

# **State Development and Public Works Organisation (State Development Areas) Amendment Regulation (No. 1) 2014**

Explanatory notes for Subordinate Legislation 2014 No. 85

made under the

*State Development and Public Works Organisation Act 1971*

## **General Outline**

### **Short title**

The short title of the regulation is the *State Development and Public Works Organisation (State Development Areas) Amendment Regulation (No. 1) 2014*.

### **Authorising law**

Sections 77 and 173(1) of the *State Development and Public Works Organisation Act 1971 (SDPWO Act)*.

### **Policy objectives and the reasons for them**

A State development area is a clearly defined area of land for industry, essential services and infrastructure corridors, which is established to:

- promote economic development in Queensland;
- provide guidance and development certainty to industry;
- control development in a way that considers existing industry and surrounding development; and
- protect environmental values.

The development of the Galilee Basin's coal resources has been identified by the State government as a very high priority for the future prosperity of Queensland.

## **Achievement of policy objectives**

Economic modelling conducted by the Department of State Development, Infrastructure and Planning indicates that the expansion of coal output driven by the development of the Galilee Basin would have significant economic benefits for the region as well as the Queensland economy as a whole.

Rail is the most cost-effective method for the large-scale haulage of coal. Presently, no railway line with sufficient capacity exists to connect the undeveloped coal deposits of the Galilee Basin to coastal coal export ports.

The declaration of the Galilee Basin State Development Area will identify a geographic area of land between the Galilee Basin and the Port of Abbot Point where new rail infrastructure and associated industrial development can be located to benefit Queensland's future prosperity. The declaration will serve to protect the land from incompatible land uses and maximise the potential for industry proponents to use common rail corridors and minimise their impact on landholders and the environment within the Galilee Basin.

## **Consistency with policy objectives of authorising law**

The *State Development and Public Works Organisation (State Development Areas) Amendment Regulation (No. 1) 2014* (**amendment regulation**) is consistent with the objectives of the SDPWO Act which are to provide for State planning and development through a coordinated system of public works organisation, for environmental coordination, and for related purposes.

The amendment regulation is also consistent with Part 6 of the SDPWO Act, which specifically provides that a regulation may declare any part of the State or of any area over which the State claims jurisdiction to be a State development area, if the Governor in Council is satisfied that the public interest or general welfare of persons resident in any part of the State requires it. The Governor in Council is satisfied that the public interests or general welfare of persons resident in Queensland requires the declaration of the Galilee Basin State Development Area.

## **Inconsistency with policy objectives of other legislation**

The amendment regulation is not inconsistent with the policy objectives of other legislation.

## **Benefits and costs of implementation**

The development of the Galilee Basin will be of overall economic benefit to Queensland, creating employment opportunities and providing coal royalties for the State.

The declaration of the Galilee Basin State Development Area will facilitate the establishment of rail infrastructure corridors and supporting industry and infrastructure, assist in streamlining the approval pathways for large infrastructure projects, and promote the use of

common rail corridors so as to reduce the impact of development on landowners, communities, other stakeholders and the environment.

Funds are being sourced from the existing budget for the costs associated with the declaration and administration of the Galilee Basin State Development Area. However, as with other State development areas, costs associated with the declaration of the Galilee Basin State Development Area and any costs associated with any acquisition of land within the Galilee Basin State Development Area, are proposed to be recovered from the developers of infrastructure projects within the Galilee Basin State Development Area.

## **Consistency with fundamental legislative principles**

The declaration of the Galilee Basin State Development Area by the making of the amendment regulation is consistent with fundamental legislative principles.

## **Consultation**

In January 2014, the Coordinator-General released a draft map showing the consultation boundary and draft precincts of a proposed Galilee Basin State Development Area. Public consultation for the proposed Galilee Basin State Development Area was undertaken from early January 2014 to the end of March 2014.

The Coordinator-General consulted with industry proponents known to the State government as being interested in developing rail infrastructure to service the development of Galilee Basin coal resources, the landholders within the boundary of the proposed Galilee Basin State Development Area, three local government regional councils, two native title offices representing native title groups (North Queensland Land Council and the Queensland South Native Title Services) and the legal representatives of the five affected native title groups.

Engagement was undertaken with the following State Members of Parliament:

- Member for Gregory, Mr Vaughan Johnson MP
- Member for Whitsunday, Mr Jason Costigan MP
- Member for Mirani, Mr Ted Malone MP
- Member for Dalrymple, Mr Shane Knuth MP
- Member for Burdekin, Mrs Rosemary Menkens MP.

Engagement was undertaken with the following Federal Members of Parliament:

- Member for Dawson, Mr George Christensen MP
- Member for Capricornia, Ms Michelle Landry MP
- Member for Maranoa, the Honourable Bruce Scott MP
- Member for Kennedy, the Honourable Bob Katter MP.

## **Results of Consultation**

The major issues raised by stakeholders fell into six broad categories: spatial extent, timing, impacts on agriculture and industry, land value and acquisition, environment, and due process.

As a result of the consultation undertaken, the initially proposed Galilee Basin State Development Area has been refined to reduce the area of the land proposed to be included within the Galilee Basin State Development Area by ninety-four per-cent.