




Speech By
Andrew Powell

MEMBER FOR GLASS HOUSE

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**ENVIRONMENTAL PROTECTION (CHAIN OF RESPONSIBILITY) AMENDMENT
BILL**

 **Mr POWELL** (Glass House—LNP) (1.52 am): Given the lateness of the hour, I will endeavour to keep my comments brief. I rise to address the Environmental Protection (Chain of Responsibility) Amendment Bill 2016. Like others, I want to start by acknowledging the policy objectives of this bill—that is, to facilitate enhanced environmental protection for sites operated by companies in financial difficulty and avoid the state bearing the costs for managing and rehabilitating sites in financial difficulty.

It would be fair to say that there are very few in this chamber at this moment who would have more experience of trying to achieve that outcome than me, apart from perhaps my good colleague the member for Hinchinbrook, the former minister for natural resources and mines. It is a very, very fine line that an environmental regulator must walk in ensuring that they hold sufficient financial assurance—that ability to ensure that the taxpayer does not get left with the bill if a company goes under and an environmental rehabilitation of a site is required. It is a fine line between ensuring that and making the regulations so hard that we lose business, we lose jobs, we lose economic input and investment in this state—we lose it to other nations or, even worse, we lose it to New South Wales, Victoria or Western Australia—

Mr Cripps: Or South Australia.

Mr POWELL:—or South Australia, and we cannot have that. It is an incredibly fine line that I and my colleague the member for Hinchinbrook walked when we were in government. It is a fine line that the minister is walking now in terms of what we are endeavouring to achieve through this bill.

I will give a couple of examples. There are some industries that have embraced the need for financial insurance exceptionally well. I reflect particularly on the petroleum industry where in the state of Queensland, unless it has changed significantly, I understand we hold some \$1 billion worth of financial assurance. That is more than enough to completely rehabilitate the entire impact the industry could potentially have on the state of Queensland. However, unlike the petroleum industry, there are other industries, other companies and other proponents that have not embraced that new model of financial insurance in the same way. I have heard colleagues around the chamber this evening particularly refer to Queensland Nickel and the Yabulu nickel refinery north of Townsville.

Many people would ask the obvious question: why is it that the government fails to have enough financial assurance to ensure that we can prevent the taxpayer having to foot the bill should these companies go under? What is stopping the environment and heritage protection department or the natural resources and mines department from going after those companies and getting that financial assurance? Firstly, in some instances they are historical operations; they operated under antiquated legislation, acts that were specific for that operation. I reflect that during my time as the minister for environment we were successful in transitioning Queensland Nickel—the Yabulu refinery—from their act and their own environmental regulations into the modern Environmental Protection Act through a

modern environmental authority. The proof was in the pudding. After a cyclone came through and we had incidents of over spills in the tailings dams we were able to impose protection orders on the operations of that site, ensure the tailings dams were lifted and ensure there was a greater level of certainty for environmental protection for the surrounding areas.

In some other instances there are a range of reasons. I do want to correct the record. In the lead-up to this debate the minister used a number of examples in the media to explain to the broader population in some ways to try to convince those of us on this side of the chamber—although that is not necessary—that this bill is worthwhile and requires support. The minister made some comments about another company, Linc, and suggested that the LNP was a bit soft on that company. I need to remind the minister that if he did indeed say that, that is not the case. It was during my term as the minister for environment that the investigation commenced, the charges were laid in the courts and the prosecution that we are now seeing commenced. I am pleased to see that under the current Palaszczuk Labor government that investigation and those charges are being continued.

I do want to raise the point that if what we are debating tonight and what we potentially will pass tonight is required, it should only be required for those proponents that do not stump up the necessary financial assurance. It should not be used retrospectively on organisations that have done the right thing. Like other colleagues, I do want to say that whilst we agree with the intent, whilst we have concerns with the bill as it stands at the moment, whilst we are taking the minister and the department on their word that the amendments they are moving tonight will achieve the desired outcome without tipping that fine balance that I spoke of at the start in the wrong direction, we must ensure that that is actually achieved. Several months ago we debated an ethanol bill in this House. Like that, this bill needs a level of bipartisan support, but like that it is beholden on those of us in the opposition to point out concerns, flaws and possible ramifications of this bill. There is potential for overreach. There is significant potential for sovereign risk—those capricious legal changes that jeopardise capital investment, the risks that come with government policy.

It is very much a reality that that could be imbalanced and produce negative impacts for our economy here in this state for jobs, for economic investment and for business. Having said that, if the bill is applied appropriately and if the amendments are well structured and sound, this has the potential to ensure, as the intent of the bill states, a higher level of environmental protection, one that particularly comes into effect when a company is in financial difficulty, and it ensures that the state does not bear the cost for managing and rehabilitating those sites should a company come into financial difficulty.