

27 February 2004

Attention: Ms Michelle Cross
Native Vegetation Inquiry
Productivity Commission
Locked Bag 2, Collins Street East
Melbourne VIC 8003

Re: **Draft Native Vegetation and Biodiversity Legislation Inquiry Report**

The Queensland Resources Council (QRC) is the peak body representing companies engaged in exploration, development, production, and processing of mineral resources in Queensland. One of the QRC's objectives is to work with our member companies and the Queensland government to ensure a fair and certain regulatory regime for the environmental management of mining in Queensland.

As such we are interested in the draft Productivity Commission findings from the Inquiry into the impact of biodiversity legislation across Australia.

We understand that you did not receive any significant submissions from the resources sector and that comment on the draft report has closed. However the QRC's Environment Committee requested that we write to the Productivity Commission to relay our support for your findings and recommendations and to place on the public record our impressions of the impact of biodiversity legislation on the resources sector.

It is noted that the draft Report was almost entirely directed to the impacts of legislation on clearing of native vegetation by primary producers and that the draft Report made only passing references to the impacts on the mining industry, largely as a result of the lack of submissions made by the mining and resources sector.

The QRC has reviewed the draft report with particular attention given to the references to matters within biodiversity legislation that has the capacity to either directly or indirectly affect the mining industry in Queensland. Some industry comments on relevant points made in the report are below:

- The environmental management of the mining industry is controlled through specific state legislation and regulation, which include regulation on land clearing and vegetation management. By its very nature, mining must occur where the resource is found. Vegetation management is becoming a significant issue by adding to approval and operational costs without necessarily providing an improved environmental outcome, particularly if the community are seeking a final land use other than native forest or bushland. In addition, the need for re-vegetation and planting requirements are starting to be demanded as offsets for clearing approvals.

- This submission supports the observation that there is also a need to upgrade the quality of data on which decisions are based (eg ground surveys to verify satellite mapping) and to provide mechanisms for data revision and updating". There is significant cost to industry of undertaking surveys and obtaining regulatory acceptance of the revised data.
- Although it is likely that mining companies are better placed to work through the biodiversity legislative maze compared with individual landowners, it can still be a prolonged process with significant direct and holding costs. The frustration and confusion noted by primary producers is understood.
- We particularly would like to note what appears to be the growing potential of the *Environmental Protection and Biodiversity Conservation Act* (EPBC) to impact on the mining and resources sector. We specifically refer to the recent federal court finding on the Nathan Dam case which for the first time found that it was not just the direct impact of the activity which needed to be considered under the EPBC, but also the future downstream indirect impact of the project.
- With large open cut mines, the actual lease area is usually significantly larger than the lands that will be disturbed during the life of the mine. Often that land has been operated as a grazing property and/or farm and has been previously cleared. Prior to commencement of mining operations, the land will be de-stocked and in the absence of stock, extensive areas of natural regrowth develop on the property. Land clearing occurs in advance of mining operations in accordance with the site specific mine plan. The Commission noted the perverse outcomes from the implementation of current legislation particularly in relation to the definition of regrowth. In the resource industry's case clearing may not occur until some 20-30 years after the commencement of mining, so this difficult definitional issue could potentially have a major impact on final land use and successful rehabilitation criteria.
- We therefore support the observation that "incentives for landholders to care for, conserve or re-establish native vegetation voluntarily have been diminished because they fear the harvesting or use of native vegetation may be prohibited in future. From the landholders' perspective, native vegetation loses its private value and becomes a liability". Thus while companies may wish to retain vegetation while long term mine planning is undertaken, short term decisions may be made to clear areas to preserve future access.

If you would like to speak with the QRC about any of the points we have raised, please contact me on (07) 3295 9560.

Yours faithfully,

Frances Hayter
Environment and Indigenous Affairs Policy Adviser