reading**

 **Hon. AC POWELL** (Glass House—LNP) (Minister for Environment and Heritage Protection) (10.01 pm): I move—

That the bill be now read a second time.

I am very pleased to rise to speak to the Environmental Offsets Bill 2014 this evening. It was introduced into the House on 13 February this year. To stand here this evening in front of my colleagues and peers and to see the culmination of two years of concerted policy work and consultation come to fruition certainly makes for a great evening. This bill is an important step towards practical environmentalism in Queensland. It establishes a simplified and integrated environmental offsets framework and provides a strategic approach to the protection of Queensland's environment. It is both good for the environment and good for business in this state.

By establishing a new offset framework, we are replacing five existing offset policies that were weighed down with piecemeal, costly and inconsistent requirements. Let me be clear: we have gone from five to one. This is a classic example of how Labor ran environmental regulation. It was all about quantity and never about quality. They measured environmental matters in pages, not in outcomes.

The bill supports the Newman government's commitment to growing a four-pillar economy because it provides a single point of truth for proponents and a legislative one at that. It will end uncertainty and deliver a simpler, more timely and affordable solution for offsets under an integrated regulatory framework. Because of this bill, Queenslanders will have one single offset policy and a process that will restore industry confidence in our great state. This legislation is part of the Newman government's strong plan for a brighter future.

An environmental offset counterbalances unavoidable, negative impacts on a prescribed matter only—and I stress only—after all options to avoid and/or mitigate the impact of a development or activity have been exhausted. Since they were introduced in the early 1980s, a growing number of specific issue offset policies had been developed. For example, offsets can be required under a number of Queensland laws for impacts on matters of national, state or local environmental significance. Offsets may also be required by local governments under their planning schemes and the Commonwealth government under its own policy. This complexity can compromise the viability of developments as well as result in unsatisfactory and fragmented environmental outcomes.

However, this is a new era. The Environmental Offsets Bill establishes the foundation for standardising these inconsistent offset arrangements, the first time offsets have had their own stand-alone piece of legislation. The bill sets out what an offset is and how it will be provided. It complements the assessment provisions in existing legislation that govern if and when an offset is required as a condition of approval. I would like to emphasise again that the new framework does not

change the long-established hierarchy of avoid, mitigate and offset. The development assessment framework still requires impacts on matters of environmental significance to first be avoided and reduced before offsets are even considered. However, the bill does reflect the government's commitment to reduce green tape. In particular, the bill removes the double dipping of offsets within and across jurisdictions that was a possibility under the existing offset policies. The bill not only removes unnecessary green tape but also provides flexibility in the provision of offsets, enabling proponents to provide their own offsets, a financial settlement offset or a culmination of the two. Financial settlement allows proponents to get on with their business while leaving the provision of offsets in the capable hands of expert offset providers.

This bill does not compromise the environment. In fact, the opposite is true. It provides a basis for ensuring more strategic landscape scale benefits will be delivered for matters of environmental significance including in the marine environment. Unlike under the existing policies where ad hoc offsets can be scattered across the landscape, the new framework encourages offsets to be located in strategic areas where they have the best opportunity to thrive. Additionally, offsets provision will be focused on managing threats to significant environmental matters to improve their long-term viability in the landscape.

The offsets bill also contains amendments to the National Trust of Queensland Act 1963 and the Currumbin Bird Sanctuary Act 1976. These amendments, which have been actively pursued by the National Trust for many years, will facilitate governance reform to enable the National Trust to become a company. Specifically, the amendments will enable the National Trust to meet the requirements for registration under the Commonwealth's Corporations Act as a company limited by guarantee. On being registered as a company, the National Trust of Queensland will relinquish its statutory status, becoming independent of government. A single company will be created, the National Trust of Australia (Queensland) Ltd, which will encompass the Currumbin Wildlife Sanctuary. As a charitable company, the National Trust will continue its important and admirable work in caring for and preserving Queensland's natural and built heritage. Subsequent to the creation of the National Trust Company, the National Trust Act and the Currumbin Bird Sanctuary Act will be repealed.

I would like to thank the Agriculture, Resources and Environment Committee under the leadership of the member for Lockyer for its constructive comments and recommendations on the bill. I note from the outset that it has recommended that the bill be passed. I thank the committee and the member for Lockyer for the recommendation. For the benefit of the House I now table the government's response to the committee report.

*Tabled paper:* Agriculture, Resources and Environment Committee: Report No. 40—Environmental Offsets Bill 2014, government response [\[5193\]](#).

The committee tabled its report on 14 May 2014, putting forward 16 recommendations and three requests for clarification. I will now respond to the committee's report. I am pleased to advise that more than half of the recommendations have been adopted and will be actioned. These recommendations will contribute to delivering an environmental offset framework that provides the best opportunities for both conservation outcomes and business. However, a number of recommendations have not been supported. Those recommendations that were not supported were only done so after very careful and considered analysis. Many of the recommendations were requests for clarification of terms and meanings or recommendations to amend wording for consistency, and detailed responses are included in the formal response to the committee. Let me now provide more detail about the recommendations that were not supported.

In recommendation 8 the committee recommends that the bill be amended to include an overview of the prescribed activities, prescribed environmental matters and matters of environmental significance as an additional schedule. Extensive consideration was given to this issue prior to the bill being tabled in the House and certainly subsequent to the committee providing its report.

Placement of these items in regulations is considered to be the best fit, as it allows for more timely updates; that is, the regulation is the necessary vehicle to define the range of activities for time to reflect any changes in legislation relating to—

**Mr Rickuss:** More easily modified.

**Mr POWELL:** More easily modified, that's right, member for Lockyer. To reflect any changes in legislation relating to the introduction or reclassification of permitted activities. Additionally, there will be no loss of scrutiny, as those updates of the regulation will still be subject to review and approval by Executive Council.

Recommendation No. 11 will be supported in part. The committee recommended an amendment to include statutory time frames for both the submission of the proponent's notice of

election and the administering agency's consideration of a notice of election. The appropriate section will be amended to include a requirement that the administering agency—that is, the responsible government department—takes an action within 40 business days of receiving a properly completed notice. However, the time taken to develop a notice of election will vary significantly from offset to offset; therefore, statutory time frames for a proponent's notices could not be applied. Some larger proponent-driven offsets, for instance, may require significant research, on-ground analysis, landholder negotiation and project design. Even without statutory time lines, proponents have an incentive to submit their plans in a timely manner, as works causing impacts to the matters in question cannot occur until offset arrangements have been approved.

The committee has recommended under recommendation No. 14 that a clause be included to define strategic investment corridors and direct benefit management plans as examples of the delivery of offsets. The committee has rightly identified that strategic investment corridors and direct benefit management plans are likely to be important to the gains achieved through offsets; however, these are only some of the implementation tools used to assist in the provision of an offset. These arrangements are important. However, they also comprise intricate details not suited to the succinct nature and primary function of a bill or regulation.

Furthermore, the statutory policy adequately provides for the establishment of both products. The bill establishes a head of power under primary legislation for the delivery of environmental offsets which may be provided in a number of innovative and effective ways to achieve a conservation outcome. The Queensland Environmental Offset Policy made under the bill is a statutory instrument in accordance with the Statutory Instruments Act 1992 and provides the legislative rigour and necessary details for providing an environmental offset via a direct benefit management plan.

In relation to strategic investment corridors and direct benefit management plans, the committee also recommends that schedule 2 is amended to include definitions as per recommendation No. 14. These expressions are not defined in the bill simply because they are not used in the bill. In Queensland, it is standard drafting convention to only define terms expressly stated within the legislation. The statutory policy established under the bill, once enacted, provides an adequate definition for direct benefit management plans and strategic offset investment corridors to give certainty to its meaning.

We have taken on a number of the recommendations, and these reflect the hard and considered work that the committee put into the review. For example, recommendation No. 1 asked the government to review the operation and performance of the Queensland environmental offsets framework, and recommendation No. 3 asked that the offset ratio cap be included in this review. The government is more than pleased to do a full and thorough review after five years of implementation of the framework.

The committee has recommended that the seven policy principles be clearly spelled out in the environmental offsets policy, and this will be done. Spelling out the principles will ensure that offsets conform to the principles and we will achieve what we set out to achieve: a streamlined, flexible approach to environmental offsets that will deliver greater certainty to industry and result in strategic conservation outcomes for Queenslanders.

The government is proposing a couple of amendments not recommended by the committee. One of these amendments is the removal of transitional arrangements for local government planning schemes. The bill as introduced allowed that those planning schemes with offsets policies in place could continue, even if inconsistent with this framework, until the scheme was amended or remade. This is considered as being inconsistent with the overall policy intent of the framework—that is, to create a simplified, single offsets framework.

It was noted that some schemes were not due for review for almost 10 years. To ensure that the framework meets its policy and intent and Queensland does not suffer from inconsistent approaches to offsets for a decade, we propose to remove this provision so that local government schemes will be consistent with the state framework.

I would now like to address the issues specifically raised in the dissenting report. The member for South Brisbane says environmental offsets should be a last resort. On that, I completely agree. I have said it numerous times before. But just because something is a last resort does not mean we should make the process more difficult. Governments must be enablers to allow business to get on with what it does best: providing jobs for Queenslanders, driving our economy, and in turn protecting our environment. These so-called arbitrary limits that the member is referring to not only provide certainty to business but also simplify the equation while delivering environmental benefits.

The member for South Brisbane raised consistency with the processes of the Coordinator-General. Since 1938, the role of the Coordinator-General in Queensland has been to coordinate the provision of public infrastructure and encourage development and the creation of jobs. This role, together with the relevant minister, has operated under a distinct act since its inception. This is no different from what was previously the case under the Labor government. Does the member for South Brisbane not support the role of the Coordinator-General? Would the member for South Brisbane prefer that the long-established role of the Coordinator-General be scrapped? Perhaps she does not appreciate the value of job creation and the need to drive development and the economy for the benefit of all Queenslanders and for the environment.

Next, scraping the barrel for more issues, the member for South Brisbane attacks the work of offset brokers. For years under the previous Labor government offset arrangements were approved and forgotten about—ticked and flicked. Only under the Newman government is the offset requirement enshrined in law and a detailed register maintained for compliance purposes. To suggest that a reduction in staff will lead to less compliance is not only untrue but also offensive to the hardworking officers of my Department of Environment and Heritage Protection.

Currently there are almost 500 full-time equivalent employees within EHP who are involved in environmental monitoring and assessment. These staff members are located across the state—from the Gold Coast in the south, to Cairns in the north. They monitor compliance with environmental standards, which will include whether offset requirements have been adequately met or not. The department is always improving its ability to monitor industry performance—such as with the use of satellite imagery—in compliance. This has given EHP the unprecedented ability to monitor environmentally relevant activities across Queensland—far more than the previous Labor government ever achieved.

For the first time ever the state government will be able to take a big-picture approach to the future protection of Queensland's environment. Through strategic investment corridors and direct benefit management plans, Queensland will no longer have a patchwork quilt of areas set aside. Instead, the government can direct offsets to locations that will deliver the greatest environmental outcomes. By working with industry and not against them, we will achieve greater environmental benefits than the current ad hoc and piecemeal outcomes. We have developed a fair and simplified offset framework that helps build Queensland's four-pillar economy whilst retaining a focus on environmental protection. That is why this bill is all part of the Newman government's strong plan for a brighter future. I commend this bill to the House.