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28 May 2014

Committee Secretary
Senate Standing Committees on Environment & Communications
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Parliament House
Canberra ACT 2600

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Dear Committee Secretary,

# <u>Senate Standing Committees on Environment & Communications Inquiry into Management of the Great Barrier Reef</u>

Ports Australia is the peak industry body representing all port authorities and corporations, both publicly and privately owned, at the national level. Ports Australia is a constituted company limited by guarantee with a Board of Directors, comprising the CEOs of nine member ports. Our website is at www.portsaustralia.com.au

We refer the Committee to our submission on the Environment Protection & Biodiversity Conservation Amendment (Bilateral Agreement Implementation) Bill 2014 and Environment Protection & Biodiversity Conservation Amendment (Cost Recovery) Bill 2014 (dated 26 May 2014) which contains comments on the Great Barrier Reef Marine Park Authority (GBRMPA).

We have also had the opportunity to read a draft copy of the submission to the Committee by the Queensland Ports Association and we support that submission in its entirety.

## <u>Introduction</u>

Australia has 42 commercial ports, 20 of which are significant in scale. Our ports manage the fourth largest shipping task in the world. Australia's seaborne trade is worth about 97% of our total trade in goods. Robust growth is forecast for the container, bulk and break bulk trades. Port container throughput is predicted to increase somewhere between three and six times in the next 25 years. The container task is predicted to double by 2030. In the bulk trades, 350 million tonnes of iron ore was exported in 2008/09 and that is predicted to grow to 800 million tonnes by 2030. 260 million tonnes of coal was exported in 2008/09 and that is predicted to grow to 700 million tonnes by 2030. LNG is predicted to become our leading bulk export by value.

Dredging is not an indulgence but an economic imperative. Channels are key pieces of national economic infrastructure and their capacity determines supply chain performance. The ports community is using its best endeavours to work constructively with environmental agencies. Ports are taking a highly precautionary approach to risk. We are seeking better processes, not less rigour.

# Management of the GBR by the GBRMPA

Port proponents have increasingly experienced less certainty with environmental assessment and approval conditions from the GBRMPA. Ports are continually striving to be good environmental citizens. We do not support a lessening in standards or the rigour applied to assessments and

approvals. Rather, we require a coherent management approach from GBRMPA that provides clarity on process and adherence to specified time frames instead of capricious regulation that adds a significant cost to projects and is becoming increasingly detached from the macro-economic goals of the Government.

Ports are fulfilling their obligations with environmental assessments for projects within the World Heritage Area and the Great Barrier Reef Marine Park in Queensland. However, our attempts to be willing participants in a clear and transparent assessment process are not reciprocated by GBRMPA.

All of the ports located in the GBR region continue to apply a high precautionary approach with new development proposals, given their long association with the Reef and their profound stake in its health and well-being. However, this outcome is at risk by uninformed rhetoric about the impact of port developments in the broader GBR which, among other things, is not based on good scientific evidence or objective analysis. Claims around the environmental impacts of dredging and shipping in Queensland ports have been exaggerated whereas scientific research has indicated that the impacts are at a low or minimal level. We reiterate that port developments and shipping activities are not recognised as the primary impacts upon the Reef.

The management of GBRMPA needs to implement some significant changes to its regulatory processes and ensure an efficient environmental management process for the port industry whilst maintaining the current high level of environmental protection.

By way of example, Ports Australia has expressed its extreme disappointment in the process adopted by GBRMPA for the Dredge Management Research under the Regional Sustainability Program as part of the Great Barrier Reef Strategic Assessment.

We have documented and briefed the Department of Environment in considerable detail describing our very significant concerns about the Dredge Management Project - issues include a lack of procedural fairness and demonstrably flawed technical assessments and scientific credibility.

GBRMPA senior management acknowledged the concerns about the process and agreed to investigate the issues raised by ports. The Queensland Port Association and GBRMPA agreed to develop an Interpretative Paper which accompanies the technical reports on the GBRMPA website to explain the considerable limitations of the technical reports. The process has however resulted in substantial reputational damage to the port industry and media reports and other references to the Dredge Management Research continue to omit reference to the corrections and clarifications in the Interpretive Statement.

#### Ports Australia Report Dredging and Australian Ports

In our previous submission on the amendments to the EPBC Act, we spoke of the report commissioned by Ports Australia, *Dredging and Australian Ports*. The report aimed to bring factual information about the impacts of dredging which had been deliberately misrepresented by some groups, particularly in relation to impacts on the Great Barrier Reef.

Community concern often focuses on the effects of toxicants such as heavy metals, however, the vast majority of dredging in northern Australian ports involves clean sediments and, where any toxic materials are identified, it is disposed of on land not at sea.

The report demonstrates the substantial effort and resources that ports put into responsibly assessing and managing dredging projects to protect areas of high conservation value. Ports have a proven and positive record in relation to dredging and continually strive to ensure they adopt the latest dredging modelling and management techniques.



The report's findings also confirm that dredging and dredged material placement are subject to detailed and complex approval processes under international, commonwealth and state legislation. These processes are supported by Australia's *National Assessment Guidelines for Dredging* (NAGD) which are internationally recognised as leading practice. The report steps through these processes and confirms the rigour of those tests that must be applied to secure permission to dredge and place dredge material at sea.

The report further demonstrates that Australia's shipping channels are key pieces of national economic infrastructure and like our road and rail networks need to be maintained and developed to support the competitiveness of our economy. As stated above, a substantial portion of Australia's GDP is generated by our seaborne trade with direct implications for Australian industries and jobs.

## Assessments and Approvals by the Department of Environment & GBRMPA

The Department of Environment delegates impact assessment processes to GBRMPA for dredging projects within the GBRMP. However, ports are experiencing issues with the basis for some of GBRMPA's advice and the Department often conducts its own assessment and includes additional requirements.

As part of the government's one-stop-shop process and the internal strategic review of the Department, we propose that assessments and referrals under the EPBC Act, Sea Dumping Act and the GBRMP Act should be undertaken by a single, Canberra based team.

One team working across all of the legislative requirements would provide a much higher degree of consistency and regulatory certainty and better communication with proponents. One team would reduce the burden on proponents, make the internal processes considerably more efficient, eliminate duplication and reduce the overlap between different regulators who are essentially undertaking a similar function.

# Conclusion

Ports Australia believes that port development can and must be permitted to continue in an environmentally responsible manner whilst ensuring that the Outstanding Universal Value of the World Heritage Area is protected together with the values of the Great Barrier Reef Marine Park.

We are requesting that the Committee recommends that the management of GBRMPA improves and streamlines its environmental approval processes and delivers regulation that is based on sound scientific principles, and considers real-life operational practicalities, economic imperatives and cost effectiveness. This can only be achieved through a stable, predictable, timely and transparent assessment and approval process by a single team in Canberra.

Thank you again for the opportunity to provide a submission to the Committee.

Yours faithfully, David Anderson Chief Executive Officer

