

# **Inquiry into the economic and regulatory frameworks for Queensland island resorts**

**Report No. 31, 57th Parliament  
Transport and Resources Committee  
March 2023**

## **Transport and Resources Committee**

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## Contents

<b>Chair’s foreword</b>	<b>iii</b>
<b>Recommendations</b>	<b>iv</b>
<b>Executive summary</b>	<b>vi</b>
<b>1 Introduction</b>	<b>7</b>
1.1 Role of the committee	7
1.2 Inquiry terms of reference	7
1.3 Scope of the Inquiry	7
1.4 Inquiry process	8
<b>2 Great Barrier Reef island resorts</b>	<b>9</b>
2.1 Location	9
2.2 Regulatory framework	11
2.3 Tourism economics	11
2.3.1 Commercial constraints	12
2.3.2 Infrastructure and access requirements	14
2.3.3 Rates	14
2.4 Land tenure	15
2.4.1 Tourism leases	15
2.4.2 Rental charges	17
2.4.3 Sub-leases	17
2.4.4 Lease transfers	18
2.4.5 Compliance and enforcement of lease conditions	18
Committee comment	20
2.5 Development applications	23
2.5.1 Regulatory framework	23
2.5.2 Access and infrastructure	24
2.5.3 Traditional owner inclusion	26
2.5.4 Sustainable development	28
Committee comment	30
2.5.5 Complexity of approvals framework	32
Committee comment	35
<b>3 Non-operational Great Barrier Reef island resorts</b>	<b>35</b>
3.1 Brampton Island	36
3.2 Great Keppel Island	38
3.2.1 Master planning	40
3.3 Lindeman Island	41
3.4 Double Island	43
Committee comment	43
<b>4 Great Barrier Reef islands with planned but unconstructed tourism infrastructure</b>	<b>45</b>
4.1 Keswick Island	45

4.1.1	Regulatory framework	46
4.1.2	History of development	46
4.1.3	Resident submissions	48
4.1.4	Head lessee submissions	53
4.1.5	Current development status	55
	Committee comment	57
	<b>Appendix A – Submitters</b>	<b>59</b>
	<b>Appendix B – Officials at public departmental briefings</b>	<b>61</b>
	<b>Appendix C – Witnesses at public hearings</b>	<b>62</b>
	<b>Appendix D - Abbreviations</b>	<b>64</b>

## Chair's foreword

We resolved to hold an inquiry into Great Barrier Reef island resorts after becoming aware that the story of failed development is not just about the abandoned and damaged infrastructure that litters some of our coastal islands, but also about the impact that such development (or lack of) has on the right of everyone to access, recreate and enjoy these amazing natural spaces. We wanted to hear from Queenslanders about how they were affected when developers fail to deliver on the promises they make when they first buy or propose to build an island resort. The committee travelled to see some of these island developments firsthand, and held many hearings where members of the public, including island residents, could give their personal accounts and make suggestions for how to improve the future regulatory framework for sustainable development of these islands.

I wish to thank all the witnesses who appeared before our committee, and those individuals and organisations who made written submissions. Particularly, I express my appreciation to the residents of Keswick Island for supplying the venue for our public hearing on that island in August 2022, and for their thorough and thoughtful submissions. I also thank our Parliamentary Service staff and departmental officers for their assistance.

I commend this report to the House.

A handwritten signature in black ink that reads "Shane King". The signature is written in a cursive, slightly slanted style.

Shane King MP

Chair

## Recommendations

- Recommendation 1** **21**
- The Department of Resources should take immediate action to cancel tourism leases where lessees have been determined by departmental audit within the last three years to be non-compliant with lease conditions, subject to the requirements of natural justice.
- Recommendation 2** **21**
- Local government should not approve or renew development applications by lessees who have been found to be non-compliant with lease conditions, where such non-compliance has been determined by departmental audit in the previous three years, subject to the requirements for natural justice.
- Recommendation 3** **21**
- For cancelled tourism leases, consultations should commence with local residents and stakeholders around new expression of interest processes for remediation and rejuvenation of existing tourism infrastructure, activities authorised under current development approvals, and/ or alternative land uses.
- Recommendation 4** **21**
- Legislative reform should be considered to provide appropriate enforcement tools to allow an effective response to breaches of lease conditions by tourism head lessees.
- Recommendation 5** **21**
- The Minister should consider an interim review of the penalties and fines for non-compliance with lease conditions currently available under the *Land Act 1994* so they can become consistent with other contemporary compliance and enforcement regimes.
- Recommendation 6** **22**
- Legislative reform should be considered to ensure fines - suitably proportionate to the gravity of the damage - are applied to tourism leaseholders who do not comply with public health and safety and environmental regulations at any point of their tenure as head lessee.
- Recommendation 7** **22**
- The Minister should consider amending the *Land Act 1994* to separate the regulation of commercial state land uses (such as Great Barrier Reef island resorts) from agricultural, local council and not-for-profit trustee leases.
- Recommendation 8** **22**
- The Minister should consider whether any lease dispute relating to commercial tourism leases under the *Land Act 1994* should be overseen by the Queensland Civil and Administrative Tribunal as a commercial lease dispute.
- Recommendation 9** **22**
- Research should be undertaken by relevant government departments to understand the market value of Great Barrier Reef island tourism leases at specified stages of their development.
- Recommendation 10** **22**
- Legislative reform should be considered to ensure that appropriate rental contributions, tied to the market value of the tourism lease at its present state of development, are sought from current and future head lessees.

<b>Recommendation 11</b>	<b>22</b>
Local councils should ensure that the rates category applied to offshore tourism resort lessees is equitable to that applied to mainland tourism resorts within their jurisdictions, and the additional financial burden that island operators carry for services that are otherwise provided by councils on the mainland, is reflected in the determination of that rates category.	
<b>Recommendation 12</b>	<b>22</b>
The Minister should consider allowing Queensland Civil and Administrative Tribunal dispute mechanisms to be accessed by sub-lessees of tourism leases or unit holders in tourism lease resorts.	
<b>Recommendation 13</b>	<b>31</b>
Legislative reform should be considered to ensure that functional common user infrastructure and services agreed to by head lessees of Great Barrier Reef island tourism leases is provided through specific lease conditions (e.g. code of conduct, minimum service standards) with programmed delivery dates that trigger specific performance requirements to avoid cancellation of the lease.	
<b>Recommendation 14</b>	<b>31</b>
Planning frameworks should be reviewed to ensure that a lessee’s capacity to implement contemporary, leading practice disaster planning responses (including post-recovery removal or remediation of damaged infrastructure) is a pre-condition to grants or renewals of development applications for Great Barrier Reef island resorts.	
<b>Recommendation 15</b>	<b>32</b>
Planning frameworks should be reviewed to ensure that future Great Barrier Reef island tourism developments meet contemporary international sustainable development principles.	
<b>Recommendation 16</b>	<b>32</b>
Legislative reform should be considered to require bonds from future tourism lease head lessees to ensure that development happens in an approved timeframe, and that the State is not liable for meeting the costs of removal or remediation of any facilities or infrastructure that may remain at the end of a tourism lease. This bond should be tied to the approximate market value of the development at its final operational stage.	
<b>Recommendation 17</b>	<b>35</b>
The Minister should consider obtaining tripartite agreement between local, state and commonwealth government to establish a full-service (one-stop shop) provider to coordinate all necessary approvals, permits and licences required to develop and operate a tourism lease on Great Barrier Reef island resorts.	
<b>Recommendation 18</b>	<b>44</b>
With specific reference to Double Island, the Department of Resources to publicly report by 30 June 2023 its findings in respect of the audit of the lessee’s compliance with lease conditions, and proceed to take immediate action to cancel the lease if non-compliance continues.	

## Executive summary

On Queensland's doorstep is one of the seven natural wonders of the world – the largest living structure on the planet. The Great Barrier Reef is a 348,000 square kilometres World Heritage Listed area that has been cared for by its traditional owners for tens of thousands of years. Queensland benefits significantly from its proximity to the Reef, with some \$3.9 billion and 33,000 jobs generated from Great Barrier Reef tourism. The protection and promotion of the Reef through sustainable development of infrastructure to support and attract domestic and international tourists is a paramount consideration for the State of Queensland.

A series of extreme weather events during our recent history caused extensive damage to some tourism infrastructure on Great Barrier Reef islands. Some resorts received financial assistance from the Queensland Government to repair and rebuild and have re-opened, but other resorts remain closed. Many of the owners of these resorts have made a commercial decision to sell, leaving outdated and dilapidated infrastructure to degrade in the tropical Queensland climate, risking damage to land and marine environments.

The tenure arrangements that underlie Great Barrier Reef tourism resorts are complex. Only a few of the resorts are on freehold land; leases issued over land owned and managed by the State of Queensland support the remainder. While many of these resorts are present-day iconic success stories, such as Hamilton Island, Hayman Island, Lady Elliot and Lizard Islands, other resorts that have previously enjoyed instant international recognition, such as Great Keppel, South Molle and Brampton Islands, remain shuttered and abandoned. The purpose of this inquiry was to understand how this situation has perpetuated, in some cases for more than a decade, and to identify ways to support appropriate economic, social and cultural development to ensure that tourists and residents alike can continue to visit and enjoy the Reef and its islands.

Tourists, recreational users and, in the case of some islands, permanent residents, all need to have appropriate access infrastructure in place to be able to use these places that Queensland has determined should remain in the hands of Queenslanders. Many Great Barrier Reef islands are missing suitable marine infrastructure like jetties, marinas and boat ramps, to enable public access to the national parks and other recreational areas that are located on these islands. This inhibits the right of the public to enjoy these spaces. An obligation to supply this type of access infrastructure is a common requirement under the leases negotiated between the State and intending resort developers and operators.

The development application and approvals process for Great Barrier Reef resorts is complex and requires interaction with local, state and federal government agencies. Many developers refer to the 'red tape' that is associated with resort development, and this inquiry explored how the regulatory environment might better support sustainable development.

As a committee we have made 18 recommendations as a result of the evidence that was presented to us during the inquiry. These relate to legislative reforms to enhance the regulatory framework for Great Barrier Reef islands resorts, and specific measures with respect to individual resorts to ensure their optimal operation and/ or re-development.



## 1 Introduction

### 1.1 Role of the committee

The Transport and Resources Committee (committee) is a portfolio committee of the Legislative Assembly that commenced on 26 November 2020 under the *Parliament of Queensland Act 2001* and the Standing Rules and Orders of the Legislative Assembly.<sup>1</sup> The committee's primary areas of responsibility are:

- Transport and Main Roads
- Energy, Renewables, Hydrogen, Public Works and Procurement
- Resources.

### 1.2 Inquiry terms of reference

On 21 February 2022 the committee resolved to conduct an inquiry into the economic and regulatory frameworks for Queensland island resorts. The terms of reference for the inquiry are:

Examine and report on current regulatory frameworks that exist for Great Barrier Reef (GBR) Island Resorts as they contribute to Queensland's tourism economy and regional communities.

Including the existing regulatory constraints on island resorts:

- Role of island resorts in attracting new and return visitors to Queensland and the Great Barrier Reef
- Historical operational status and existing constraints that impact economic development opportunities for island resorts
- How the determination of native title and the aspirations of traditional owners have been incorporated into operations
- Infrastructure access arrangements and other challenges for lease holders to develop or redevelop islands for tourist, residential and public purposes
- Co-existence with the protected area estate both onshore and within the Great Barrier Reef Marine Park Area (GBRMPA)

Contribution of ownership and governance models to the above issues and an examination of how these tenure arrangements could:

- Enable appropriate development that supports strong social, environmental, economic, and cultural outcomes
- Best support sub-tenancies to meet to contemporary requirements for commercial and residential occupancy
- Allow for open and transparent dispute resolution as well as supporting an appropriate process and service standard for transfer of interests in leases and sub leases.

### 1.3 Scope of the Inquiry

The terms of reference specified for the inquiry required an examination of the current regulatory framework that exists for Great Barrier Reef (GBR) island resorts with respect to tourism, regional communities, economic development, co-existence with national parks and the GBRMPA, and integration of First Peoples' perspectives into GBR island tourism development. The terms of

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<sup>1</sup> *Parliament of Queensland Act 2001*, s 88 and Standing Order 194.

reference also required an analysis of the various constraints to these factors that result from development and operation of tourism facilities on GBR islands, and what future ownership and governance models might best support sustainable social, economic, environmental and cultural outcomes for all stakeholders of GBR island resorts, including lessees and sub-lessees, residents, visitors, and other Queenslanders.

The submissions that we received focussed, in the main, on one specific island or one specific term of reference. A number of the terms of reference did not receive any submissions. To that end, this report addresses the existing state of affairs for certain GBR islands in respect of development and operation of tourism resorts, the impact of these developments (or lack thereof) on residents, visitors and other land and marine users, and the role of various levels of government in regulating, resourcing, permitting and reviewing those developments.

Importantly, this report only deals with certain GBR Islands subject to the grant of a tenure for tourism purposes under the *Land Act 1994* (Land Act). It does not deal with GBR island resorts operating on freehold tenure. Tourism lease islands where constructed tourism development is currently operational are also outside the scope of this report.<sup>2</sup>

Additionally, we note that the terms of reference relate to GBR islands. Some submissions that we received dealt with mainland tourism developments abutting the Great Barrier Reef.<sup>3</sup> While these fall outside the inquiry terms of reference, we have referred specific issues raised in these submissions directly to the relevant Department.

#### **1.4 Inquiry process**

On 2 March 2022, the committee invited stakeholders, subscribers and any interested persons and organisations to make written submissions addressing any or all of the terms of reference. Submissions closed on 7 April 2022. The committee received requests for extensions, which were agreed to. The committee also wrote to the Premier seeking a whole-of-government response. Fifty-two submissions were received in total with these including:

- a submission from the Department of Resources on behalf of the whole-of government
- submissions from residents of GBR islands, island resort operators, and on behalf of an island lease holder
- submissions from two Members of Parliament whose electorates contain coastal and island communities
- submissions from the Local Government Association of Queensland (LGAQ), and two regional councils whose jurisdictions include coastal and island communities
- the Cape York Land Council and individuals who identified as Indigenous and Traditional Owners
- submissions from local progress associations and environmental groups.

A list of all submissions received is contained in Appendix A.

The committee received departmental public briefings on 20 June 2022 and 20 February 2023.

The committee also held eight public hearings during 2022, which included regional hearings in Cairns, Airlie Beach, Mackay, Yeppoon and on Keswick Island. Three hearings were held in Brisbane.

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<sup>2</sup> Islands include: Camp, Daydream, Dent, Fitzroy, Green, Haggerstone, Hamilton, Hayman, Heron, Lizard, Long (Elysian and Palm Bay Resorts), Orpheus, Pelorus, Pumpkin, Wilson.

<sup>3</sup> Laguna Quays, Mackay; Capricorn International Resort, Yeppoon; Zilzie Bay Resort, Capricorn Coast; Great Sandy Straits Resort, Hervey Bay.

The committee received responses to questions on notice taken at the hearings and the committee wrote to various stakeholders seeking additional written information.

The submissions, correspondence, tabled papers and transcripts of the briefings and hearings are available on the committee's webpage.

A list of all witnesses who appeared at the public briefings and public hearings is contained in Appendices B and C.

## 2 Great Barrier Reef island resorts

### 2.1 Location

The GBR extends north from Bundaberg to the tip of Queensland. There are approximately 1,050 islands in the GBR World Heritage Area, 980 of which are Queensland islands. The remaining 70 GBR islands are Commonwealth islands. Of the 980 Queensland islands, approximately 400 are managed by the Department of Resources as state land and about 450 are national park islands. Some are islands held under freehold tenure; managed by local governments as offshore suburbs; or natural island formations.<sup>4</sup>

The GBR island resorts subject to this inquiry are those tenures granted over an island or an area of island for Tourism purposes under the Land Act.<sup>5</sup> There are 29 resorts on 25 GBR islands that fall within this category, these being:

1. Brampton Island Resort
2. Camp Island Lodge
3. Curtis Island Turtle Street Beach Resort
4. Daydream Island Resort
5. Dent Island (Hamilton Island Golf Club)
6. Double Island Resort
7. Fitzroy Island Resort
8. Great Keppel Island Hideaway Bar & Bistro
9. Great Keppel Island Holiday Village
10. Great Keppel Island GKI Resort Development
11. Green Island Resort
12. Haggerstone Island Resort
13. Hamilton Island Resort
14. Hayman Island Resort
15. Heron Island Resort
16. Hook Island Wilderness Resort
17. Keswick Island Resort
18. Lindeman Island Resort
19. Lizard Island Resort
20. Long Island Elysian Resort
21. Long Island Happy Bay/Club Crocodile
22. Long Island Palm Bay
23. Orpheus Island Resort
24. Pelorus Island Luxury Resort
25. Pumpkin Island Resort
26. Restoration Island
27. South Molle Resort

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<sup>4</sup> Submission 52, p 3.

<sup>5</sup> Submission 52, p 3.

- 28. Stone Island Resort
- 29. Wilson Island Resort

Many of these are currently operational tourism resorts and were not subject of submissions to this inquiry. For this report, GBR island resorts for which we received submissions are classified as tourism lease island resorts with either existing non-operational tourism infrastructure, or planned but unconstructed tourism infrastructure.

Only two GBR island resorts support residential communities, namely Hamilton Island and Keswick Island. Keswick Island is subject to case study in this report. Two maps showing each of these islands are below.

**Map 1: Queensland islands considered in this report**



\* nearby mainland cities and towns.

**Map 2: Islands in the Whitsunday islands groups considered in this report**



\* nearby mainland cities and towns.

## 2.2 Regulatory framework

Most GBR island resorts adjoin or include protected area tenures, mainly national park. Some resorts are established wholly or partly on land that is a protected area, either as a lease granted under the Land Act or an authority under the *Nature Conservation Act 1992*. The development of the island is regulated by local government under the framework of the *Planning Act 2016*, while other development frameworks, such as the *State Development and Public Works Organisation Act 1971* may also have a role in facilitating the development of island resorts and contribute to the conditions imposed on relevant leases, including in relation to environmental impacts.

All GBR islands are surrounded by waters of the State or Commonwealth Great Barrier Reef Marine Parks and may be within the Great Barrier Reef World Heritage Area. Developments in these waters are subject to approval under the *Marine Park Act 2004*, the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) and *Great Barrier Reef Marine Park Act 1975* (Cth). Development is also potentially required to comply with other relevant State and Commonwealth legislation.

While the majority of historic island resort leases have wholly extinguished native title, there is ongoing traditional ownership of GBR islands. Native title may continue to exist for recently issued lease areas. All land dealings must comply with the *Native Title Act 1993* (Cth), if native title has not been extinguished. Native title parties may request that the State disregard prior extinguishment of native title within a national park area. Traditional Owners may also have an interest, claim or determination over waters that is considered when permits are required for activities or infrastructure within the State and Commonwealth Great Barrier Reef Marine Parks.<sup>6</sup>

## 2.3 Tourism economics

Prior to the COVID-19 pandemic, the GBR was estimated to contribute \$6.4 billion to the Australian economy and 90 percent of that, \$5.7 billion, was from tourism, supporting almost 59,000 full time jobs, and attracting more than two million visitors each year. For the Queensland economy, this

<sup>6</sup> Submission 52, p 10.

directly contributed \$3.9 billion and supported 33,000 jobs in the state.<sup>7</sup> The COVID-19 pandemic inevitably affected tourism numbers, with domestic tourism still 14% down in December 2021 compared to the previous year.<sup>8</sup> There is evidence that the GBR islands are experiencing good recovery in visitor numbers and expenditure from domestic tourists.<sup>9</sup>

Queensland Tourism Industry Council (QTIC) submit 'Queensland island resorts play a substantial role in attracting new and return visitors to the state and to the Great Barrier Reef.'<sup>10</sup> However, many GBR island resorts remain closed as a result of damage sustained during a series of extreme weather events in North Queensland, including Tropical Cyclone Larry in 2006, Severe Tropical Cyclone Yasi in 2011 and Severe Tropical Cyclone Debi in 2017. The whole of government submission by the Department of Resources advises:

Currently, some GBR island resorts are not operating. Some of these are on the market, while others are actively being redeveloped. Abandoned and closed resorts are an important consideration for the government in continuing to secure the GBR's iconic reputation and flow-on benefits to tourism and other sectors. Closed resorts can result in environmental damage through abandoned infrastructure that impacts marine and island wildlife and attracts negative media attention, which impacts on perceptions of the GBR and the broader Queensland tourism brand.<sup>11</sup>

In 2018, the State government allocated \$25 million to a rejuvenation program to stimulate reinvestment and reinvigoration of GBR island resorts. Funds were committed to works at Wilson, South Molle, Orpheus, Lady Elliot, Hook, Hayman, Hinchinbrook, Heron, Hamilton, Green and Bedarra Islands.<sup>12</sup>

Numerous factors condition the capacity of island resorts to operate and develop; some of these are environmental and market related, others are specific to the regulatory context, and the availability of suitable access infrastructure.

### **2.3.1 Commercial constraints**

The whole of government submission to the inquiry provides an overview of the commercial factors relevant to GBR island resorts:

Island resorts developments experience high capital, operational, maintenance and insurance costs, which may create significant barriers to investment and long-term commercial viability of island resorts. The significant operational costs of island resorts are due [to] the geographic location and supply chain constraints.

Key commercial and operational issues include:

- Insurance – availability and affordability of property insurance for island resorts is a key barrier to investment and commercial viability, with significant increases in premiums in response to natural disasters. Insurers are also removing available products from the market, which is contributing to an increasing market failure for the adventure tourism industry.
- Capital Investment – a high level of capital is required to deliver rejuvenation activities and critical infrastructure for island resorts, particularly following severe weather events. Attracting capital investments in regional tourism product is challenging due to

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<sup>7</sup> Submission 52, p 4.

<sup>8</sup> Submission 44, p 2.

<sup>9</sup> Public briefing transcript, Brisbane, 20 February 2023, p 8.

<sup>10</sup> Submission 44, p 2.

<sup>11</sup> Submission 52, p 4.

<sup>12</sup> Queensland Government, Department of Tourism, Innovation and Sport, Great Barrier Reef Island Resorts Rejuvenation Program, <https://www.dtis.qld.gov.au/our-work/great-barrier-reef>

low rates of return on investment and potential lack of awareness of investment opportunities

- Outdated and Dilapidated Infrastructure – which requires replacement and maintenance, but provides opportunities for development of new tourism products, common user infrastructure and the implementation of natural disaster resilience measures.
- Labour Shortages – the ability to attract and retain suitably skilled employees is challenging, with high costs of recruitment and training, along with the seasonal (transient) nature of employment and visa requirements for foreign workers.
- Operating Costs – high costs associated with provision of on-island accommodation and services for employees.
- Energy Costs – utilities costs can be significant, however new opportunities arise with technological advancements for renewable energy; waste treatment; water processing; airconditioning and solar power to reduce ongoing operational costs.
- Telecommunication infrastructure – telecommunications blackspots across Whitsundays inhibit connectivity for some resorts, restricting development of premium tourism accommodation products.

Tourism operators, particularly island resorts, have expressed concerns about the accessibility and affordability of public liability and property insurance.<sup>13</sup>

A representative of the Queensland Department for Tourism, Innovation and Sport advised the committee at a public hearing that island resorts experience construction and operation costs that are up to three times higher than mainland resorts.<sup>14</sup> Costs include: workforce expenses, utilities, waste treatment and removal and insurance; impacts from natural and other disasters; seasonal visitation variations, and competition for the tourism dollar, particularly from lower cost destinations such as Asia, and the cruise industry.<sup>15</sup>

The Association of Marine Park Tourism Operators (AMPTO) submit that island resorts must be on a level playing field with mainland accommodation, and that it is very expensive to run a GBR island resort.<sup>16</sup> AMPTO's feedback about the best approach to support GBR island resorts includes:

1. Not a one size fits all approach as all island resorts are unique. However, there will be some common challenges.
2. The competitive market has changed over the recent decades. More destinations are opening with easier access and greater marketing capacity. These destinations have a competitive advantage over GBR island resorts because of their lower running costs, particularly wages. The increase in the cruise ship market has added a level of competition that GBR island resorts must compete against. With cruise ships being able to return to ports, they have lower costs, such as supplies and labour, again giving them a competitive advantage.
3. Lease tenure structures are complex and have significantly high fees based on a flawed valuation process. In addition, lease conditions need to be more contemporary to meet the changed market. Mainland accommodations have moved to a more strata type of structure; there are fewer full-service hotels and even fewer being developed in recent years. Island resorts don't have that flexibility.
4. Island resorts are expensive to run. By nature, it is difficult to get to the islands, as they are out at sea. Planes and vessels come with their own significant cost, infrastructure, and

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<sup>13</sup> Submission 52, p 6.

<sup>14</sup> Public briefing transcript, Brisbane, 22 June 2022, p 6.

<sup>15</sup> Submission 52, p 4.

<sup>16</sup> Submission 32, p 2.

more complex logistics, etc. This increases all costs of supply of services, such as servicing of equipment, food, etc. Resorts are responsible and cover the costs for providing all amenities, water, electricity, waste disposal and more. Furthermore, these amenities are not only used by resort guests but by general public too. Island resorts are charged a high-rate category than mainland accommodation. Island resort operators would welcome sustainability support to help them invest in sustainable technology.

5. Lack of industrial relation modern award flexibility has significantly increased wage costs for an island resort operator, especially when compared to mainland accommodation.
6. Insurance costs are massive, and island resort operators often cannot get insurance, so they have to self-insure.<sup>17</sup>

### **2.3.2 Infrastructure and access requirements**

The whole of government submission prioritises the importance of access and common user infrastructure to the viability of GBR island resorts:

Safe and reasonable access is a critical success factor for GBR island resorts. Access underpins the day-to-day operation of resorts, construction efforts and provides safe arrival and departure for visitors and resort workers. Viable and resilient marine infrastructure also plays a key role in supporting recovery efforts following extreme weather events with barges and ferries being able to access the islands as soon as practical to execute critical works, subsequently facilitating repairs and reconstruction efforts and then supporting visitor access when appropriate.<sup>18</sup>

Several GBR island resorts are without suitable marine infrastructure access.<sup>19</sup>

### **2.3.3 Rates**

Local government rates apply to GBR island resorts. QTIC submit that provision of services such as energy, water, waste management, roads, and community infrastructure maintenance falls to island resort operators, despite paying a higher rating category, significant lease fees, and other applicable levies.<sup>20</sup> This corresponds with a submission from the Local Government Association of Queensland (LGAQ) that:

Resorts [are] responsible for water, waste, electricity, sewerage, roads, lighting and parks. Street lighting and associated costs are funded by the resort. Where for mainland resorts this is part of the rates base.

The Rating category is often higher than a resort on the mainland, without the same services (roads, rubbish, fire services).<sup>21</sup>

A confidential submission indicated that despite regular increases in the rates charged by local councils, GBR island resorts do not receive regular council services such as road maintenance and rubbish collection, even where there are resident populations. No discounts apply to additional fees charged by local councils for waste removal from GBR islands. The submission states that the avenues to challenge the rating system of local councils are restricted, a situation that the submission characterises as 'fee for no service'.<sup>22</sup>

When asked about the rating system that applies to GBR island resorts, Ms Aletta Nugent, director of development services for Mackay Regional Council told the committee at a public hearing that:

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<sup>17</sup> Submission 32, p 2.

<sup>18</sup> Submission 52, p 5. See Report Table 1, page 26.

<sup>19</sup> Submission 52, p 4.

<sup>20</sup> Submission 44, p 2.

<sup>21</sup> Submission 38, p 2.

<sup>22</sup> Submission 41.



We do have regulatory powers in relation to development assessment and control and also in terms of our ability or our requirement to enforce certain state regulations like building and things like that. I do not currently see any of our regulatory framework as being a disincentive to development on the islands. If that is what comes out through this inquiry, we would certainly be happy to look at what we can do to be more facilitative. I do not see any regulatory barriers with us at this stage.<sup>23</sup>

In response to a question on notice about Council's capacity for rateable charges over the islands, Ms Nugent stated 'Mackay Regional Council collects rates and charges on islands or island resorts, similar to all rate payers.'<sup>24</sup>

## 2.4 Land tenure

Great Barrier Reef islands subject to this inquiry operate on tourism leases issued on leasehold land administered under the *Land Act 1994*. Some GBR island resorts, for example, Dunk Island, operate on freehold land.

### 2.4.1 Tourism leases

The whole of government submission advises:

The Land Act provides for a term or perpetual lease to be granted for tourism purposes. The lease provides exclusive possession for the term of the lease, to be used in accordance with the specific purpose...

Several leases may be issued in conjunction to form an island resort complex. Each lease may have a separate purpose, reflecting a specific element of the island resort, such as tourism purpose for the resort, accommodation, and commercial elements of the development, with ancillary leases for marina or airport facilities.

A greenfield or substantial redevelopment island resort may be granted as a 'significant development' lease allowing a term of up to 100 years. A lease determined to be a significant development will require the proposed lessee to undergo a financial and managerial capability assessment before a lease can be granted. The Land Act considers a 'significant development' to have:

- a) a significant impact on the environment or the economic and social development of a locality, a region, or the State; and
- b) a high level of investment, a substantial development period and lease conditions requiring extensive development.<sup>25</sup>

Longstanding and successive Queensland Government policy does not support the conversion of tourism leases to freehold land. The Queensland Government considers 'the islands to have a public purpose and should be retained as state land. The Government's policy preference is to grant a perpetual lease where appropriate, rather than converting tourism leases to freehold tenure.'<sup>26</sup>

Before a tourism lease is granted for a 'significant development', the Land Act requires the applicant to undergo an independent financial and managerial capabilities assessment (FMCA). A FCMA includes minimum criteria that need to be evaluated including:

... an applicant's corporate structure, project management and administration experience, with supporting evidence of their track record to assess their managerial capabilities. To demonstrate financial capability an applicant needs to provide advice about their financial

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<sup>23</sup> Public briefing transcript, Mackay, 24 August 2022, p 4.

<sup>24</sup> Mackay Regional Council, correspondence, 8 September 2022.

<sup>25</sup> Submission 52, p 7.

<sup>26</sup> Submission 52, p 9.

structure and funding arrangements, current financial position, parent company guarantees and a comprehensive financial model for the proposed project.

A procurement process is then undertaken by the department to obtain an audit of the information by an independent reputable financial professional firm. The applicant is required to pay for the FMCA assessment...

Based on recent experience, the costs are around \$70,000 (\$55,000 plus contingency).<sup>27</sup>

Tourism leases contain conditions that lessees must legally adhere to. Conditions for island resort leases are designed to encourage development of the land for tourism and tourism-related purposes, to optimise the returns and benefits to the people of Queensland.<sup>28</sup> The 'development' principle under section 4 of the Land Act requires land to be allocated to persons who will facilitate its most appropriate use that supports the economic, social and physical wellbeing of the people of Queensland. The Land Act and the conditions of the tenure impose a positive obligation for the land to be developed.<sup>29</sup>

The Land Act 1994 sets out a staged process to ensure landholders meet the terms and conditions of their leases, supported by the requirements for natural justice. If the leaseholder does not meet the requirements, the next step is the issuing of a Remedial Action Notice.<sup>30</sup>

Lessees are able to surrender their tourism leases. If a lease is surrendered, the land reverts to the control of the State as unallocated state land. The State then deals with that land in accordance with the options available through the Land Act, including reoffering it for sale, or maintaining it as a state land tenure.<sup>31</sup> At a public hearing, departmental representatives were asked about the implications of the surrender of a tourism lease:

**Mr MARTIN:** You mentioned when a leaseholder might surrender their lease or the lease might be acquired. Could you outline what costs to the state are involved when that happens? What is the bill that the state has to pick up? I assume there are clean-up costs and things like that.

**Mr Hinrichsen:** That is a really good question. With any lease for whatever purpose—it is particularly relevant to some of the tourism leases that have fallen into a pretty ordinary state—if a lessee is to surrender then there is an obligation to ensure that if anything is left behind it is in a fit and proper state. In some cases that might involve demolition and remediation of the site through to some repairs to leave the building in an operable state that could the potentially be passed on to a future incoming tenure holder. In that case the provisions of the Land Act currently require that the state, if it does reassign that tenure to an incoming lessee, compensate the previous lessee for the infrastructure that is left behind. Otherwise, if we are talking about a rundown site—you could probably think of some examples of that—there is a requirement to remediate the site as a precondition of the government accepting a surrender of that tenure. There can be issues where a property is disclaimed under federal corporations law. If you like, where there is a solvency issue the Corporations Act allows potentially the liquidator to disclaim assets, in which case there is no recourse of the state to deal with those liability issues. As a consequence, our preference is that, rather than waiting until a site gets into a really bad state, there is ongoing maintenance of the infrastructure. Indeed, it is an obligation of all leaseholders to ensure that their infrastructure at any given time is in an appropriate state for the purpose.<sup>32</sup>

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<sup>27</sup> Department of Resources, correspondence, 16 January 2023, p 10.

<sup>28</sup> Submission 52, p 3.

<sup>29</sup> Submission 52, p 3.

<sup>30</sup> Department of Resources, correspondence, 16 January 2023, p 6.

<sup>31</sup> Public briefing transcript, Brisbane, 20 February 2023, p 9.

<sup>32</sup> Public briefing transcript, Brisbane, 22 June 2022, p 6.

Compliance with lease conditions is monitored by the Department of Resources and some submissions indicate that this provides leverage to the Queensland Government to ensure that lessees comply. Ms Nugent for Mackay Regional Council, told a public hearing:

It is very hard to force someone to undertake development, and I guess that is the key to this inquiry so we are happy to hear any suggestions that come out. That is why we come back that the main point of leverage sits with the state and it is with the lease, because it is leasehold land—it is not freehold land—and there is a lease that requires that land to be used for a particular purpose and if it is not then that is a mechanism to compel action.<sup>33</sup>

Many submitters raised objection to perceived ‘land-banking’ undertaken by lessees of tourism leases over GBR islands.<sup>34</sup> The whole-of-government submission states, ‘the government’s policy objective for tourism islands, guided by the requirements of the Land Act, is to ensure they are not ‘land banked’.<sup>35</sup>

#### **2.4.2 Rental charges**

Head lessees are charged annual rent for tourism leases. The annual rent is calculated as six percent of the average rental valuation for the rental period. The annual rent for all GBR island resorts over the 2021-22 financial year was approximately \$2.66 million.<sup>36</sup>

The amount of rent paid by tourism lessees was the subject of some submission to the inquiry. The Mackay Regional Council submitted:

The current rental charges that apply to the leases are not of a high enough value to disincentivise land banking. To prevent investors and developers from land banking, future leases for island resorts could have a higher lease cost coupled with financial incentives to meet performance requirements related to the development and operation of the resort. A further measure to be included in lease agreements is an appropriate re-evaluation mechanism at regular time frames and milestone dates. This is to ensure that rental payments reflect the current market value of the land and ensure performance against the lease agreement.<sup>37</sup>

Mackay Regional Council further submitted ‘the inquiry should consider the market value of island resort leases, including appropriate revaluation mechanisms at predetermined timeframes and milestones to ensure realisation of appropriate market value of long-term leases.’<sup>38</sup>

#### **2.4.3 Sub-leases**

Some GBR islands tourism leases also host permanent residents in sub-lessee arrangements. Sub-leases also support diverse businesses operating on GBR island resorts.

A lessee may enter into a sublease over all or part of the leased areas, provided it is consistent with the purpose of the headlease. The lessee is responsible for ensuring a sublessee complies with the conditions of the lease, as well as the sub-lease. A sublease must be approved by the Minister with responsibility for the Land Act.<sup>39</sup>

The whole of government submission states:

Residential purposes are not currently considered to be consistent with the purpose of a tourism lease. Where the conditions on a lease do not accommodate residential occupancy,

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<sup>33</sup> Public briefing transcript, Mackay, 24 August 2022, p 6.

<sup>34</sup> See Submissions 37, 42, 49.

<sup>35</sup> Submission 52, p 3.

<sup>36</sup> Submission 52, p 11.

<sup>37</sup> Public briefing transcript, Mackay, 24 August 2022, p 2.

<sup>38</sup> Submission 49, p 4.

<sup>39</sup> Submission 52, p 8.

an additional 'residential' purpose would need to be added to the lease or new lease issued with multiple purposes. To establish residential arrangements that provide individual rights to "owners", a sub-lease must be entered for each residence. Each sublease is issued for a defined term with statutory and standard conditions. The Land Act does not provide a framework to support body-corporate style developments. Should residential arrangements wish to be put in place, this can only be done through formalised individual sub-leases with the head lessee generally expected to provide and maintain infrastructure and services.<sup>40</sup>

The Land Act does not support the establishment of "community property" in infrastructure and services that support daily living. This can create difficulties, as sublessees have little to no control over the standard of services and common-use infrastructure that is owned and provided by the head lease holder. Dispute resolution processes are available to resolve matters between a lessee and sub-lessee. When the residential "owner" wishes to sell their residence, they must comply with the transfer requirements for all Land Act sub-leases and sub-lease conditions.<sup>41</sup>

The Department of Resources advised the committee in respect of sub-lease arrangements that it:

... only has a legal relationship with the head lessee of the development. All legal relations between the head lessee and sub or sub-sublessees are matters of private contract law agreed to between the parties. These lease contracts between head lessees and sub lessees are not administered by nor is compliance enforced by the Department of Resources.<sup>42</sup>

#### **2.4.4 Lease transfers**

Sometimes lessees may seek to transfer a head lease or sub-lease, and this requires departmental approval. Conditions may be attached to a transfer approval, including the requirement for all rent and charges owing under the lease to be paid before the transfer is lodged.<sup>43</sup> Applicants for lease transfers are also subject to a FMCA process.

#### **2.4.5 Compliance and enforcement of lease conditions**

Lessees are required to comply with the lease conditions, to ensure the lease is developed and operated appropriately. The Land Act compliance framework provides tools and mechanisms to investigate, manage and enforce lease conditions and statutory requirements, including rent payments. Audits of leases provide a baseline for how the lease is tracking against the lease conditions and Land Act requirements, and position the Department of Resources to work proactively with lessees if there are indications of potential non-compliance.<sup>44</sup>

Five audits of GBR island tourism leases were completed during the 2021/22 financial year. Four lessees were found to be non-compliant. One of these, the lessee for Double Island, has been issued a warning notice, and the Department advises it is 'seeing positive indications that the lessee is actively addressing requirements'.<sup>45</sup> For the remaining three, 'the Department is assessing compliance options to determine the most appropriate action required to either work with the lessees to achieve compliance or take alternative action considered warranted to protect the State's interests.'<sup>46</sup>

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<sup>40</sup> Submission 52, p 11.

<sup>41</sup> Submission 52, p 12.

<sup>42</sup> Department of Resources, correspondence, 16 January 2023, p 9.

<sup>43</sup> Submission 52, p 8.

<sup>44</sup> Submission 52, p 8.

<sup>45</sup> Department of Resources, correspondence, 16 January 2023, p 5.

<sup>46</sup> Department of Resources, correspondence, 16 January 2023, p 5.

The Department of Resources advises its priority is to ‘work with lessees to ensure compliance before enforcement or penalty action is necessitated.’<sup>47</sup> The following evidence was given by the Department:

**Mr HEAD:** So far, how long and by how much can lessees not abide or not follow the conditions of the lease before action will be taken on either resuming that lease or compliance action of some description? Is there a line in the sand with this?

**Mr Hinrichsen:** I guess compliance is compliance, so no line in the sand per se that goes beyond their obligation, but obviously lessees do have opportunity to seek amendments to the time lines in their lease and they are considered in accordance with the statute as well. Otherwise, we expect lessees to comply. If they have a good reason to not comply, then obviously they can talk to our department about the reasons for their noncompliance and what remedial actions might be appropriate.<sup>48</sup>

During the public hearing, departmental representatives advised the committee that a GBR island tourism lease has not been revoked for non-compliance.<sup>49</sup>

**Mr MARTIN:** Would you be able to share with the committee: if that was to happen, what would the process be and are there any consequences for the offshore islands in general? Does it affect the price of other islands? Is there a sovereign risk issue?

**Mr Hinrichsen:** I might be able to talk in general terms. Obviously revoking a lease is a pretty big call. It also can have, as you would appreciate, significant implications for any other interests that are held over that tenure, be it mortgages or subleases. More often than not, rather than it ending up in a forfeiture, if you like—which is the legal term used in the Land Act—more often than not we see commercial settlements where those leases are put on the market. You will see there are still quite a number of island leases in Queensland waters that are for sale that are as per normal property market processes. Where there are significant developments, they are subject to that financial and managerial capability assessment, as we discussed earlier. Like my colleague, I am not aware of any circumstances where there has been a forfeiture.

Certainly there is a framework to do that but, as you could appreciate, it is not something that the department would enter into lightly. It is subject to natural justice processes and ultimately to consideration by the Land Court in the event that there were objections to that, as you would expect if somebody had paid what could be tens of millions of dollars for a tenure.<sup>50</sup>

Further questioning from the committee related to whether, in the case of non-compliance with a tourism lease, the department is able to take over as head lessee.

**Mr Hinrichsen:** There is, to my knowledge, no provision where the Department of Resources can take over directly. There obviously are mechanisms by which the state, through our department or others, can commercially acquire tenures and then administer them in accordance with the lease arrangements.

**Mr MILLAR:** So there is no real provision at the moment—

**Mr Hinrichsen:**—to take the lease.<sup>51</sup>

The Land Act’s limited compliance and enforcement regime was noted in various submissions to the inquiry. Mr Stephen Elson, vice-president of the Capricorn Conservation Council, noted in evidence to the committee about lessees looking to divest damaged resorts:

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<sup>47</sup> Submission 52, p 13.

<sup>48</sup> Public briefing transcript, Brisbane, 20 February 2023, p 2.

<sup>49</sup> Public briefing transcript, Brisbane, 20 February 2023, p 3.

<sup>50</sup> Public briefing transcript, Brisbane, 20 February 2023, p 4.

<sup>51</sup> Public briefing transcript, Brisbane, 20 February 2023, p 8.

**Mr Elson:** The cause of that problem, certainly for a redevelopment, is that the state is needing somebody to pick up that failed site so that the state does not pick up that liability. The second problem is that the state does not take development leases back off people because they have failed to comply with the lease conditions.

**Mr WATTS:** Do you think they should?

**Mr Elson:** The two are linked. Desirably the state does not want to pick up the liability and really needs to try to find a way out of that, but on the other hand where that really is not possible I think the state needs to take that development lease. If you are not going to take the lease back off them, it is a marketable item. They can go in and get the lease knowing that they can onsell, and in certain cases I think it has been fairly apparent that the lease was acquired and the whole EIS process gone through with a view to getting an approval that was marketable and not necessarily based on any sound business case at all.<sup>52</sup>

The Mackay Regional Council submits:

It is noted that title deed provisions deal extensively with managing the development of island resorts within the leases. This includes aspects of management of vegetation, access requirements, improvement of the land, maintenance of the development in good order and potential forfeiture of lease if the land is not used for the purposes it was issued. It is not clear how effective these deed provisions are being enforced as the island resort developments have not been maintained.<sup>53</sup>

### **Committee comment**

We heard evidence that abandoned and dilapidated Great Barrier Reef island resorts blight the capacity of the Queensland tourism industry to recover from the significant loss it experienced from the COVID-19 pandemic. The capacity of the Department of Resources to effectively regulate the compliance of island resorts with their lease conditions is constrained by legislation that does not appear to be up to the challenge of managing the commercial realities of these lease arrangements, particularly the compliance and enforcement framework available to motivate head lessees to meet the terms of their lease.

It is evident that the *Land Act 1994* provides little incentive to lessees to remediate, repair or otherwise remove the outdated, damaged and dilapidated infrastructure that is present on many of these islands. Lessees are not required to pay a bond to meet the cost of any damage they might do to a location, in the same way that typical renters are required to. We heard evidence from some submitters that even the amount of rent that tourism island head lessees pay is not enough to discourage them from land-banking. All of this points to a legislative framework that is not working to support the economic, social and cultural benefits that come from sensible, sustainable development of the fantastic natural asset which is at Queensland's doorstep.

It is reasonable to wish to avoid making Queenslanders bear the costs of remediation and removal of the damaged and abandoned infrastructure that is present on many of these islands, but given the deficiencies of the current legislation, that might be an unfortunate reality for some of the currently existing tourism leases. It should not stop the Department from more stridently enforcing the existing range of compliance options that are presently available to it to deal with lessees who continuously fail to meet their lease conditions.

For future tourism leases to be approved or transferred, our view is that it is appropriate that a bond is held - to cover the cost of any future remediation and reparation that may be required, and tied to the market value of the asset - to ensure that head lessees are financially obligated to 'use it or lose it' when it comes to their leases. While this inquiry related to the islands in the Great Barrier Reef, we

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<sup>52</sup> Public briefing transcript, Yeppoon, 26 August 2022, p 3.

<sup>53</sup> Submission 49, p 3.

note that some mainland developments are also covered by similar tenure arrangements and our comments apply duly to those.

We also note that Great Barrier Reef island resorts are charged a higher rate by local councils than mainland resorts, but do not receive an equivalent level of service. This appears inequitable and may contribute to the economic constraints that operational tourism resorts face.

Finally, we acknowledge that the *Land Act 1994* may not have sufficient capacity to provide assistance to resident sub-lessees of tourism leases, whose tenure arises from that State legislation but whose capacity to compel the State, as landowner, to intervene in disputes with head lessees about non-compliance with lease conditions remains unaddressed by it. In this respect, we note the voluminous submissions from Keswick Island residents and their supporters that we received during this inquiry. These will be surveyed in Section 4 in this report.

#### **Recommendation 1**

The Department of Resources should take immediate action to cancel tourism leases where lessees have been determined by departmental audit within the last three years to be non-compliant with lease conditions, subject to the requirements of natural justice.

#### **Recommendation 2**

Local government should not approve or renew development applications by lessees who have been found to be non-compliant with lease conditions, where such non-compliance has been determined by departmental audit in the previous three years, subject to the requirements for natural justice.

#### **Recommendation 3**

For cancelled tourism leases, consultations should commence with local residents and stakeholders around new expression of interest processes for remediation and rejuvenation of existing tourism infrastructure, activities authorised under current development approvals, and/ or alternative land uses.

#### **Recommendation 4**

Legislative reform should be considered to provide appropriate enforcement tools to allow an effective response to breaches of lease conditions by tourism head lessees.

#### **Recommendation 5**

The Minister should consider an interim review of the penalties and fines for non-compliance with lease conditions currently available under the *Land Act 1994* so they can become consistent with other contemporary compliance and enforcement regimes.

**Recommendation 6**

Legislative reform should be considered to ensure fines - suitably proportionate to the gravity of the damage - are applied to tourism leaseholders who do not comply with public health and safety and environmental regulations at any point of their tenure as head lessee.

**Recommendation 7**

The Minister should consider amending the *Land Act 1994* to separate the regulation of commercial state land uses (such as Great Barrier Reef island resorts) from agricultural, local council and not-for-profit trustee leases.

**Recommendation 8**

The Minister should consider whether any lease dispute relating to commercial tourism leases under the *Land Act 1994* should be overseen by Queensland Civil and Administrative Tribunal as a commercial lease dispute.

**Recommendation 9**

Research should be undertaken by relevant government departments to understand the market value of Great Barrier Reef island tourism leases at specified stages of their development.

**Recommendation 10**

Legislative reform should be considered to ensure that appropriate rental contributions, tied to the market value of the tourism lease at its present state of development, are sought from current and future head lessees.

**Recommendation 11**

Local councils should ensure that the rates category applied to offshore tourism resort lessees is equitable to that applied to mainland tourism resorts within their jurisdictions, and the additional financial burden that island operators carry for services that are otherwise provided by councils on the mainland, is reflected in the determination of that rates category.

**Recommendation 12**

The Minister should consider allowing Queensland Civil and Administrative Tribunal dispute mechanisms to be accessed by sub-lessees of tourism leases or unit holders in tourism lease resorts.



## 2.5 Development applications

The committee received many submissions regarding the current framework for assessing and renewing development applications made over GBR island resorts. These submissions spoke to the complexity of the process, the duplication and cross-purposes of some of the application steps, and what factors need to be considered to ensure appropriate development that supports strong social, environmental, economic and cultural outcomes for Queensland island resorts.

The LGAQ submits:

Any projects that have historically operated should be re-considered in light of contemporary legislation and environmental concerns, and include the assessment of economic, social and/or environmental significance on the islands. It is important to prioritise these redevelopments and rejuvenations to better understand the existing constraints before progressing with new approvals and development.<sup>54</sup>

Granted development leases need to have strict clauses on development time frames, to ensure that local economies are protected, and existing residents and small businesses are not disadvantaged by prolonged delays, such as the Great Keppel Island, Lindeman Island and Daydream Island proposed developments.<sup>55</sup>

### 2.5.1 Regulatory framework

Any development on Queensland leasehold land must comply with the requirements of the *Planning Act 2016*. The whole of government submission states:

Local Governments are empowered to make decisions appropriate to the needs and views of their community. These decisions are implemented through the preparation and enforcement of planning schemes, policies, and laws. In instances where island resorts are within a local government area the local planning scheme under the Planning Act 2016 will generally include relevant land use planning controls to govern the allowable scale and intensity of island and tourism development.<sup>56</sup>

Development in protected areas like national park or within the GBR Marine Park or World Heritage Area is also subject to additional application processes:

If the resort is wholly or partially on protected area, a development approval will also be required by [Department of Environment and Science] DES in accordance with a lease or Authority. Commercial Activities adjoining the protected area may also require a separate approval if not covered by the Authority. Similarly, moorings, marinas and jetties, and commercial activities associated with island resorts may be within Queensland's Great Barrier Reef Coast Marine Park and the Commonwealth's Great Barrier Reef Marine Park.<sup>57</sup>

Development of GBR islands may require approvals under Commonwealth legislation, including the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) and *Great Barrier Reef Marine Park Act 1974* (Cth). This is in addition to any Queensland legislative approvals, such as owner's consent under the Land Act. Location within a World Heritage Area can draw additional assessment and approval requirements to manage potential environmental impacts.<sup>58</sup>

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<sup>54</sup> Submission 38, p 3.

<sup>55</sup> Submission 38, p 4.

<sup>56</sup> Submission 52, p 10.

<sup>57</sup> Submission 52, p 11.

<sup>58</sup> Submission 52, p 4.

## 2.5.2 Access and infrastructure

The right of access by the public to GBR islands subject to tourism leases was a common theme in submissions to the inquiry. Ms Nugent from Mackay Regional Council told the committee at a public hearing that:

At the end of the day, these islands are public assets and the fact that they are not freehold and they are subject to a lease—they are state land—means there should be a level of public access. That public access should be appropriate, in my view, to the island. I would hope that, if someone is developing or redeveloping that island, whatever access is implemented would be complementary to the development but also would serve a public purpose, but that is something that would need to be worked through on a case-by-case basis. Ultimately, the public should have the ability and right to access the islands.<sup>59</sup>

Various submitters note the inadequate state of common user infrastructure for many GBR island resorts. Mackay Isaac Tourism submits:

Island access is minimal or doesn't exist. Reason being, there [is] minimal maritime infrastructure (jetties, boat ramps) or transportation and accessing these islands can be quite difficult.

If there is good accessibility in the movement of goods, services and people and the availability of adequate transportation infrastructure, there is a potential to develop and improve the welfare of society and the regional economy.

[The] majority of Mackay's islands are national parks and due to the limited access, public are not able to appreciate and experience the regions assets. Lack of visitation had led to the national parks not being maintained to a tourism standard.<sup>60</sup>

The whole of government submission states:

Providing and maintaining services (e.g., utilities) and public infrastructure (e.g., jetties, public airstrips, ferry terminals) on tourism islands are a capital cost to the head lessee. Ensuring these requirements are developed and maintained are an important part of establishing tourism operations, but also in supporting business and residential requirements of sublessees. In most cases, ancillary infrastructure required to develop and operate tourism ventures on resort islands have been enabled through a short-term (e.g., 20 year) term lease. The short-term lease will contain the conditions relating to the establishment and maintenance of the ancillary infrastructure. These conditions ensure the completion of key public purpose infrastructure and the connection of services. Lease conditions relating to maintenance of public purposes infrastructure are also imposed to ensure ongoing, reliable access for the public and sublessees.<sup>61</sup>

The State recognises the need for functioning common user infrastructure and notes the involvement of the Commonwealth in permitting marine infrastructure such as jetties and marinas:

The ability to build safe harbours can remain an impediment to island resort redevelopment. The status and needs for each island are slightly different, but those without a current joint GBRMPA and State marine parks permit will need to obtain the correct approvals to commence any tourism redevelopment. The delivery of safer, more climate resilient access infrastructure, that also improves island operations, require new plans to be submitted to GBRMPA for new approval, if the design deviates from the existing GBRMPA/ State permit held. Additionally, major new developments may trigger the Commonwealth EPBC Act.<sup>62</sup>

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<sup>59</sup> Public briefing transcript, Mackay, 24 August 2022, p 5.

<sup>60</sup> Submission 31, p 2.

<sup>61</sup> Submission 52, p 12.

<sup>62</sup> Submission 52, p 5.

In a public hearing, a departmental representative advised the committee:

**Mr Cambourn:** If there are developments proposed for the marine areas, not so much the island areas, they are regulated by the department—our colleagues. In the marine areas similarly, there can be leases over the actual seabed and things in the harbours and for moorings and things like that as well. In terms of the regulation with the Great Barrier Reef Marine Park Authority, there is an interaction where we have state marine park around some of the islands and then it interacts with the federal marine park authority jurisdiction. We work very closely with the Commonwealth government and we administer those processes in a single transaction. On the state side, we have people sitting in the GBRMPA office who can sign off on those jurisdictional matters that might cross either state or Great Barrier Reef areas and we have provisions in place for complementary zoning et cetera for those particular areas. Most of that is based on legislation across both Commonwealth and state. The Commonwealth approval processes are quite stringent and a little different to the states in the way that they operate. Again, we work in partnership with them, but we are not actually in a position to influence their processes generally.<sup>63</sup>

The Department of Resources supplied the committee with details of the GBR islands with tourism leases and the current state of their access infrastructure. This information is in the table below.

**Table 1: Island Names and Corresponding Known Marine Infrastructure Status** <sup>64</sup>

Island Resort	Notes
Brampton Island Resort	No jetty or marine infrastructure constructed, or lease for marine infrastructure. Access to island via beach landing or sealed airstrip.
Camp Island Lodge	Jetty access operational. Lessee working with the department to amend lease area to include constructed marine infrastructure.
Turtle Street Beach Resort, Curtis Island	No marine infrastructure or marine lease. Access via ferry to Curtis Island.
Daydream Island Resort	Marina and jetties constructed. Access to island operational.
Dent Island - Hamilton Island Golf Club	Jetty and barge ramp operational with associated leases.
Double Island Resort	Jetty approved as part of main lease, but not operational.
Fitzroy Island Resort	Jetty visible and operational. No lease for marine infrastructure. Jetty operated by DTMR.
GKI Hideaway Bar & Bistro	No marine infrastructure. No leases for marine infrastructure.
GKI Holiday Village	No marine infrastructure. No leases for marine infrastructure.
GKI Resort Development	No marine infrastructure. Lease for marina not constructed. Access via ferry landing on beach.
Green Island Resort	Jetty operational with associated lease (Ports North).
Haggerstone Island Resort	No marine infrastructure. No leases for marine infrastructure.
Hamilton Island Resort	Marina and jetties operational with associated lease.
Hayman Island Resort	Marina and jetties operational with associated lease.
Heron Island Resort	Jetty operational with associated lease.

<sup>63</sup> Public briefing transcript, Brisbane 22 June 2022, p 3.

<sup>64</sup> Department of Resources, correspondence, 16 January 2023, pp 3-4.

Hook Island Wilderness Resort	No constructed jetty. Lease to allow for construction of jetty/marine infrastructure.
Keswick Island Resort	Access via barge ramp and airstrip. Lease for marina and jetty not constructed.
Lindeman Island Resort	Access via boat ramp and grassed airstrip. Previously DTMR jetty, demolished post Cyclone Debbie. No leases for marine infrastructure.
Lizard Island Resort	No marine infrastructure. No leases for marine infrastructure.
Elysian Resort, Long Island	Access via beach landing. No marine infrastructure. No leases for marine infrastructure.
Happy Bay / Club Crocodile, Long Island	Current jetty and access boardwalk not operational. Associated lease for jetty. Barge ramp and helipad constructed - access currently via beach landing.
Palm Bay, Long Island	Access is via beach landing. No marine infrastructure. No leases for marine infrastructure.
Orpheus Island Resort	Jetty operational. No lease for marine infrastructure.
Pelorus Island Resort	No marine infrastructure. No leases for marine infrastructure.
Pumpkin Island Resort	No marine infrastructure. No leases for marine infrastructure.
Restoration Island	No marine infrastructure, no marina/jetty leases.
South Molle Resort	Jetty constructed with associated lease.
Stone Island Resort	No operational marine infrastructure. No leases for marine infrastructure.
Wilson Island Resort	No marine infrastructure. No leases for marine infrastructure.

Note: Leases under the *Land Act 1994* - does not capture if GBRMPA permit approves. Jetties and marina infrastructure only - not boat ramps (Department of Transport and Main Roads jurisdiction).

### 2.5.3 Traditional owner inclusion

We received submissions from both individual traditional owners and from the Cape York Land Council (CYLC) regarding the incorporation of traditional owner aspirations into GBR Island resort developments. Mr Bernie Tonga, and two other First Peoples' submitters, state:

I am concerned for the future of our traditional land and sea country, the lack of respect afforded to Traditional Owners of all island and mainland areas and the failure of State and Local governments to insist that developers demonstrate active consultation and ongoing engagement with Traditional Owners to ensure our perspectives, values and aspirations are incorporated with development plans and activities.

There have been well-documented media reports throughout 2020 to current times that clearly demonstrate the mismanagement of land and sea country by various developers up and down the coast of Queensland and the failure of all levels of government to hold developers to account for mismanagement and environmental vandalism.

The impact on country cannot be underestimated. The images that have been broadcast around the world of the state of Queensland's islands are very real and are testament to the ongoing destruction of habitat that is vital for the continued existence of land and sea species on and around island environments.

It is also a sad indictment of local, State and Federal governments and their regulatory authorities that these breaches are not acted upon with punitive measures exacted and remediation ordered.<sup>65</sup>

The CYLC submits:

As a general comment, there is much room for improvement in how the aspirations of Traditional Owners are incorporated into the operations of these resorts. We anticipate that as native title is determined, and land areas are transferred to Aboriginal land and consequently Traditional Owners re-establish their presence in land and sea areas the engagement between these resorts and Traditional Owners will increase considerably. This engagement must be anticipated early, and positive and productive relationships established as a matter of priority.<sup>66</sup>

The whole of government submission states:

Tourism is a culturally aligned pathway for economic participation and truth telling and is an important contributor to the state's commitment to 'Path to Treaty' and 'Closing the Gap'. Recognition of country and a relationship with the traditional owners, is an important step for any tourism enterprise to take. There are currently no First Nations tourism businesses based out of GBR island resorts. It should be noted, however, that the Queensland Government is working with some traditional owners in this regard (e.g., the Woppaburra People of Great Keppel Island).<sup>67</sup>

The QTIC makes the following recommendations with respect to integration of traditional owner aspirations and perspectives:

- Support for partnerships with Traditional Custodians regarding management of protected areas.
- The Queensland First Nations Tourism Plan offers a considered guide for future action. The plan sets a framework to leverage our First Nations cultural heritage and stewardship of country, together with regions' distinctive mix of tourism product offerings, to inspire the development of a thriving First Nations' tourism sector that offers diverse, authentic and engaging, sustainable tourism experiences and promotes greater engagement of First Nations peoples in tourism.<sup>68</sup>

Mr Bernie Tonga submits:

The stagnation of QLDs island resorts is a missed economic opportunity for those mainland communities located near island developments. More importantly, it is a missed opportunity for economic development within First Nations communities.

If these developments were successful, there is the potential for making the best use of the opportunities provided by Native Title to land and sea through, land and sea ranger programs, tourism initiatives and small business operations.

By collaborating with Indigenous leaders and communities, all stake holders can provide better opportunities for Indigenous Australians to engage in the economy and increase employment prospects and bring a rich, cultural perspective to the island community.

Governments should be writing into contracts and leases, the requirement for an Indigenous Engagement & Employment strategy and also encourage developers to demonstrate the application of Indigenous Procurement Policy principles within their development plans.<sup>69</sup>

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<sup>65</sup> Submissions 39, 41, 42, p 2.

<sup>66</sup> Submission 51, p 1.

<sup>67</sup> Submission 52, p 7.

<sup>68</sup> Submission 44, p 4.

<sup>69</sup> Submission 42, p 2.

#### 2.5.4 Sustainable development

We received submissions from the Whitsunday and Capricorn Conservation Councils, as well as concerned individuals about the need to ensure that existing and future GBR island developments are managed sustainably and do not harm the reef, or the national parks which some of these reports operate in or near. QTIC submit:

Protected areas are multi-purpose in nature, as places of community enjoyment, sustainable recreation, and tourism use. Sustainable use must be clearly identified as basis for innovative management solutions, resourcing, and community benefit. Tourism activities taking place in protected areas should operate within clear guidelines for sustainable use.<sup>70</sup>

The LGAQ submit:

Long-term, safe and reliable infrastructure services (water, sewer, power, rubbish) often need to be self-sufficient. Adequate planning is also required to ensure safe and reliable mainland access to and from the resort and tidal issues, impacts of weather/cyclones, and ease of access to and from the landing point all need to be considered.<sup>71</sup>

The Whitsunday Conservation Council (WCC) urges the Government to consider lessons from the past when assessing new development proposals:

With their high development and maintenance costs, and their vulnerability to damage and loss of trade due to economic shocks, wars or pandemics, large island resorts have to be either very clever or very lucky, or both, to persist over the long term. In the past no thought was given to the possibility of failure, with the result that the public purse has either had to pick up the bill for remediation of sites, or leave them in ruins in very public view. The tendency of resort hotels to try to 'outbuild' each other in their attempts to keep ahead of the market results in a lot of buildings and infrastructure to be cleaned up when they are abandoned. The high cost of removing the ruins prohibits new developments and the public ends up having to chip in to get it done. This cycle needs to stop and new island resort developments must demonstrate that there is a practical and affordable plan for removal and remediation and a bond must be secured and held by the Government to fund it, should the resort be closed in the future.

Island resorts are expensive to develop and even more expensive to refurbish/rehabilitate. The huge cost of demolition and removal of extensive buildings from a relatively remote location by sea makes it cheaper for a developer to build a new 'greenfields' resort on an unspoiled site rather than refurbish or rebuild an existing resort. This also provides a clean slate for whatever their marketing department and current fashions may see as desirable. Pressure to open up new, undeveloped islands should be resisted as it simply compounds the problem.<sup>72</sup>

WCC goes on to define its criteria for appropriate development of GBR island resorts as development that:

- Is sustainable both environmentally and economically over the long term
- Includes consultation with and promotes the aspirations of Traditional Owners
- Improves the conservation estate by re-building on existing resort footprints and not new 'greenfields' sites (Government assistance may be required to clean up old sites, but this should never be allowed to happen again)...

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<sup>70</sup> Submission 44, p 5.

<sup>71</sup> Submission 38 p 4.

<sup>72</sup> Submission 14, p 10.

- Commits to strict biosecurity procedures to minimise the risk of introducing new pests and diseases to the islands
- Is not dependent on complex ownership structures which foster disputes, buck-passing and legal stalemates over who is finally responsible when things go wrong
- Has sufficient funds bonded to ensure that sites are fully restored if abandoned and do not leave this cost to the taxpayers
- Is close enough to the nearest port to have a safe and feasible evacuation plan in the event of a major disaster, without straining local resources and emergency services...
- Is built to withstand and mitigate predicted climate change effects...
- Is designed to have minimal impact upon the site to keep the costs of site rehabilitation affordable
- Is designed to enable affordable removal should it be abandoned or destroyed in the future
- Value adds to the local environment and community by engaging with the local community in environmental projects such as removal of weed and pest species
- Employs members of the local community and sources supplies locally
- Supports the use of sustainable products, minimises the use of pesticides, herbicides and fertilisers, practices waste reduction and recycling in its operations.<sup>73</sup>

WCC additionally specifies that:

... climate change impacts must be incorporated into designs: heatwave resilience, water sensitive design, resistance to cyclone damage, future-proofing for storm surge and sea level rise must also be realistically addressed at the approval stage: sufficient bond must be required for rehabilitation of the site should the resort be no longer viable.<sup>74</sup>

Regarding specific conditions that could be incorporated into future developments on tourism leases, the Capricorn Conservation Council specify:

Lease conditions must be the strongest possible to minimise impacts to the on-shore and off shore environments. This must include matters including, but not limited to:

- Pest and weed management
- Restriction on plants and animals that can be introduced to the development, specifically species which are likely to become environmental weeds, pest animals or will threaten the endemic ecosystems
- Monitoring of threatened or locally significant plants and animals
- Appropriate waste reduction and management
- Power supply which is self-sufficient and emission-neutral. The method of electricity generation must not adversely impact on island or the Great Barrier Reef World Heritage Area (GBRWHA) values
- Provision of adequate water supply
- Treatment and disposal of waste water
- Management of lighting, particularly when near turtle nesting beaches
- Provision of relevant environmental information packages to customers.<sup>75</sup>

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<sup>73</sup> Submission 14, pp 12-13.

<sup>74</sup> Submission 14, p 13.

<sup>75</sup> Submission 13, p 2.

The capacity of future GBR island developments to plan for and respond effectively to severe weather events was emphasised by many submitters. The high cost of removing and repairing damaged infrastructure, and the ability to evacuate people on islands during weather events were particular subject of focus. At a public hearing, Ms Faye Chapman, WCC Secretary, advised the committee:

The ability of these islands to evacuate people in the case of a natural disaster happening. How many people can they either provide shelter for on the island or evacuate in a time frame? That is something else to look at. You just cannot allow numbers to build and build. Because it is an island, they have to have some way to get off in a disaster—and a disaster is going to come. It might not be this year and it might not be next year, but it is a pattern that we have to learn to live with, and any future developers have to learn to live with that too and build appropriately.<sup>76</sup>

Mackay Isaac Tourism submits:

Investments in disaster risk reduction and disaster management can result in massive savings to government, communities, and businesses. Support islands to develop a strong business continuity plan which identifies the relevant risks that could cause issues such as weather events or technological problems. Each identified risk should be accompanied with a set of temporary measures or quick fixes that ensure the most important business operations remain functional. Support small-scale and community contractors in building and maintaining public infrastructure resilient to natural disaster. Infrastructure designed with resilience in mind is better able to cope with shock events, such as extreme weather.<sup>77</sup>

The failure of past island developers to adequately plan for adverse events is evidenced by the high number of abandoned or closed resorts, according to submitters. Mr Elmer Ten-Haken, a Whitsundays resident and former Queensland Parks and Wildlife ranger submits:

If any approvals are granted for the development of new resorts, or renovation of old ones, those approvals must contain provisions for the cost of removal of the built infrastructure and remediation for the land in the event of the failure of the operation. That way the public won't be saddled with the bill for the clean up again.<sup>78</sup>

Mackay Regional Council submitted that the inquiry should 'consider alternative additional measures to ensure development commences within any set timeframe – for example, a bond to be held by Council or the State Government tied to development within an agreed timeframe.'<sup>79</sup>

### **Committee comment**

In our research for this inquiry, we undertook visits to some of the Great Barrier Reef Islands. We experienced firsthand the inconvenience of non-operational or missing access infrastructure when we had to take a small tender in very windy conditions to alight at Keswick Island owing to the lack of a jetty or functional boat ramp. Operational marine infrastructure for these islands - lands owned by Queenslanders – is essential for all people to be able to access these islands whether for tourism, recreational or residential purposes. It is also part of the capital cost to head lessees who acquire these leases over public State lands, and who are well aware of the expenses associated with constructing and operating an island resort. Some head lessees continue to be in breach of the conditions of their lease that require them to either repair or construct common user infrastructure such as jetties and marinas. This creates significant and particular hardship for people who are resident sub-lessees of those tourism leases, or who wish to use the islands for recreational purposes, and is a situation that must be remedied immediately, and avoided in the future approval of development applications

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<sup>76</sup> Public briefing transcript, Airlie Beach 23 August 2022, p 12.

<sup>77</sup> Submission 31, p 7.

<sup>78</sup> Submission 12, p 2.

<sup>79</sup> Submission 49, p 4.



through specific lease conditions with programmed delivery dates which trigger automatic specific performance requirements to avoid the cancellation of the lease.

The Queensland Government's commencement of a Pathway to Treaty reinforces that authentic integration of traditional owner aspirations, which requires genuine and continuous good will consultation, must be central to all land dealings the State enters into. We received submissions that the opportunity to understand and experience First Peoples' ongoing relationship and custodianship of land and waters is a prime motivation for tourists intending to visit Queensland. It is disappointing that opportunities to participate in the provision of tourism activities in the Great Barrier Reef are not widely available to traditional owners, and we would expect that appropriate development approval conditions will mandate this in the future. Where tourism leases adjoin or cover protected areas subject to native title, appropriate agreements must be evidenced as part of the pre-approval development application process, as must agreements to manage the Indigenous cultural heritage values present in those areas.

The evidence from various submitters regarding the lessons to be learnt from previous developments with respect to future sustainable development of Great Barrier Reef islands is compelling. Climate change and the perpetual threat of severe weather events means that any future Great Barrier Reef island developments must demonstrate capacity to both endure and recover from severe weather events. Many previous developments have not had this capacity and the resorts remain closed or are abandoned as a result. Collection of sufficient bonds from future development proponents will ensure that head lessees 'put their money where their mouth is' with respect to genuine intention to develop their tourism leases, and ensures that 'cutting and running' and 'land banking' will be a thing of the past. Such a bond would become part of the project cost of the development, for which the applicant must demonstrate financial and managerial capacity.

Additionally, any existing requirements in the planning framework for development applications must be strengthened to ensure that sustainable development and disaster planning capabilities are evidenced in future developments.

### **Recommendation 13**

Legislative reform should be considered to ensure that functional common user infrastructure and services agreed to by head lessees of Great Barrier Reef island tourism leases is provided through specific lease conditions (e.g. code of conduct, minimum service standards) with programmed delivery dates that trigger specific performance requirements to avoid cancellation of the lease.

### **Recommendation 14**

Planning frameworks should be reviewed to ensure that a lessee's capacity to implement contemporary, leading practice disaster planning responses (including post-recovery removal or remediation of damaged infrastructure) is a pre-condition to grants or renewals of development applications for Great Barrier Reef island resorts.

### **Recommendation 15**

Planning frameworks should be reviewed to ensure that future Great Barrier Reef island tourism developments meet contemporary international sustainable development principles.

### **Recommendation 16**

Legislative reform should be considered to require bonds from future tourism lease head lessees to ensure that development happens in an approved timeframe, and that the State is not liable for meeting the costs of removal or remediation of any facilities or infrastructure that may remain at the end of a tourism lease. This bond should be tied to the approximate market value of the development at its final operational stage.

## **2.5.5 Complexity of approvals framework**

Because of their geographic location, developments on GBR island resorts necessarily interact with all three levels of government. Many submitters spoke to the complexities of navigating the development approvals process, with multiple levels of regulatory actors, and multiple responsible agencies within each level of government, leading to red tape. QTIC submitted:

Consultation with members in previous years has revealed that ‘the land tenure environment for tourism businesses, particularly those that rely on access to protected areas was proving complex, inflexible and costly for operators. It was reported that the lack of certainty, lengthy approval processes, multiple agency responsibilities and disproportionate taxes and charges are powerful deterrents for capital attraction...

One of the key constraints relating to operational status for the economic development of island resorts is red tape. Multi-agency or interdepartmental liaisons with overlapping process create a clear challenge for operators. Operational issues and regulatory complexities also affect the potential investment environment for current and future lease holders.<sup>80</sup>

At a public hearing, a departmental representative was asked about the existing approvals framework.

**CHAIR:** One of the things we heard from the Keswick Island Progress Association—and we met with the members—and other island resorts for that matter, is that there seems to be, with different levels of government—I will not use the word ‘blame’ but it seems convenient for the lessees to, say, blame different levels of government and bureaucracy. We may have asked this before, but is there a one-stop shop that they can go to navigate the bureaucracy, for want of a better term?

**Mr Hinrichsen:** There are for certain aspects. For example, obtaining a development approval is through the planning framework, which means it is a one-stop approval for Queensland government requirements. Of course, it is a very complex regulatory environment when we are talking about islands that are in the midst of the Great Barrier Reef Marine Park. There are a whole raft of very significant requirements that relate to that complexity, as opposed to an area where there are more standardised land-use arrangements and planning oversight. Yes, it is a complex environment and obviously that is part of the reason that a financial and managerial capability assessment is required— not just ‘have you got the money?’ but ‘do you have the managerial capability to deal with that complexity?’<sup>81</sup>

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<sup>80</sup> Submission 44, pp 1-2

<sup>81</sup> Public briefing transcript, Brisbane, 20 February 2023, p 5.

Under an intergovernmental agreement, Queensland and Commonwealth departments and agencies have processes in place to help reduce the duplication of effort involved in permit applications to develop within the Great Barrier Reef Marine Parks administered by the State and Commonwealth.<sup>82</sup> However submitters note the overlap between different State government departments. In her evidence to the committee, Amanda Camm MP, Member for Whitsunday stated:

... to have in a region such as ours—or a zone, whether it is Whitsundays or North Queensland or our southern Great Barrier Reef islands—a lead agency that people understand is the lead agency and the coordinator of these services I think could go a long way to help the head lessees with liaising, noting that the Department of Resources would have a very clear mandate of what its job is, as would the department of environment and as would those other departments. It does seem to me that there is not one lead agency when it comes to our island resort management like there may be on the mainland. It just seems to differ because it is out [of] sight, out of mind.<sup>83</sup>

Various submitters spoke to the need to have a consistent approach to dealing with development applications in a transparent manner. Ms Camm MP stated:

My concern there is from a due diligence perspective. What is the current state government process that is undertaken with due diligence and could that be further enhanced to be more transparent? That is important because when local government is the final approving body, or potentially the regulator of a development, they have no line of sight or no access as to how that head lessee was awarded or what was the due diligence behind that. It may sit in a commercial-in-confidence agreement. That might be fine, but having some framework or understanding around that and how that interrelates with federal government policy when it comes to investment and local government understanding of regulating a development or approving a development I think would be helpful for all parties, to ensure that all levels of government are on the same page.<sup>84</sup>

The QTIC recommends ‘consistency in fees, terms and conditions, application, and approval processes for all applicable Acts, across Local Councils and State and Federal Governments.’<sup>85</sup> QTIC also notes a 2014 independent review into the frameworks governing the GBR that recommended the application of a lead agency assessment model to coordinate multiple approvals at a State and Commonwealth level would reduce the existing multiple step decision making process.<sup>86</sup>

In its written submission, Whitsunday Regional Council (WRC) supports:

... local governments becoming the single assessment manager to simplify and streamline the assessment process for development on the Islands. As the level of government closest to the local community, WRC is responsible for land use planning and development assessment within the Whitsunday Regional Council Local Government Area (LGA). The intervention by the state in these processes is seen as unnecessary and duplicative. Revisiting Island Resorts land tenure and providing freehold title for resort assets will provide the identical level of development control and policy development that is provided on the area of greater resource value, the mainland.<sup>87</sup>

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<sup>82</sup> Public briefing transcript, Brisbane, 20 February 2023, p 5.

<sup>83</sup> Public briefing transcript, Airlie Beach, 23 August 2022, p 5.

<sup>84</sup> Public briefing transcript, Airlie Beach, 23 August 2022, p 2.

<sup>85</sup> Submission 44, p 3.

<sup>86</sup> Jacobs (2014) Independent review of the institutional and legal mechanisms that provide coordinated planning, protection and management of the Great Barrier Reef World Heritage Area, prepared for the Australian Government Department of Environment, accessed 29 August 2022, p 56; Queensland Tourism Industry Council, correspondence, 23 September 2022, p 2.

<sup>87</sup> Submission 48, p 1.

Other submitters were unsupportive of local government becoming the lead agency for development. When asked at a public hearing who is best placed to make decisions regarding island resort leases and conditions, Ms Fay Chapman, WCC secretary, said:

Not council. I do not think you could give it to councils because each LGA would have their own ideas on what they were doing. It has to be an overriding one. As you have already said, federal is not going to touch it so it comes to the state by default.<sup>88</sup>

Mackay Isaac Tourism recommend:

A policy/contract that ensures Council and State Government work closely together on an agreed timeframe which guarantees that the project is running smoothly and stays on track. And that Government to appoint an official authoritative officer that will oversee that entire project and ensure that the project and island is being maintained to a standard local or state.<sup>89</sup>

The QTIC's submission noted:

... the overlapping nature of legislation and planning approvals for island resorts. These overarching regulatory frameworks are not limited to a single level of government or specific agency, but the State Government should lead such a process. A process of red tape reduction resulting in positive outcomes industry can only be fully realised by collaboration between all relevant government bodies and agencies.

How should this process be achieved?

It is recommended that a Coordinator-General role is implemented at State Government level to liaise with all levels of government and key agencies for the purpose of reducing red tape, including oversight of the following activities:

- Strengthening engagement between planning and development leads across all levels of government, relevant departments, and key agencies with jurisdiction in the Great Barrier Reef, allowing key areas of duplication and overlap to be identified.
- Facilitating coordination of development approvals, ongoing management, and future planning to create a more streamlined process for island resort operators and investors.
- Ease difficulties and increase comprehension for island resort operators navigating multi-departmental and agency approvals, to encourage greater likelihood of adherence to requirements through broad centralised guidance.<sup>90</sup>

In her evidence to the committee, Brittany Lauga MP, Member for Keppel, stated:

The Coordinator-General's role really is to oversee the coordinated projects or what used to be called projects of state significance. That Coordinator-General role is about being a one-stop shop so that proponents can liaise directly with government at that one-stop shop. I think that works effectively. It is probably the piece after approvals are granted. I know the Coordinator-General still plays a role after approvals are granted, but it is whether proponents might see value in the Coordinator-General continuing that role.<sup>91</sup>

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<sup>88</sup> Public briefing transcript, Airlie Beach, 23 August 2022, p 14.

<sup>89</sup> Submission 31, p 6.

<sup>90</sup> Queensland Tourism Industry Council, correspondence, 23 September 2022, p 2.

<sup>91</sup> Public briefing transcript, Yeppoon, 26 August 2022, p 15.

### **Committee comment**

During the course of this inquiry, we heard multiple versions of the same story when it comes to development of Great Barrier Reef island tourism leases. Head lessees says that they are gridlocked by duplication of inter and intra-governmental approval requirements. Communities say that head lessees are deliberately not moving forward with development and wrongfully attributing their delay to red tape. Government departments say they are processing their own requirements in appropriate timeframes but they cannot influence the timeframes and processes of other regulatory actors. We are not in a position to assess the veracity of these claims. We are more interested in removing regulatory constraints to ensure timely, sustainable development of Great Barrier Reef islands. Duplication of effort by regulators and head lessees alike is one constraint that should be managed, and previous inquiries by other levels of government into the economic development of Great Barrier Reef islands have recognised the utility of having a one-stop shop, or full-service provider, to manage the assessment of development applications on behalf of all levels of government whose jurisdiction is invoked by such applications. We endorse that previous finding.

### **Recommendation 17**

The Minister should consider obtaining tripartite agreement between local, state and commonwealth government to establish a full-service (one-stop shop) provider to coordinate all necessary approvals, permits and licences required to develop and operate a tourism lease on Great Barrier Reef island resorts.

## **3 Non-operational Great Barrier Reef island resorts**

There are currently six resorts on GBR islands which remain closed after damage experienced during extreme weather events, namely Brampton Island, Great Keppel Island, Double Island, South Molle Island, Hook Island, Long Island (Happy Bay) and Lindeman Island.

Apart from South Molle Island, all of these islands have non-operational marine infrastructure that inhibits the public's capacity to access these islands for recreational purposes. Some of these islands host air transport infrastructure.<sup>92</sup>

Advice from WCC is that after Cyclone Debbie in 2017, South Molle Island and Happy Bay (Club Crocodile) Long Island both closed after the loss of both resorts' jetties.<sup>93</sup> The jetty at South Molle Island has since been demolished and replaced with a new public jetty to give day access to the island's walking trails.<sup>94</sup>

The Hook Island Eco Resort site is ready for redevelopment after being remediated with financial assistance from the GBR Islands Resorts Rejuvenation Program. Work included: the demolition of ten buildings; the removal of over 225 tonnes of waste from the island including diesel tanks, car bodies and building material; removal of the decommissioned underwater observatory which was deemed

<sup>92</sup> See Report Table 1 Island Names and Corresponding Known Marine Infrastructure Status, pg 23 for details about current infrastructure, and lack of infrastructure at each of the six islands listed in this section.

<sup>93</sup> Submission 14, p 8.

<sup>94</sup> Queensland Government, Department of Tourism, Innovation and Sport, Great Barrier Reef Island Resorts Rejuvenation Program, <https://www.dtis.qld.gov.au/our-work/great-barrier-reef>

structurally unsound from the marine park; and installation of 12 new moorings and restoration of walking tracks within the resort site.<sup>95</sup>

The viability of re-opening these island resorts is challenged by some submitters. Mr Elmer Ten-Haken, submits that:

... the legal framework surrounding island resorts should be altered so that any island resort lease which has not operated profitably, and in a manner consistent with environmental protection laws within the last five years should be resumed by the government.<sup>96</sup>

WCC states:

The large island resorts in the Whitsundays have been largely resistant to innovations such as renewable energy, which once installed, would have helped make the resorts cheaper to run. Larger resorts closer to the mainland have established undersea power cables and water pipelines (Daydream Island, South Molle Island, Happy Bay Long Island, Hamilton Island) don't have this problem, but the infrastructure is expensive to build and maintain. The more remote/smaller ones cannot do this, e.g. Lindeman Island, Brampton Island, Hook Island. They have to desalinate & treat water (none of the islands have sufficient reliable natural water supply) and sewage, and run all of the home comforts that people expect, using diesel generators, running on expensive barged-in fuel.<sup>97</sup>

WCC provided specific information on South Molle Island:

South Molle Island had been running on a shoestring with very little investment and barely open for many years before Cyclone Debbie tore it apart. It was sold as-is in 2019 to the Chinese owners of Daydream Island Resort. With the main access jetty destroyed, and debris including asbestos from the buildings spread far and wide in the cyclone, the Queensland Government had to assist the new owner to reconstruct the jetty and clean up the hazards on the site to allow public access to the National Park walking trails... The still-damaged buildings remain in place. Remembering that this island is just 30 minutes boat ride from the major ports and has a great network of walking trails and one of the best and biggest resort anchorages in the region for visiting yachts, the fact that it is still in ruins says a lot about the cost of rebuilding such resorts.<sup>98</sup>

### 3.1 Brampton Island

Brampton Island is an island in the Cumberland Group, offshore from Mackay and within the Great Barrier Reef World Heritage Area. In the absence of a submission from the head lessee for this tourism lease, Brampton Enterprises Pty Ltd, which is an arm of United Petroleum, we note the submissions from Mackay Regional Council:

Brampton Island commenced use in the 1930s and has since had several upgrades and operators. The island resort halted operations in January 2011 to enable a proposed redevelopment of the resort. The development application for the redevelopment of the resort was approved by Mackay Regional Council in July 2015 (DA-2013-173). The approval supports the redevelopment for a world-class 7-star resort with a reduction from the previous guest accommodation from 210 to 35. There are three (3) main leases on Brampton Island that cover the existing resort, being a rock pool area, the resort accommodation area and part of the existing airstrip.

In mid-2016, the owner of the development had discussions with the State Government to amend the boundaries of the land tenure agreements to include the whole of the airstrip and

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<sup>95</sup> Queensland Government, Department of Tourism, Innovation and Sport, Great Barrier Reef Island Resorts Rejuvenation Program, <https://www.dtis.qld.gov.au/our-work/great-barrier-reef>

<sup>96</sup> Submission 12, p 2.

<sup>97</sup> Submission 14, p 9.

<sup>98</sup> Submission 14, p 9.

water tanks to the west of the existing lease. It is understood that the current owner first wants to amend the land tenure agreements prior to proceeding with any further major investment in this project. The development would still require further approvals for operational works, tidal works, building and plumbing permits to support development. The net result is that the development has not progressed.<sup>99</sup>

A submission from the Whitsunday Conservation Council states:

The current owners closed [Brampton Island] for 'redevelopment' to a '5 ½ star' exclusive fly-in fly-out resort, (the airstrip is only suitable for helicopters or light aircraft) and it has been decaying ever since. The buildings have now been allowed to decay to such a degree that again, refurbishment or rebuilding will be very expensive, with long barge trips needed to transport materials and workers. Barge access is also limited by the very large tidal range in this area. Sea level rise has also affected Brampton resort: the existing deep-water jetty is the main access for guests to the resort, from there they boarded a tramway which took them to the resort itself. The tramway is now regularly inundated by spring high tides and has corroded away. The resort pool was constructed to give a 'horizon pool' effect, however high spring tides now regularly flood across the pool deck, lifting bricks and filling the pool with sand and debris. Like Lindeman, the walking tracks were largely built by Queensland Parks & Wildlife Service QPWS but were also for the benefit of the resort, with a joint maintenance deal struck with QPWS. Once the resort was closed, maintenance of the walking tracks stopped. Since then the manpower and resources of the Mackay Region QPWS have been so reduced that they would probably be unable to maintain them even if they could get there. With the lack of maintenance of the resort area, the many environmental weeds in the resort gardens have now escaped to fill most of the area around the resort...<sup>100</sup>

In response to a question on notice regarding the lease on Brampton Island, DES advised the committee:

Brampton Enterprises Pty Ltd hold a perpetual lease (over the main resort area) and a 50-year term lease for a marine facility (rock pool) on Brampton Island. These leases are Land Act 1994 leases administered by the Department of Resources (Resources). Adjacent to the Land Act lease areas, resort ancillary infrastructure and service facilities exist on the national park including part of the airstrip and the sewage treatment plant. These were authorised under authorities which have since lapsed, and Brampton Enterprises Pty Ltd have made an application to the Department of Environment and Science (DES) under section 35 of the *Nature Conservation Act 1992* to re-authorise these resort assets in the national park. The application is in the assessment stage. Brampton Enterprises holds an environmental authority for environmentally relevant activities (sewage and water treatment) under the *Environmental Protection Act 1994* regulated by DES.<sup>101</sup>

A recent audit (May 2022) of Brampton Island lease conditions was conducted by Resources. The lease contains a number of conditions relating to environmental duty of care and pollution and contamination prevention responsibilities of the lessee. DES understands Resources is still assessing the audit report to inform any compliance or remediation actions required to address any non-compliances or issues.<sup>102</sup>

Amanda Camm MP, gave evidence regarding the renewal of the development application for the Brampton Island Resort:

Brampton Island had a development approval, an application for redevelopment of a resort that is in complete disarray. As far as I am concerned, it is actually a hindrance and should be cleaned up. The impact it is having on the natural environment I think is very negative. If it were here on the mainland, there is no way anyone would allow that to be the dwelling that it is. It

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<sup>99</sup> Submission 49, p 2.

<sup>100</sup> Submission 14, p 5.

<sup>101</sup> Department of Environment and Science, correspondence, 24 February 2023, p 1.

<sup>102</sup> Department of Environment and Science, correspondence, 24 February 2023, p 1.

is just in disarray. What we saw there was an application for a seven-star resort. There is a head lessee involved in the application. It is a foreign owned entity, but I do not think we should discriminate between foreign owned or Australian owned. In that situation, the development approval had not reached its milestones. It had come to the end of the approval process. I was notified—alongside the mayor—six months after the fact that a planning manager who sat in middle management had signed off for an extension of that approval to give them further approval without coming to the elected members, without bringing that decision back to council.

In some cases development approvals and extensions can be signed off under delegation. That is a normal practice of local government. I think when it comes to islands that have a significant natural asset value, that are away from the public eye quite frequently, that do not have council officers out looking at them every other week or driving past, that should have been reviewed more closely by both state government interest agencies and the local council I was part of.

...

I think there should have been a trigger or some kind of tool that the council could have used to do that, or the state government through their interest check. There should have been a trigger to say, 'Why haven't you commenced? What are the challenges? Why should we give you another six years?' Now what we have seen occur is that the island still sits there with no investment and in fact a significant amount of debris and potential impacts on the natural environment, right next to a national park. I think it is in the interests of all stakeholders that council and state government agencies have a tool to review that approval extension.<sup>103</sup>

In its submission, Mackay Regional Council states:

It is Council's view that the Mackay Region Planning Scheme 2017 actively facilitates appropriate development on these islands. However, Council would welcome suggestions on how Council's regulatory frameworks can be improved to facilitate development on the islands, if identified as required by the inquiry.<sup>104</sup>

A recent media report indicates that Mackay Regional Council Mayor Greg Williamson will recommend against an extension of the development approval for Brampton Island, due in July 2023.<sup>105</sup>

### 3.2 Great Keppel Island

The Great Keppel Island (GKI) Resort was purchased by Tower Holdings in 2007, closed in 2008, and remains closed. The main resort has fallen into a dilapidated state.<sup>106</sup> There are other accommodation and tourism offerings still operating on GKI, with some operators permanently resident on the island. These include:

- Great Keppel Island Hideaway
- Great Keppel Island Holiday Village
- GKI Watersports and Keppel Dive
- Freedom Fast Cats (ferries, cruises, Wild Duck water taxi)
- Keppel Konnections ferry service
- Keppel Explorer day experience
- Keppel Bay Marina and a number of fishing/sailing/bareboat charters
- Pumpkin Island and Pumpkin Xpress
- Keppel Charters
- Tropical Vibes on GKI

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<sup>103</sup> Public briefing transcript, Airlie Beach, 23 August 2022, p 4.

<sup>104</sup> Submission 49, p 3.

<sup>105</sup> L Scott, 'Island Resorts Get Wrecked - Great Keppel Island Resort', The Courier-Mail, 25 February 2023, p 9.

<sup>106</sup> L Scott, 'Trashed villas, shattered glass, piles of debris: Inside Qld's rundown tropical islands', The Courier-Mail, 24 February 2023.



- Island Pizza on GKI
- Keppel Lodge on GKI
- Svendsen's Beach on GKI
- GKI Holiday houses.<sup>107</sup>

Access remains an issue for GKI, with a constructed runway that has been out of use since the closure of the resort, and water access by beach landing.<sup>108</sup> In terms of infrastructure on the island, Brittany Lauga MP, Member for Keppel, submits:

There is no mains water supply. There is a ground water supply. However, the water table has risen and now we have very brackish water that comes out through the showers and through the taps, so bottled water is pretty much necessary. They do use tanks, but water is a challenge. In terms of power, there is no mains power connection and so the island basically relies on solar and then generators. Transport of diesel to the island is also a challenge. Then you have wastewater challenges, too. There is a sewage treatment plant on the island that is many decades old and is at capacity and very much needs either replacing or fixing.<sup>109</sup>

Mr Michael Powell, a representative of community group Capricorn GKI Alliance submits:

What we have seen on Woppa/GKI over the past 10 yrs. is small, largely owner-operated, tourism orientated businesses attracting new and return visitors to Queensland and to our part of the Great Barrier Reef. One of the greatest existing constraints impacting economic development opportunities on our island are 99yr leases over large areas of land leased to one big entity. This is not the way forward. In the past 6 years we have seen 4 such entities attempt to buy Tower's leases. A fifth is now looking at doing the same.<sup>110</sup>

Mr Powell additionally submits:

We have always maintained the Tower proposal for Woppa/GKI would be particularly destructive and, were it ever to proceed, it would almost certainly lead to stranded assets in a few decades time, just as happened in 2008 when Tower closed and stripped out the old resort. The failure of all three levels of Government to have Tower comply with the conditions of the State leases, and the timelines laid out in the Conditions of the Federal Approvals, has had a negative impact of tourism in this area on an ongoing basis. It has even been suggested that the example set by Tower was followed by the Iwasaki Company when they closed their own resort on the mainland. Government regulators it seemed were either asleep at the wheel or just not willing to have these big developers adhere to their original agreements to develop and maintain the agreed tourism business on their leases.<sup>111</sup>

Tower Holdings owes approximately \$878,000 in unpaid rent for the marine and four land leases it holds on GKI.<sup>112</sup> Attempts by Tower Holding to sell their interests in GKI over the last few years have been unsuccessful. Ms Lauga MP, gave evidence at a public hearing about GKI that:

...approvals are existing on the leasehold area, but they are the property of Tower Holdings.

There have been multiple investors interested in taking over the leases and approvals over the years and we have pretty much seen a revolving door of investors. That is probably where the majority of the frustration in the community comes from. Every couple of years we see someone come in and say, 'We're going to do this,' and everyone's hopes are built up. Then

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<sup>107</sup> Submission 36, p 2.

<sup>108</sup> Public briefing transcript, Yeppoon, 26 August 2022, p 15.

<sup>109</sup> Public briefing transcript, Yeppoon, 26 August 2022, p 15.

<sup>110</sup> Submission 37, p 4.

<sup>111</sup> Submission 37, p 3.

<sup>112</sup> V Jarrett, 'Tower Holdings overdue rent of \$878k for Great Keppel Island Resort', Rockhampton Morning Bulletin, 15 March 2023.

they move on and we see someone else come in and everyone's hopes are built up again and then we see someone else. That has happened a number of times over the years.

The leases that have been granted to Tower Holdings have a number of milestones and requirements that Tower Holdings must meet—milestones in terms of when they are required to develop the island resort by and also things they are required to do on the island, for example, pest and weed maintenance, demolition of the old resort—a whole range of things. The lease documents are pages and pages long, but they are very detailed about what Tower Holdings is required to do. There is a process for the state to take action if those milestones or lease conditions are not met.

On Great Keppel Island there is a variety of tenure. We have leasehold; Aboriginal freehold, which the Woppaburra people own; there are straight out freehold lots that people own outright; and there is reserve tenure. That diversity in tenure also poses challenges. When you see a tenure map of the island it is like a patchwork quilt with all the different tenures. The most recent investor who was interested in the island and had entered into a contract to purchase the leases and approvals was Hancock. Can I say the most collaborative style of engagement with a proposed investor that I have seen over the years occurred when Hancock became interested in the leases. Every couple of weeks Hancock and the directors-general of every department that has oversight of the island would meet, and I was part of those meetings. The level of collaboration was outstanding. We certainly heard back from Hancock that they were very pleased about the level of collaboration from the state through those negotiations as well, and tenure was part of those negotiations. There is no secret in that. Tenure has been a part of the discussions and the issues that have been raised with all of the investors who have come through looking at investing on the island because it is important to the investment decisions that these developers have to make.<sup>113</sup>

There has been significant State government funding for GKI. In 2016, \$25 million was allocated to the Department of Tourism, Innovation and Sport for the rejuvenation of GKI to enable tourism development. This work originally focused on connection of power and water from the mainland to the island. This has proven cost prohibitive, and this plan is not being pursued.<sup>114</sup>

A further \$5 million in funding through the Building Our Regions program has been committed by the Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) to Livingstone Shire Council for preliminary works to enable power and water connection to GKI from the mainland. Given that mainland power and water has proven cost prohibitive DSDILGP is working with the council to address issues associated with wastewater treatment on the island.<sup>115</sup> Additionally, the Queensland Government commenced a master planning process for GKI in 2021.

### **3.2.1 Master planning**

The whole of government submission advises:

Master planning may help identify alternative development or conservation options for some tourism islands, informed by current market conditions, as well as industry, community, and government expectations. This will allow for greater diversity of tourism offerings, while providing for staged development based on infrastructure requirements and community expectations. This work when completed may provide examples for local stakeholders to consider for other islands where redevelopment is needed.<sup>116</sup>

The Department of Resources advises that:

Master plans can include deliverables including (but not limited to) objectives of development, design, reconfiguration of land parcels, redrafting licence and conditions, reclassification of

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<sup>113</sup> Public briefing transcript, Yeppoon, 26 August 2022, p 16.

<sup>114</sup> Department of Resources, correspondence, 16 January 2023, p 6.

<sup>115</sup> Department of Resources, correspondence, 16 January 2023, p 7.

<sup>116</sup> Submission 52, p 6.

land tenure, common user infrastructure strategy, precinct development, infrastructure priorities.

Master planning the GBR islands provide opportunities to undertake strategic future positioning to support climate resilience, environmental protection, education and tourism objectives through a formal planning process. The process provides a land use planning framework which involves identifying form, development types and land allocation to support future planning opportunities.<sup>117</sup>

As part of the GKI master planning process there has been:

Seven workshops with the community project reference group to identify concepts and ideas to enable master plan preparations and drafting. Consultation with Traditional Owners and Elders, the Tumura Land Trust, Woppaburra Elders and Saltwater Corporation, with sessions hosted in Brisbane and Hervey Bay, to understand cultural perspectives. Consultation with business and tourism owners connected with Wop-pa (Great Keppel Island), hosted in partnership with Capricorn Enterprise to ascertain business and tourism operators' perspectives.<sup>118</sup>

A first draft of the GKI master plan is due in February 2023, and the final master plan will include the following key deliverables:

- Site and place context (tourism, demographics, physical)
- Engagement summary
- Vision and strategies
- Objectives
- Case studies
- Design principles and character
- Reconfiguration of land parcels
- Redrafting licenses and conditions
- Potential redistribution of land as national park
- Common user infrastructure strategy
- Precinct development (including amenities, programming, and experiences) for key precincts
- Sustainability strategy (catalyst project)
- Wayfinding strategy (catalyst project)
- Gateway strategy (catalyst project)
- Signature Experiences strategy (catalyst project)
- Infrastructure priorities (including jetty, barge ramp, wastewater treatment plant, lookouts/viewing platform, walking tracks, headland boardwalk, shade/picnic tables, wayfinding, interpretative signage, access roads, amenities, cultural/information centre, wetland boardwalk, bird hides, potable water, and centralised solar power/battery)
- Implementation strategy (to include catalytic projects, staging and sequencing, objectives, identification of additional studies required, infrastructure priorities) Analysis and findings.<sup>119</sup>

### 3.3 Lindeman Island

Lindeman Island is approximately 35 km off the coast of Airlie Beach. It can be accessed via private or commercial boat from Airlie Beach or Shute Harbour, with only very basic facilities on the island for campers.<sup>120</sup> Mackay Regional Council provided the following context:

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<sup>117</sup> Department of Resources, correspondence, 16 January 2023, p 7.

<sup>118</sup> Department of Resources, correspondence, 16 January 2023, p 7.

<sup>119</sup> Department of Resources, correspondence, 16 January 2023, p 7.

<sup>120</sup> Submission 31, p 2.

Lindeman Island commenced operations in 1923 and has been upgraded several times, with the last of these upgrades in 1992. The resort ceased operations in January 2012 after the damage caused by Cyclone Yasi in 2011. In August 2012, the land was sold to a new party and the subsequent amendments to the development proposal and Queensland Government approval were supported by Mackay Regional Council. In 2015, the Queensland Government (through the office of the Co-ordinator General) declared the proposed \$600 million redevelopment of the island as a special project. The project was referred to the Commonwealth under the Environment Protection and Biodiversity Conservation Act 1999 and was declared as a controlled action. An evaluation report of the Environmental Impact Statement (EIS) was prepared by the Queensland Co-ordinator General, and the Commonwealth Minister for the Environment subsequently approved the controlled action and related EIS in November 2018. Recently, the Co-ordinator General decided to extend the lapsing date for the evaluation report for a further two years to 26 March 2024.<sup>121</sup>

Mackay Regional Council additionally submit:

It is our belief that if the owner of the tourism lease had any intent to deliver a tourism product on the island, the evaluation report lapsing date would have triggered a tourism outcome before 2018. To have a deadline extension until 2024 is a slap in simply allowing land banking to the detriment of the Queensland tourism industry. The island contains: a singular 71.2 hectare perpetual lease (Tourism zone) and four term leases (Open space zone) totalling 66.7 hectares. The current owners have been in negotiations to amend the current lease arrangements by handing back some of the perpetual and term leases (10.4ha and 38.8ha respectively) and to convert the remaining term lease land into perpetual lease land. Importantly, the title deed related to the lease that commenced on 1 October 1961 (and transferred to the current owner) contains conditions that include construction and maintenance of recreational facilities for tourists within the first 5 years of the lease. However, these timebound title deed conditions have not assisted in supporting the redevelopment on the island resort. The net result is that the proposed redevelopment of the tourist resort as envisaged in 2015 has not progressed.<sup>122</sup>

WCC advise that the current lessee, White Horse:

... applied to revoke 37 hectares of National Park to build no less than 3 resorts, and to use another 10 hectares of the park for 'glamping' facilities. Despite the willingness of the Government to accommodate the wishes of the developer, the resort has been largely unmaintained since 2012 and is in a state of decay.<sup>123</sup>

WCC additionally submit:

Allowing a resort such as the Lindeman Island Resort to then become completely derelict, potentially requiring full removal of all buildings, causes more financial, environmental and practical problems. For example, the demolition waste from Lindeman Island Resort has the potential to fill the local landfill, necessitating development of a new landfill for the local community, using tax/ ratepayers funds. The sheer amount of time and labour involved in demolition and transportation of the rubble mean that it will cost an enormous amount before the first brick is laid for the new resort. These problems plus the likely presence of hazards such as asbestos mean that there is a great deal of outlay required just to clean up the site before anything is built. Infrastructure such as power, water and sewage deteriorates rapidly in the tropical marine environment and much will need to be replaced. Expanding the footprint of the one resort to the proposed three will amplify the costs when the inevitable category 4 cyclone comes and renders it uninhabitable again.<sup>124</sup>

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<sup>121</sup> Submission 49, pp 1-2.

<sup>122</sup> Submission 49, pp 1-2.

<sup>123</sup> Submission 14, p 4.

<sup>124</sup> Submission 14, p 4.

In 2022, a contract to purchase the Lindeman Island lease was entered into between White Horse and the Juniper family, however media reports in February 2023 announced the termination of that contract.<sup>125</sup>

### 3.4 Double Island

Double Island lies just off the Palm Cove precinct north of Cairns. The head lessee of Double Island, Benny Wu's Fortune Island Holding Company, has been issued a non-compliance notice by the Department of Resources with a response due by 31 March 2023. The following evidence was given at a public hearing by a departmental representative:

**CHAIR:** I understood there was a ministerial direction about Double Island resort and there was a date in March, I think, by which they had to comply, and it goes to this line of questioning. I know we have not reached that date yet, but I am just wondering if it is looking like there will be action taken, because I think that will illustrate what we are going to.

**Ms Bartlett:** Yes. Yes, there will be action taken. The department is considering what that action may look like, but that will be dependent on a report submitted from the lessees of Double Island and the department's assessment of whether they have made substantial inroads on meeting those requirements.<sup>126</sup>

An audit of the Double Island lease conditions by the Cairns Regional Council in 2020 and submitted to the Department of Natural Resources Mines and Energy, alleged that the lessee had been in breach of lease conditions as early as August 2019. Tony Richards and Clive Abbott as joint coordinators for the Palm Cove Precinct for Tropical Palm Cove, submit:

The Island is clearly not being operated to the terms of the lease and the breaches are serious and are against the public interest.

...

We submit that the Lessee should be either:

- required to perform to all the lease terms and conditions
- to sell their interest in the lease to another party who will perform
- forfeit their lease to the State for resale should they fail to rectify breaches that are formally notified to them.<sup>127</sup>

#### **Committee comment**

Recent media reports indicate that some or all of the Great Barrier Reef island resorts dealt with in this section, have been, or are currently subject to, departmental audits of lessee compliance with lease conditions.<sup>128</sup> As a committee we find it very interesting that none of the head lessees for these islands chose to make submissions to our inquiry, given that the terms of reference invited their comment on what can be done to try and improve the economic viability of Great Barrier Reef island resorts. In the absence of their head lessee submissions, we have had to rely on the evidence of other interested stakeholders, and some assistance of the department, in trying to understand the context of these non-operational resorts.

While we appreciate that the Department has commercial in confidence and procedural fairness obligations, it is difficult to make more targeted comments regarding these islands, in the absence of departmental confirmation that the lessees of these islands are in breach of their lease conditions.

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<sup>125</sup> L Allen, 'Island Sale Fail Blow to Tourism', The Courier-Mail, 28 February 2023, p 17.

<sup>126</sup> Public briefing transcript, Brisbane, 20 February 2023, p 2.

<sup>127</sup> Submission 29, pp 2-3.

<sup>128</sup> The Courier-Mail, 'Trashed villas, shattered glass, piles of debris: Inside Qld's rundown tropical islands', 25 February 2023.

This is not the case for Double Island; the department has confirmed it has issued a non-compliance notice that the head lessee is due to comply with by 31 March 2023.

In the case of Brampton Island, we heard evidence that the existing renewal of the development application was perhaps not subject to sufficient scrutiny due to the idiosyncrasies of the planning framework, and that, despite the developer not meeting development milestones, they received a six year extension of their development approval in 2017. We note this approval is due to lapse in July 2023. The role of local government is critical under the planning framework for Great Barrier Reef island resorts, and it appears that the previous decision to renew the DA for Brampton Island was not made with sufficient due diligence. This is unsatisfactory in our view, and underscores the importance of our Recommendation Two contained in this report – *that local government should not approve or renew development applications by lessees who have been found to be non-compliant with lease conditions, where such non-compliance has been determined by departmental audit in the previous three years, subject to the requirements for natural justice.*

When we visited Great Keppel Island as a committee, we were shocked by the state of the resort complex. Photos available in recent media reporting indicate the complete neglect of the resort complex by the head lessee. This situation has been ongoing for 15 years, and despite mum and dad small business operators continuing to offer tourism options on the island, the longer-term future of Great Keppel Island must be agreed for once and all. We are heartened by the master planning process that is currently under way and urge all stakeholders to ensure that the timeframes advised for completion of the master plan are adhered to.

The recent termination of the contract for the sale of Lindeman Island puts the future of that closed resort back into doubt. As a committee, we will await with interest the outcome of the departmental audit of that lease to determine the current head lessee's compliance with lease conditions. In this context we note our Recommendation One of this report – *that the Department of Resources should take immediate action to cancel tourism leases where lessees have been determined by departmental audit within the last three years to be non-compliant with lease conditions, subject to the requirements of natural justice.*

The head lessee of Double Island has until the end of this month (at time of writing) to rectify its non-compliance with the lease conditions. Again, we note our Recommendation One of this report, and we urge the Department to move quickly after 31 March 2023 to advise its intended course of action if the actions of the head lessee for Double Island do not mitigate its existing non-compliance.

### **Recommendation 18**

With specific reference to Double Island, the Department of Resources to publicly report by 30 June 2023 its findings in respect of the audit of the lessee's compliance with lease conditions, and proceed to take immediate action to cancel the lease if non-compliance continues.

## 4 Great Barrier Reef islands with planned but unconstructed tourism infrastructure

Resorts that fall into this category for which submissions were received include: Turtle Street Beach Resort on Curtis Island; Stone Island Resort; and Keswick Island Resort. Submissions regarding Restoration Island, which is subject to a tourism lease but is currently operating non-commercially, were also received.<sup>129</sup> All these islands are currently without marine infrastructure access suitable to support tourism.

The only mention of Turtle Street Beach Resort and Stone Island Resort were in departmental submissions regarding tourism leases which are currently subject to departmental audit, and this report does not deal with those resorts in further detail. Keswick Island is discussed in the next section of the report.

In respect of Restoration Island, CYLC submits:

The island resorts of Cape York include Lizard Island, Haggerston Island, Albany Island, and possible plans for a future resort on Restoration Island. Native title has not as yet been determined on these islands and the surrounding seas, but it is anticipated that native title will be determined as sea claims along Cape York, currently underway or in the pipeline, progress.

...

The future of a lease on Restoration Island on which a resort has been proposed, but never developed. It should be noted that the Traditional Owners of Restoration Island, the Kuku Yau people, have long sought this lease for economic development.<sup>130</sup>

### 4.1 Keswick Island

Keswick Island is located in the southern half of the Whitsunday Islands group, situated 34 kilometres north-east of Mackay. Keswick Island falls under the Mackay Regional Council in local government jurisdiction and the Whitsunday Electorate in Queensland.<sup>131</sup> Keswick is one of only two GBR islands that has provision for permanent residents in the tourism lease.

Thirty of the 52 submissions that were received during the inquiry related to Keswick Island, and concerns matters either locational, or thematic, in terms of foreign ownership of Queensland island resorts.

Of the 30 submissions, two were collective submissions – one from the Keswick Island Progress Association (KIPA), which represents the residents and private landholders of Keswick Island,<sup>132</sup> and one from Ms Rachel Cameron, who collected 23,000 signatures on a petition to ‘reclaim Keswick Island Before it is Lost Forever.’<sup>133</sup>

The committee also received various submissions from private individuals, from representatives and agents of the current head lessee for Keswick Island, Mr Nicho Teng of Oasis Forest Limited, and conducted a public hearing on Keswick Island on 25 August 2022.

The Department of Resources advises that Keswick Island ‘has a head lease with individual sub-leases to the residents of the house lots who have legal obligations via the term of their subleases to

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<sup>129</sup> Department of Resources, correspondence, 16 January 2023, p 2, Public briefing transcript, Cairns, 22 August 2022, p 9; and Submission 52.

<sup>130</sup> Submission 51, p 1.

<sup>131</sup> Submission 34, p 1.

<sup>132</sup> Submission 16

<sup>133</sup> Submission 4

contribute back to the head lessee for common area maintenance and facility use.<sup>134</sup> Submissions detail a significant history of conflict between the residents and the current head lessee. A departmental representative advised:

**Mr Hinrichsen:** Many of those resort islands do have these subleasing arrangements and ... that is probably where some of the conflict arises. Certainly from the submissions that were made, Keswick Island is one where there is significant and quite often historical tension, if you go back many years, between head lease holders, as they have been, and the sublessees. Keswick Island is pretty unique when it comes to the conditions of the lease in that most of the leases are entirely for tourism purposes. The two most notable exceptions to that are Hamilton and Keswick.<sup>135</sup>

#### 4.1.1 Regulatory framework

The tourism lease for Keswick Island is governed by the provisions of the Land Act, the head lease between Oasis Forest Ltd (formerly China Bloom Hong Kong Ltd) and the Queensland Government, and the planning framework administered by the Mackay Regional Council. Additionally, there are State environmental regulations which apply and, given Keswick Island's location, approvals from the Commonwealth Government with respect to development in the GBR Marine Park.

KIPA submits that there is a plan of development 'approved by Mackay City Council (now Mackay Regional Council) as detailed in the Judgement of the Planning and Environment Court, 18 December 1994 and subsequent development approvals and Deed of Agreement.'<sup>136</sup> This includes a 2008 Deed of Agreement between then head-lessee Keswick Developments Pty Ltd and the Department of Natural Resources Mines and Energy (now QLD Department of Resources).<sup>137</sup>

#### 4.1.2 History of development

According to submissions, Keswick Island first had a tourism lease granted in 1996. The development envisaged under the lease included a mix of residential, tourism, aviation and marina use, with eight residential precincts and three national park precincts, at the value of around \$150 million.<sup>138</sup>

Mackay Regional Council submits:

Keswick Island has not operated as an island resort, but has a consent order in place in favour of the developer that grants the rezoning of the land from special purposes to special facilities (tourist resort and conservation area). The zoning has been reflected and included in the Mackay Region Planning Scheme 2017 with the land zoned for 'Tourism'.

Under the consent order, the developer and Mackay Regional Council are required to enter into a deed of agreement with two special leases. The first lease is for five lots with a 100 year term for tourist facility, aerodrome, commercial and residential development, and the second lease, for three lots with a 10 year reclamation lease for works within the conservation area.

To date, development has only progressed over one of the 100 year lease lots (Lot 14 on SP153788), with the creation of 133 sub leases for residential purposes, of which 23 have been developed with a dwelling. Further development of the island has not progressed over the remainder of the lease areas. Due to the reclamation works not being completed within the required 10 year timeframe on the reclamation leases, the leases over the three relevant lots have lapsed.<sup>139</sup>

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<sup>134</sup> Department of Resources, correspondence, 16 January 2023, p 8.

<sup>135</sup> Public hearing transcript, Brisbane, 20 June 2022, p 2.

<sup>136</sup> Submission 16, p 1.

<sup>137</sup> Submission 16, p 1.

<sup>138</sup> Submission 46, p 3.

<sup>139</sup> Submission 49, pp 2-3.



Comparing Keswick Island and Hamilton Island as the only two GBR tourism lease islands that support permanent residents, a departmental representative told a public hearing that:

**Mr Hinrichsen:** Keswick is probably at the other end of the spectrum—an island that has not had the same level of economic development that supports those sublease arrangements and hence historically our department has had a lot more involvement in administering the conditions of the lease. Our approach to regulation is always to work with the lessee—the head lessee—in delivering on their obligations as opposed to taking compliance action, recognising that these are entirely commercial operations and the nature of the agreement between the head lessee and the sublessee is very much a commercial agreement.<sup>140</sup>

KIPA submit that in the twenty years since the commencement of the Keswick Island development:

All Head Lease holders have failed to abide by the contractual obligations of the Head Lease and associated Deeds of Agreement. There has been no development beyond the initial infrastructure, no enforcement of conditions or Head Lessee obligations. Nor has there been any consequences (that we are aware of) by the state and local government authorities to the breaches of the Head Lease conditions, Deeds of Agreement, Local Government planning and development regulations, and State Legislation. This has resulted in huge devaluation of sublessee's properties, some as low as 90%. With some people losing their lots completely.<sup>141</sup>

Mr Phillip Greetham, a Keswick Island sub-lessee, submits:

Over the years there has been a succession of master lease holders failing to fulfil their obligations, four I think during my tenure with the island. Every one has failed to develop the island, but notwithstanding this, every one has made huge a huge profit (millions) from the subsequent sale. Meanwhile, the sub-lessees have the opposite experience - their properties have dropped so much in value as to be virtually worthless.<sup>142</sup>

KIPA submits that the removal of certain lease conditions for development:

... means that Head Lease holders are not financially incentivised to undertake any development. The current lack of development in almost 17 years is testimony to this. The flow on effect is the massive devaluation of Keswick Island properties and a blow to the local and regional economies and tourism. We firmly believe that breaches that have collateral damage for any party to the leased land must incur penalties for compensation to the damaged parties. Penalties do exist in the Head Lease; however, we are not aware of any that have been issued against the many breaches over the life of the development.<sup>143</sup>

#### 4.1.2.1 Marine infrastructure

One aspect of development of Keswick Island that was subject to significant submissions was the requirement under the original lease (subsequently on-sold a number of times) for the construction of a marina and jetty. KIPA submit that:

The initial land packages, released in 2000, attracted unprecedented interest from investors and people wanting to make the island paradise their home. It was clear that the catalyst to drive investment and domestic and international tourism, centred on reliable access via a modern, user-friendly marina.

At the time, this confidence was further reflected in potential Sublessees and others eager to secure a marina berth, when the project was still in its infancy or planning stage.<sup>144</sup>

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<sup>140</sup> Public briefing transcript, Brisbane, 22 June 2022, p 2.

<sup>141</sup> Submission 16, p 4.

<sup>142</sup> Submission 6, p 2.

<sup>143</sup> Submission 16, p 5.

<sup>144</sup> Submission 16, p 2.

According to KIPA, in 2004 the second head leaseholder successfully lobbied the State Government to have two critical infrastructure and development conditions removed from the Head Lease.<sup>145</sup> According to KIPA the removal of these conditions occurred without the knowledge or written approval of all sub-lessees.<sup>146</sup> In 2008, when the head lease again sold, a Deed of Agreement was entered into. KIPA submit that:

In 2008, the head lease for Keswick Island was sold to Keswick Developments Pty Ltd (KDPL). KDPL requested an extension to the build time of the Marina. The Department of Natural Resources, Mines and Energy approved the extension on the proviso that a deep-water jetty and boat ramp be constructed to provide free public access to Keswick Island until such times as the Marina was completed.

Only the boat ramp was provided, adjacent to the airstrip on Egremont Passage. Under the current head lease holder, China Bloom, this ramp was closed to the public and residents from February 2020 until February 2021.<sup>147</sup>

Mackay Regional Council submit:

Historically, Keswick Island has allowed public access to its boat ramp. However, until recently, the owner of the main lease effectively restricted public access to the boat ramp and the beach areas on the island. It has taken negotiation and effort to establish a working relationship between residents on the island and the main lease holder (developer) to again allow ferry access to and from the island with approximately two (2) ferry trips per week.<sup>148</sup>

#### **4.1.3 Resident submissions**

There are 23 constructed residences on Keswick Island. Submissions on their behalf were made by KIPA, whose stated objectives are:

1. Encourage a strong community spirit on Keswick Island.
2. Enhance liveability on Keswick Island.
3. Protect the Keswick environment & its surroundings.
4. Engage in a mutually beneficial working relationship with the Head-Lessee.<sup>149</sup>

KIPA submits that Oasis Forest Ltd, and their development company Greaton Developments, refuse to recognise it.<sup>150</sup> Regarding the activities of KIPA, traditional owners for Keswick Island submit that they:

... applaud the residential community on Keswick Island for standing up for the island. They have reached out to our community to make sure that the Yuwibara perspectives are included in their Parliamentary Committee Inquiry submission and acknowledge they cannot speak on our behalf. This is the most respect and level of engagement we have had with any stakeholder group associated with our country. We are now exploring opportunities to visit Keswick Island, take Yuwibara people back on country, introduce our young people to this beautiful environment and help the residential community better understand the traditional and cultural history of Keswick Island and Yuwibara people. The benefit of engaging directly with the residents means that the success of these aspirational ventures are not dependent

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<sup>145</sup> Submission 16, pp 4-5.

<sup>146</sup> Submission 16, p 3.

<sup>147</sup> Submission 16, p 27.

<sup>148</sup> Submission 49, p 3.

<sup>149</sup> Submission 16, p 1.

<sup>150</sup> Submission 16, p 2.

on governments to sanction and insist on this activity. It is purely the goodwill and mutual respect of the people involved.<sup>151</sup>

Submissions from residents primarily deal with their relationship with the head lessee, their ability to legally deal with their interest in land, and the head lessee's compliance with lease conditions and environmental regulations. During a public hearing on Keswick Island on 25 August 2022, the president of KIPA, Mr Craig Gilberd, said that resident submissions centred on five issues:

1. The inaction of various levels of government to uphold their own agreements
2. The circumstances of the transfer of the lease for Keswick Island to Oasis Forest as a foreign entity
3. The excision of a requirement in the original lease for Keswick Island for a head lessee to ensure \$150 million worth of development in the first ten years
4. The system of selection of head lessees for GBR island leases, and
5. Alleged environmental damage by Oasis Forest since its inception as head lessee.<sup>152</sup>

#### *4.1.3.1 Relationship with Oasis Forest*

Resident submissions alleged improper conduct on the part of Oasis Forest and its agents, towards sub-lessees and residents of the island. This report's objective is to identify recommendations to improve the current situation on Keswick Island with respect to the proposed development, and therefore does not comment on specific instances of disputation between the head lessee and residents contained in various submissions.

Resident allegations against agents of Oasis Forest include:

- Barricading of roads to key destinations on the island including Basil Bay and the national park
- The provision of regular reporting to the head lessee about the everyday activities of the residents
- Signage discouraging recreational users from visiting the island
- Closure of the public barge ramp
- Ceasing commercial and private air access
- Directing residents not to sub-let their residences in holiday accommodation arrangements
- Acts of vandalism on resident personal and real property, including reports of a community Christmas tree being cut down, and power to houses being switched off when residents were away.<sup>153</sup>

Submissions allege that the head lessee and its agents are unwilling to enter into discussions with residents on the island and query the capacity of the island management to respond to health and bushfire emergencies in a prompt and effective manner.<sup>154</sup> Dr Kerry Outerbridge, who is a resident of Keswick Island submits:

Since the Head Lease was taken over by Oasis Forest Ltd (formerly China Bloom Hong Kong Ltd) residents have been continuously frustrated by a complete lack of communication between the CEO of China Bloom Ltd, Mr Nicho Teng and his subordinate Peter Jones. To our knowledge, neither of these men have ever visited Keswick Island until recently. They came to Keswick Island for six hours. A number of us went down to the barge ramp in hopes

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<sup>151</sup> Submission 39, pp 3-4.

<sup>152</sup> Public hearing transcript, Keswick Island, 25 August 2022, p 2.

<sup>153</sup> Submission 50, p 2, Submission 42, p 2, Submission 16, p 4, and Public hearing transcript, Keswick Island, 25 August 2022.

<sup>154</sup> Submission 15, p 2, and Submission 28, p 1.

of meeting Mr Teng, however, Mr Teng did not speak to any of the residents, no eye contact was made as he walked up the ramp to an awaiting truck. The residents were very disappointed at this missed opportunity to discuss future plans for the Island.<sup>155</sup>

Despite this history, residents have advised the committee that relations on the island have improved since Oasis Forest appointed a new residential island manager for Keswick Island in early 2021. This is evidenced by:

- Reopening of the public barge ramp
- A bi-weekly ferry service
- Removal of signage discouraging entry
- Improvement in the appearance and maintenance of the island
- Reopening of island kiosk.<sup>156</sup>

Submissions from Oasis Forest are addressed in the next section.

#### 4.1.3.2 Impact of sublease arrangements on land dealings

Residents point to two issues that stem from the nature of their sub-lessee interest in Keswick Island. The first is their limited ability to deal with their land, in terms of difficulties obtaining finance to purchase leasehold land, and obtaining necessary head lessee permissions to do so, which constraints the potential to sell their properties. The second is the lack of appropriate dispute resolution processes to resolve issues that arise between them and the head lessee.

Submitters state that it is practically impossible to get finance to purchase land on Keswick Island.<sup>157</sup> This has led to a lack of buyers for the residential blocks on Keswick Island, and difficulty for Keswick Island owners to divest their interests.

Ms Karen Cooke, a Keswick Island resident and real estate agent, told a public hearing that:

There is barely a bank that will finance a block of land or a house. Basically the buyers have to be cashed up to buy on Keswick Island. I did approach a lady in Airlie Beach recently. She was a finance broker. I asked, 'Do you lend on leasehold?' Her response was, 'Yes, sure. Yes, I can arrange finance for a lot of people on Hamilton Island.' I said, 'No. This is not Hamilton Island; this is Keswick Island.' Her response straightaway was, 'Oh, no.'

It is so difficult for people to get finance to purchase property on the island. I do not know what the solution is. There has to be a belief by the financiers that that island is moving forward.<sup>158</sup>

Mr Phillip Greetham, another Keswick Island sub-lessee, told the committee:

I paid \$240,000 cash for that land. The plan at that stage was it was to be my retirement home. I planned to build a house with a small self-contained accommodation as part of it where friends and family could stay, as well as let it out as a B&B and have a small income and so on there. At the time there was on the plan the promise of the marina that would be built, along the top of the street a handful of shops, a regular ferry and barge service to and from the mainland and a resort at the end of the island, just a small low-key one, if you like. That was the plan at that stage. As I say, that was 2006 so it is almost 20 years ago now.

As you can see, the result is I have held that block now for 16 years and during that time I have been paying about \$2,000 roughly in maintenance fees and lawn mowing and upkeep et cetera on the block, so it has basically cost me probably well over \$250,000. The land is virtually worthless now.

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<sup>155</sup> Submission 15, p 2.

<sup>156</sup> Submission 50, pp 2-3.

<sup>157</sup> Submission 6, p 2.

<sup>158</sup> Public hearing transcript, Brisbane, 29 August 2022, p 8.

If you can sell them you are lucky to get about \$30,000. It costs about \$7,000, I believe, to transfer the title. I was thinking I will give it to my kids, but it is like an albatross hung round their neck if I give it to one of my kids. I am not even doing them any favour. I am saddling them with the burden that I have of maintaining this place which is virtually worthless. That is the dilemma that I feel that I face at the moment.<sup>159</sup>

KIPA states:

The best way to support sub-tenancies is for all levels of government to ensure developers and Head Lease holders uphold the Conditions of all documents articulated in the regulatory framework. We have provided some examples of the many historic and current breaches that have negatively impacted the success of this development.<sup>160</sup>

Submitters state that a lack of suitable grievance mechanisms further complicate attempts to deal with their sub-lessee interest. At a public hearing, Keswick Island resident Julie Willis explained her experience in trying to obtain relief after obstacles arose in her purchase of land on Keswick Island:

The house that we bought and the sublease were on the market for some 16 months prior to us making an offer on it. There was a buyer who had made an offer. He walked away after 16 months of stalling and obstacles waiting for the purchase to be settled. Our offer took 13 months to reach settlement. By the time we actually moved into the house it was a total of 29 months for settlement on a property. I am not sure if that is the same amount of time that it would take on the mainland, but it was not satisfactory.

The reason our settlement took so long was that there were onerous conditions that were applied to the headlease holder's consent to transfer the sublease. Those conditions were eventually revoked by the headlease holder. Our experience of trying to expedite the settlement has demonstrated to me that government representatives are not aware of the grievance process or the grievance mechanism. Then when I have done further research I have found out that that grievance mechanism is a costly legal exercise for sublessees to access to try to resolve any issues that are essentially the responsibility of local and state governments to address.

It is also not mandatory for parties—being the headlease holder and the sublessees—to participate in mediation in that grievance process. In the past, two previous headlease holders have agreed to participate only to walk away and commence legal action against individuals. It has been a costly exercise and a pointless exercise because at the end of the day they have just walked away from that mediation.

As part of this inquiry, I would like to know that the committee will give serious consideration to the suitability of the grievance mechanism and what mechanism exists if the grievance is actually with the government departments. My understanding is that the government departments are not part of that grievance process or are not a party to that. In saying that, the mechanism was also not well understood by public servants or the minister administering the Land Act in relation to Queensland islands. I met with Mackay MP Julieanne Gilbert and had several discussions with Department of Resources staff to try to resolve our issues. Eventually in March 2021 I also spoke directly to the Minister for Resources. This is before settlement. I was advised by all of those parties that the only option to deal with my issues was to access the grievance mechanism, but this was not an option to me because I was not yet a sublessee of Keswick Island nor an interested party on the headlease. There was nowhere for me to go.

The grievance process, for me and historically, has not worked for the affected parties or the negatively impacted parties. There has not been any resolution. It has actually resulted in personal litigation against individuals who have initiated that grievance process.<sup>161</sup>

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<sup>159</sup> Public hearing transcript, Brisbane, 29 August 2022, pp 1-2.

<sup>160</sup> Submission 16, p 23.

<sup>161</sup> Public hearing transcript, Keswick Island, 25 August 2022, p 4.

#### 4.1.3.3 *Head lessee non-compliance*

Residents submit that Oasis Forest has not complied with environmental regulations in terms of activities it has undertaken on Keswick Island. KIPA submits:

Historically, there have been many environmental breaches. In the past two years, we have had multiple meetings with Mackay Regional Council, Department of Natural Resources Mines and Energy, Department of Environment and Science and GRMPA about environmental damage incurred by the activities of the current head lease holder Oasis Forest Ltd formerly China Bloom (Hong Kong) Ltd.

Because of the lack of action on reports of this mismanagement, we prepared a Submission to present to the Premiers Office, by invitation. To date we are not aware of any action taken by authorities to address multiple breaches reported within that submission.

A delegation of Sublessees held multiple meetings with various government and regulatory agencies following the Head Lease holder's construction of a non-approved house, boat ramp, trailer parking area and road, constructed on Keswick Island between December 2019 and February 2020.

We met with Mackay Regional Council (6 occasions), Department of Natural Resources Mines and Energy (min 3 occasions), Department of Environment and Science (min 2 occasions), the Great Barrier Reef Marine Park Authority (1 occasion), and senior staff of the QLD Premier's Department (1 occasion). Meetings occurred via telephone, face to face and video conferencing

As previously mentioned, the meeting with the Premier's Department was at the invitation of the Premier, Anastacia Palaszczuk, and occurred on 13 March 2020 in her Brisbane offices. A joint departmental inspection was promised to Sublease holders.

Each agency absolved themselves of any governance responsibility and referred us to another agency.

The Department of Natural Resources, the State Government's signatory to the Headlease, who should be providing oversight and governance on the head lease, suggested sublessees participate in a mediation process with the head lease holder to resolve our grievances.

These grievances are not between the Head Lease holder and sublessees! They are a breach of regulations relating to the Head Lease and the Deeds of Agreement.<sup>162</sup>

Residents also submit that Oasis Forest is in breach of its lease conditions under the head lease. Allegations of non-compliance include failure by Oasis Forest to provide common user infrastructure such as potable water and electricity, the installation of an illegal boat ramp and jetty, and the unauthorised construction of a caretaker residence.<sup>163</sup> This is in addition to Oasis Forest's failure to construct marine infrastructure required under the head lease including a marina and jetty, discussed earlier in this report.

#### 4.1.3.4 *Proposed recommendations*

KIPA make the following recommendations to the committee:

1. Qld Island developments of a significant nature, involving an overlap of the management of National Parks tourism, residential, commercial, marine and airport operations, should be assigned to a specific portfolio with the skills and expertise to manage the issues around island development.
2. We believe that the Keswick Island Head Lease is so far in breach, that the only legal avenue available to the State Government is to claim forfeiture of the headlease and appoint a

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<sup>162</sup> Submission 16, p 12.

<sup>163</sup> Public hearing transcript, Keswick Island, 25 August 2022.

caretaker group to manage the island operations, until such time as a suitable candidate can be engaged to take over the Keswick Island Headlease.

3. Should the Keswick Island head lease be forfeited, island residents and Sublessees have formulated a business plan to provide the State government with an option for a residential caretaker group, until such times as a suitable Head Lessee can be engaged.<sup>164</sup>

#### 4.1.4 Head lessee submissions

Oasis Forest Limited, which was formally known as China Bloom (Hong Kong) Ltd, is the present head lessee for Keswick Island. Oasis Forest purchased the lease, inclusive of the island term lease and marina lease, in 2019 for approximately AUD \$2.7 million. The current annual rental for the island lease is \$216,000, and the marina lease is \$30,000.<sup>165</sup> Mr Nicho Teng is the CEO of Oasis Forest. Mr Teng did not make direct submissions to the committee. During the inquiry, its agents, Greaton Developments and Veris Australia, represented Oasis Forest.

Over the course of the inquiry, agents of Oasis Forest made various submissions about the progress of various aspects of its development of Keswick Island. An April 2022 submission by Mr Nicholas Condoleon on behalf of Veris Australia as town planners for Oasis Forest stated:

Currently, Oasis Forest are in the pre-development application phases for various aspects of development and associated infrastructure over Keswick Island, including the following

- New Boat Ramp
- New Jetty, Gangway & Pontoon
- New Eco-Resort
- New Marina
- New Masterplan.

Pre-lodgement discussions for each aspect of development have been had with Local, State & Commonwealth Government bodies, with the intention to submit formal Development Applications to Mackay Regional Council ... within the next 1-2 months.<sup>166</sup>

Mr Condoleon's submission goes on to identify delays in the processing of various application dealings by the Great Barrier Reef Marine Park Authority and the Queensland Department of Resources. Mr Condoleon states:

We are acknowledging that authorities are limiting access infrastructure to Keswick Island which is obscuring the masterplan and development for the Island, its Sub-lease holders and the Whitsunday/Mackay tourism region.

...

Following the above point, during pre-lodgement discussions with the State and GBRMPA, there was clear conflict between State and Commonwealth department officers, in which GBRMPA officers stated they do not recognise lease conditions imposed by the State, providing a strong stance in the construction of infrastructure within the Marine Parks boundaries. The stance taken is (to a degree) in conflict with the conditions of the lease, which may prevent the conditions from being carried out in accordance with the lease agreement. The point being made is that the relevant State Government Departments are issuing leases and specific conditions without consultation with all relevant Government bodies. There were no discussions had internally between departments at a State-Commonwealth level, which has now presented further issue and concern in delivering the requirements of the lease in line with the expectations of the community, further dragging out the process.

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<sup>164</sup> Submission 16, p 24.

<sup>165</sup> Department of Resources, correspondence, 24 February 2023, p 2.

<sup>166</sup> Submission 35, p 1.

...

There is a sheer lack of accountability within the relevant assessing bodies, in the context of assisting in the delivery of such impactful development which will ultimately drive Queensland's Tourism Economy. The comments made within this formal submission are provided with full transparency in an attempt to 'better' the development process.<sup>167</sup>

At a public hearing in November 2022, Mr Condoleon was asked about the timeframes for delivery of key island infrastructure.

**Mr MILLAR:** ... what are the time frames for building the boat ramp, jetty, gangway and pontoon? What is going on there?

**Mr Condoleon:** The time frames were as soon as possible, but things have changed since this inquiry was submitted. Just to make everyone aware, the development is somewhat dictated to by the residents of the island and we are listening to them. For example, the boat ramp is no longer being proposed based on the residents not wanting a new boat ramp. They currently want to continue utilising the barge ramp on the island. It is an existing unlawful boat ramp. An application is currently before council for its removal, and that is the only application before council at the moment being assessed. The jetty, gangway and pontoon are very close to being submitted. We are just dealing with the civil engineering part of everything. It is not really in my hands at the moment. I am just sort of overlooking what is going on from these other consultants. The resort complex has come to a bit of a halt also with respect to a lease condition that is a bit conflicting. The lease condition states that there would be no building work within an erosion-prone area subject to conditions and subject to further assessment, so we are going down that path at the moment. That is what is holding up that application from being submitted. That is where those three are at.

**Mr MILLAR:** We visited Keswick Island. For us to get onto the island we got a cat and then we had to get into a little tender to get across to Keswick Island. I suppose one of the biggest concerns for the people over there is having some sort of infrastructure which allows boats to pull up safely and commercially. How far is that away?

**Mr Condoleon:** This is probably the biggest concern we have and a real driver for this inquiry. There were always plans for a marina. There was always a lease condition stating that a marina would be proposed and constructed for Keswick. The problem is that it is a state government lease, and during the time when that lease was drafted there was no communication between the state and Commonwealth and specifically the Great Barrier Reef Marine Park Authority. We have had meetings where Great Barrier Reef Marine Park Authority officers were there with Department of Resources, the state government. There were very conflicting points of view and marine park authority officers basically stated, 'We don't care what your lease says. We haven't seen the lease. This is our position with respect to protecting marine plants and dredging for the purpose of the marina.' Basically, it was a 'go away' sort of thing. It was very clear-cut. This is the issue we are having at the moment. I do not know whether this is common throughout other islands and Great Barrier Reef Marine Park Authority boundary areas, but there has been no communication in the drafting of these leases and we are at a halt. That is the issue at the moment.<sup>168</sup>

In written correspondence to the committee in December 2022, Mr Condoleon advised that Oasis Forest would be submitting a formal development application to Mackay Regional Council in early 2023.<sup>169</sup> Mr Condoleon referred various questions from the committee to Mr Peter Jones, of Greaton Developments in his capacity as Development Manager for Keswick Island.

The committee wrote to Mr Jones about the level of engagement Oasis Forest has had with Keswick Island residents throughout the development process. In his response, Mr Jones stated:

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<sup>167</sup> Submission 35, p 3.

<sup>168</sup> Public hearing transcript, Brisbane, 9 November 2022, p 1-2.

<sup>169</sup> Nicholas Condoleon, Veris, correspondence, 6 December 2022, p 2.



I and other representatives of Oasis Forest have attended quarterly meetings and annual general meetings (AGM) of the Basil Bay Residents Association (BBRA) (under the sub-lessee agreement, sub-lessees have automatic membership on the BBRA).

It was during one of these meetings (on or around 17 May 2022) that the topic of the construction of a new boat ramp was raised. The residents were advised that the removal of the existing boat ramp was a requirement of the Great Barrier Reef Marine Park Authority (GBRMPA) and as such it would be replaced once removed. However, the residents indicated that if Oasis Forest rebuilt a boat ramp in the existing location where the old boat ramp was going to be removed, it would not be used. The residents have indicated that their preference is to facilitate boat landings on Keswick Island via a jetty and pontoon and via a marina facility. Other residents have indicated they would like a boat ramp, but that it should be constructed in the same vicinity and part of the island, but not the same location as the jetty and pontoon.

...

As set out above, I and other representatives of Oasis Forest attend quarterly meetings and an AGM of the BBRA each year, and have done since the Head Lease was acquired. I or my personal representatives have attended 10 such BBRA meetings. During the Covid-19 pandemic attendance at many of those meetings occurred remotely due to border closures. I have visited Keswick Island in person several times in 2019 and 2022.

Separately, Oasis Forest has engaged two Community Managers and the sub-lessees have been provided with email addresses and telephone numbers which provide several avenues of communication to Oasis Forest representatives.<sup>170</sup>

In his response, Mr Jones did not provide substantive answers to questions asked by the committee regarding the reason for delay in development applications, or his understanding of various interactions between Oasis Forest agents and Keswick Island residents. In December 2022, Mr Jones declined an invitation by the committee to present at a public hearing.

On 2 March 2023, KIPA made the following submission with respect to Mr Jones' evidence to the inquiry:

Mr Jones' responses serve to strengthen our ongoing concerns and opinions, formed over many years. Namely that not only do head leaseholders feel that they can breach lease agreements and operate with impunity. They are comfortable with obfuscating the facts. They are emboldened by the unwillingness or incapacity for any form of investigation by any government agency and little or no response from the Department of Natural Resources or other Local and State Government Departments responsible for ensuring compliance with the Conditions of the Head Lease, Deeds of Agreement and other Regulatory frameworks that underpin the Keswick Island development.<sup>171</sup>

#### **4.1.5 Current development status**

The committee made inquiries with GBRMPA and with various state government departments to ascertain the status of development, and the head lessee's compliance with environmental regulations and lease conditions. Specific information was sought in respect of marine infrastructure.

The Great Barrier Reef Marine Park Authority advised the committee in December 2022 that a marine park permit was issued to Oasis Forest in December 2021 for the operation of marine facilities including a jetty, passenger pontoon, barge ramp and boat ramp, and the removal of an existing unpermitted boat ramp. It further advised that there is no existing marine park permit for the construction of a marina on Keswick Island.<sup>172</sup>

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<sup>170</sup> Peter Jones, Oasis Forest Limited, correspondence, 9 December 2022, p 4.

<sup>171</sup> Keswick Island Progress Association, correspondence, 2 March 2023, p 1.

<sup>172</sup> Great Barrier Reef Marine Park Authority, correspondence, 22 December 2022.

The Department of Resources advised the committee that:

An application for owner's consent for prescribed tidal works for a boat ramp within Lot 71 on SP285750 and an application for owner's consent for prescribed tidal works for a jetty, pontoon, and gangway within Lot 71 on SP285750 was made to the department on 4 April 2022. Both applications were finalised on 8 April 2022, with owner's consent provided.<sup>173</sup>

The department also advised that in respect of its dealings with Oasis Forest:

The Department has received responses within a reasonable timeframe from Greaton as the lessee's representative. For more complex matters, such as dealing with required approvals and development of the proposed marina, responses have not been as prompt. The response timeframes however are in line with other lessees for similar substantial and complex developments.<sup>174</sup>

At a public hearing on 20 February 2023, department representatives were asked about the delivery of marine infrastructure by Oasis Forest under the lease conditions.

**Ms Bartlett:** The department is working with Keswick and Oasis Forest. They have recently changed the design of that jetty. That has actually had approval of GBRMPA just recently and the department provided ministerial consent for that work to go ahead. That ministerial consent has a six-month time frame on it. That has now lapsed, but they can come back and ask again. We understand that they will be commencing work on that very shortly.

**Mr MILLAR:** Is it concerning that it has taken so long and that the head lessee has not provided what is basic infrastructure not only for the island's residents but also for safety. I guess I am coming from a situation where we had to jump onto a tender to get to the island. Surely this would be urgent, wouldn't it?

**Ms Bartlett:** Yes, it is, and we are working with them within the legislative framework that we have in place currently.<sup>175</sup>

On 24 February 2023, in response to a question on notice, the department further advised:

When China Bloom (Hong Kong) Limited (now known as Oasis Forest) purchased the leases in 2019, the milestones for construction of the marina had already passed. During the transfer process, Resources negotiated with the purchaser for a lease condition amendment application to be made (following consultation with the sublessees) to change the relevant milestone dates. The proposed amendment was required to re-baseline the milestones to provide a reasonable period for the new owner to obtain approvals and construct the infrastructure.

Since 2019, there has been a significant amount of communication between Resources and Oasis Forest in relation to the marina development. Noting the impacts of COVID-19 in 2020, prelodgement meetings with Resources and other State and Commonwealth agencies including the Great Barrier Reef Marine Park Authority (GBRMPA) did not occur until May 2021.

Throughout 2021, Oasis Forest provided a variety of written reports to State and Commonwealth agencies to support its request for approval of the construction for the marina, with a prelodgement meeting held in 2022.

The proposed amendment to the milestone conditions has not been finalised. Resources understands Oasis Forest is in further discussions with the GBRMPA regarding its requirements for approval of the proposed marina.<sup>176</sup>

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<sup>173</sup> Department of Resources, correspondence, 16 January 2023, p 5.

<sup>174</sup> Department of Resources, correspondence, 16 January 2023, p 5.

<sup>175</sup> Public briefing transcript, Brisbane, 20 February 2023, p 2.

<sup>176</sup> Department of Resources, correspondence, 24 February 2023, p 1.

The committee sought further information from DES regarding resident allegations that Oasis Forest had breached environmental regulations during its tenure as head lessee for Keswick Island. DES advised:

Officers of the Department of Environment and Science (the department) attended Keswick Island on multiple occasions in 2020 to respond to concerns about works conducted by the head lease holder at the time, China Bloom (Hong Kong) Pty Ltd and its agent Greaton Keswick Pty Ltd (Greaton Keswick).

The department finalised its investigation into alleged works conducted by the head lease holder on the beach at Basil Bay and did not observe any evidence of damage to turtle nests or permanent impact to habitat during inspections.

...

The department required Greaton Keswick to install measures to temporarily improve erosion and sediment control at Jetty Road. In January 2021, the head lessee advised the department that temporary works to stabilise Jetty Road had been completed, including the application of polymer soil binder. The temporary works at Jetty Road has resulted in the head lessee complying with its general environmental duty, and there are no outstanding actions required by the department on this matter. The ongoing issues in relation to approvals for the long-term remediation of Jetty Road and the construction of the temporary boat ramp fall within the jurisdiction of the Mackay Regional Council and the Department of Resources.

...

The department can confirm that it has not issued any penalties to the head lease holder.<sup>177</sup>

### **Committee comment**

As a committee, we know that disputes between landlords and tenants can get pretty ugly. When that happens, avenues of recourse exist. In making that statement, we recognise that the situation on Keswick Island is not that of landlord and tenant, but one of head lessee and sub-lessee. It is a commercial arrangement, which arises under the *Land Act 1994*, on land for which the State is landowner. Notwithstanding this, the sub-lessees of Keswick Island are residents of that place, and deserve to have the level of amenity that was promised to them when they originally agreed to purchase their Keswick blocks. This amenity should extend not only to basic services and infrastructure, but also to their ability to deal with their interest in land in a way that suits them – whether that be constructing a residence or selling their block.

It is patently evident that appropriate and timely dispute resolution processes have not been available to the residents of Keswick Island. For that reason, in this Report we have made Recommendation 8 that *the Minister should consider whether any lease dispute relating to tourism leases under the Land Act 1994 should be overseen by the Queensland Civil and Administrative Tribunal as a commercial lease dispute*, and Recommendation 12 that *the Minister should consider allowing Queensland Civil and Administrative Tribunal dispute mechanisms to be accessed by sub-lessees of tourism leases or unit holders in tourism lease resorts*.

That the residents of Keswick Island cannot routinely and conveniently come and go from their place of residence is also unacceptable. During this inquiry, we heard conflicting accounts of whether people can easily travel by plane, barge, and boat to and from the island. It is not for us to determine the veracity of these claims. It is however, within our scope to insist that the requisite marine infrastructure necessary to support regular maritime transport, namely a jetty, pontoon, boat ramp and marina (the design of which must comply with planning and environmental regulations), is provided as a matter of urgency to the residents of Keswick Island. Provision of this is a condition of

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<sup>177</sup> Department of Environment and Science, correspondence, 28 June 2022.

the head lease for Keswick Island, which the head lessee has had since 2019 to comply with, and which the head lessee continues to be in non-compliance with. To that end we note our Recommendation 1 of this report that *the Department of Resources should take immediate action to cancel tourism leases where lessees have been determined by departmental audit within the last three years to be non-compliant with lease conditions, subject to the requirements of natural justice*. It was not clear to us on the evidence submitted by the Department whether Keswick Island is subject to a current audit of lease conditions. If it is not, it should be.

In respect of the allegations of environmental damage that have been levelled by residents against Oasis Forest, we note the advice from relevant departments that these were investigated and mitigated. To ensure that any further development on Keswick Island complies with regulation, we note this report's Recommendation 6 that *legislative reform should be considered to ensure fines - suitably proportionate to the gravity of the damage - are applied to tourism leaseholders who do not comply with public health and safety and environmental regulations at any point of their tenure as head lessee*.

We commend KIPA on their efforts to continually advocate for the future of Keswick Island, and note their contingency planning in respect of any change in head lessee arrangements that might arise in the future. The evidence that we heard as a committee regarding the positive outcomes that are being generated by the master planning process underway for Great Keppel Island suggests that this type of process might also be of benefit to Keswick Island, given the residents' willingness to be consulted and engage with relevant stakeholders around the island's future, as evidenced by their appropriate engagement with traditional owners the Yuwibura Peoples.

Finally, we note the evidence from Oasis Forest and other submitters that obtaining permits for developments that fall within the jurisdiction of multiple levels of government is complex, repetitive and onerous. This has informed our Recommendation 17 that *the Minister should consider obtaining tripartite agreement between local, state and commonwealth government to establish a full-service (one-stop shop) provider to coordinate all necessary approvals, permits and licences required to develop and operate a tourism lease on Queensland island resorts*. However, we also received submissions that suggest Oasis Forest and its agents have sometimes been less than constructive in their dealings with various government agencies regarding the approvals they are seeking, and this correlates with evidence from Keswick Island residents about their experience of communicating and engaging with Oasis Forest and its agents. It also resonates with our own experience as a parliamentary committee engaging with Oasis Forest. Its agent declined to appear before the committee to provide responses to some very concerning allegations made against Oasis Forest, and the written responses that we did receive, particularly the response from Mr Peter Jones as development manager for Keswick Island, were generally unhelpful. We emphasise that this type of approach to interacting with the government that owns the land on which Oasis Forest hopes to maintain its head lessee status should not continue.

## Appendix A – Submitters

<b>Sub #</b>	<b>Submitter</b>
001	Glen Philpott
002	Adrian Hayne
003	Lyndie Malan
004	Rachael Cameron
005	Shane Ryan
006	Philip Greetham
007	Susann Vetma
008	Grace Field
009	Vicki Rice
010	Ray Maxwell
011	Helen Buick
012	Elmer Ten-Haken
013	Capricorn Conservation Council
014	Whitsunday Conservation Council
015	Dr Kerry Outerbridge
016	Keswick Island Progress Association
017	Amber Lee
018	Malcolm Elliott
019	Heather Griffiths
020	Peter Kennedy
021	Laurence Robertson
022	Barbara Hanley
023	Valerie McGrow
024	confidential submission
025	Diane Vandenhoven
026	Lucy Rose
027	Suzanne Draper
028	Darrell and Lesley Anne Kane
029	Tony Richards and Clive Abbott
030	Lucia Grimmer
031	Mackay Isaac Tourism
032	Bernie Tonga

## Inquiry into the economic and regulatory frameworks for Queensland island resorts

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033	Association of Marine Park Tourism Operators
034	Amanda Camm MP
035	Nicholas Condoleon of Veris Australia, on behalf of Oasis Forest Limited
036	Capricorn Enterprise
037	Michael Powell
038	Local Government Association of Queensland
039	confidential submission
040	Hamilton Island Enterprises Limited
041	confidential submission
042	Craig Gilberd
043	Julie Willis
044	Queensland Tourism Industry Council
045	Stephen Gummer
046	Awesome Blue Realty, Karen Cooke
047	Brittany Lauga MP
048	Whitsunday Regional Council
049	Mackay Regional Council
050	Col Wilson
051	Cape York Land Council
052	Department of Resources (on behalf of the Queensland Government)

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## **Appendix B – Officials at public departmental briefings**

### **Monday 20 June 2022**

#### **Department of Resources**

- Mr Lyall Hinrichsen, Executive Director, Lands Policy and Support
- Ms Tanya Bartlett, Executive Director, Land and Surveying Services

#### **Department of Environment and Science**

- Mr Neil Cambourn, Executive Director, Queensland Parks and Wildlife Service

#### **Department of Tourism, Innovation and Sport**

- Mr Jeffrey McAlister, Deputy Director-General, Tourism Infrastructure and Investment

### **Monday 20 February 2023**

#### **Department of Resources**

- Mr Lyall Hinrichsen, Executive Director Lands Policy and Support

#### **Department of Tourism, Innovation and Sport**

- Ms Tanya Bartlett, Executive Director Land and Surveying Services Department of Tourism, Innovation and Sport

#### **Department of Environment and Science**

- Ms Gayle O'Brien, A/Deputy Director General Tourism
- Mr Neil Cambourn, Executive Director, Queensland Parks and Wildlife Service

## **Appendix C – Witnesses at public hearings**

### **Brisbane - Monday 20 June 2022**

- Mr Ray Maxwell

### **Brisbane - Monday 15 August 2022**

#### **Queensland Tourism Industry Council**

- Ms Esther Anderson, Senior Research and Policy Officer

### **Cairns - Monday 22 August 2022**

#### **Tropical Palm Cove**

- Mr Tony Richards, Co-ordinator Palm Cove Precinct
- Mr Clive Abbott, Co-ordinator Palm Cove Precinct

#### **Cape York Land Council**

- Mr Terry Piper, Acting Chief Executive Officer

### **Airlie Beach - Tuesday 23 August 2022**

- Ms Amanda Camm MP, Member for Whitsunday

#### **Whitsunday Conservation Council**

- Mr Tony Fontes, Vice President
- Ms Faye Chapman, Secretary

### **Mackay - Wednesday 24 August 2022**

#### **Mackay Regional Council**

- Ms Aletta Nugent, Director Development Services
- Mr Peter Ware

### **Keswick Island - Thursday 25 August 2022**

#### **Keswick Island Progress Association**

- Mr Craig Gilberd, President
- Ms Julie Willis
- Mr Col Wilson
- Mr Adrian Hayne
- Ms Lesley Anne Kane
- Mr Lee McGrow



**Yeppoon - Friday 26 August 2022**

- Ms Brittany Lauga MP, Member for Keppel

**Capricorn Conservation Council**

- Mr Stephen Elson, Vice President

**Capricorn Enterprise**

- Ms Mary Carroll, Chief Executive Officer

**Brisbane - 29 August 2022**

- Mr Philip Greetham
- Ms Karen Cooke

**Brisbane - 9 November 2022**

**Veris Australia (on behalf of Oasis Forest Ltd)**

- Mr Nicholas Condoleon, Lead Town Planner, Mackay and Whitsundays

## Appendix D - Abbreviations

AMPTO	Association of Marine Park Tourism Operators
CYLC	Cape York Land Council
DES	Department of Environment and Science
DSDILGP	Department of State Development, Infrastructure, Local Government and Planning
DTMR	Department of Transport and Main Roads
EIS	Environmental Impact Statement
FMCA	Financial and managerial capability assessment
GBR	Great Barrier Reef
GBRMPA	Great Barrier Reef Marine Park Area
GBRWHA	Great Barrier Reef World Heritage Area
GKI	Great Keppel Island
KIPA	Keswick Island Progress Association
LGA	Local Government Area
LGAQ	Local Government Association of Queensland
QTIC	Queensland Tourism Industry Council
WCC	Whitsunday Conservation Council
WRC	Whitsunday Regional Council

