

Implications of “State Significant Projects” in Queensland

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Abstract

The acknowledgement of state significance in relation to development projects can result in special treatment by regulatory authorities, particularly in terms of environmental compliance and certain economic and other government support measures. However, defining just what constitutes a “significant project”, or a project of “state significance”, varies considerably between Australian states. In terms of establishing threshold levels, in Queensland there is even less clarity. Despite this lack of definition, the implications of “state significance” can nevertheless be considerable. For example, in Queensland if the Coordinator-General declares a project to be a “significant project” under the *State Development and Public Works Organisation Act 1971*, the environmental impact assessment process may become more streamlined – potentially circumventing certain provisions under *The Integrated Planning Act 1997*. If the project is not large enough to be so deemed, an extractive resource under the *State Planning Policy 2/07 - Protection of Extractive Resources 2007* may be considered to be of State or regional significance and subsequently designated as a “Key Resource Area”. As a consequence, such a project is afforded some measure of resource protection but remains subject to the normal assessment process under the *Integrated Development Assessment System*, as well as the usual requirements of the vegetation management codes, and other regulations. This paper explores the various meanings of “state significance” in Queensland and the ramifications for development projects in that state. It questions the existence of a strategic threat to the delivery of an already over-stretched infrastructure program.

Keywords

Project; state significance, significant project, resource, KRA

Methodology

In conducting a literature review of state significance and its meaning in the Australian context, this paper examines relevant legislative framework under which it operates, with a focus on Queensland. In the process a number of examples in relation to large infrastructure projects are provided. The purpose of the analysis is to identify any gaps or issues in relation to state significant projects – particularly that related to definitional matters - and investigates the consequences of any discretion this gap provides to government including impact on their decision making.

Whilst this paper falls short of recommending a comprehensive framework for Queensland, a preliminary structure is suggested, providing an insight as to how such projects could be better defined. This may provide the means for greater accountability, as well as increased transparency for decision-makers.

Introduction

“Significant Projects” in Queensland are not clearly defined. However, references to significant projects, or resources deemed to be of State significance, are found in the State Planning Policy 2/07, and the State Development & Public Works Organisation Act 1971. These references have important implications in terms of associated planning and environmental legislation at both state and national levels.

Taking into account the above legislation, and with the application of deductive elements, the likely thresholds as to what constitutes a project of State significance can be estimated. For example, a basic tenet would seem to be that such a project is likely to represent at least \$50 million in investment capital.

In Queensland, the term can also be applied to Areas of state significance in the context of cultural heritage. This is achieved through the Queensland Heritage Register established under the *Queensland Heritage Act 1992*. This Register contains a list of places, trees, natural formations, and buildings of cultural heritage significance – similar arrangements are held in other states of Australia, however, that context is outside the scope of this Report.

The categorisation of projects having special significance for a State is important since such projects typically facilitate economic growth - often in a very substantial way. Therefore, streamlining the assessment process in order to minimise constraints acting on the state’s development for such projects has potential to positively impact economic growth in a commensurately significant way. This is entirely consistent with regional outcomes characteristically identified for supporting economic development. In many instances it will also be directly related to infrastructure cost structures, which in turn has a substantial impact

on housing affordability and other matters of considerable social and economic significance to broad sectors of the population.

State Planning Policy 2/07

The *State Planning Policy: Protection of Extractive Resources* is a statutory instrument under the IPA (*Integrated Planning Act, 1997*). The State Planning Policy (SPP) 2/07 “identifies those extractive resources deemed to be of State or regional significance where extractive industry development is appropriate in principle, and aims to protect those resources from developments that might prevent or severely constrain current or future extraction when the need for the resource arises” (*State Planning Policy 2/07 - Protection of Extractive Resources and Guideline, 2007*). The location of such extractive resources are known as Key Resource Areas (KRAs), each of which contains a resource/processing area (generally identifying the location of the extractive resource), a separation area, and an associated transport route. SPP 2/07 seeks to ensure that as far as practicable, development within a resource/processing area, the separation area of a KRA and the associated transport route’s separation area are compatible with existing or future extractive industry.

To be considered for inclusion as a Key Resource Area (KRA), a resource is assessed in the context of its size, production capability, market, scarcity of a particular commodity, and for specialised need such as strategic infrastructure developments. According to the DME (<http://www.dme.qld.gov.au/mines/>), if a resource meets any of those criteria, the resource area's social, cultural and environmental values will be considered in defining the boundaries of a potential KRA. Relevant stakeholders will also be consulted. The resource is then nominated for approval as a KRA under the Policy. A development assessment process is still required to determine if and how an extractive industry operation may proceed.

It may be observed that those resources that have some measure of scarcity, size, and / or good potential to be utilised as key raw materials in strategic infrastructure developments are most likely to meet the criteria for consideration as a KRA. Under the relevant State Planning Policy, they potentially therefore represent a resource of State or regional significance. If so deemed, subject to appropriate environmental controls, it would become a “protected” resource –meaning essentially that conditional development can be permitted. Such projects may not formally constitute a project of “State Significance” especially where the likely level of investment is relatively modest. Nevertheless, it may have potential to be a project of significance to the state, particularly if the resource involved assists overcoming in some way constraints acting upon the future growth of Queensland. Inclusion of smaller projects as KRA’s is therefore a constructive approach especially where there is a key tactical value in strategic infrastructure development. Under definitions provided in the relevant Queensland State Planning Policy, it can potentially represent an “extractive resource of State or regional significance”. Subject to the exercising of appropriate environmental controls, this approach allows such projects to become a protected resource, ensuring its development will not be

prevented or constrained.

While SPP 2/07 endorses the principle of extractive industry development in a resource/processing area of a KRA and identifies appropriate transport routes, development applications for new extractive industry operations in a KRA are subject to the normal assessment process under the ‘Integrated Development Assessment System’ (IDAS). The policy also recognises that extractive industry development in certain KRAs will need to comply with the requirements of the vegetation management codes under the *Vegetation Management Act 1999*, particularly where there are State or regional biodiversity values.

Support of State Planning Policy & Designated Key Resource Areas by Environmental Groups

Environmental lobby groups in Queensland are generally concerned with the effectiveness of the State Planning Policy to adequately incorporate consideration of environmental impacts. Policies adopted by environmentalists tend to centre on a perceived inability to obtain a balance between the protection of ecological processes, and economic development. That is, it is often argued that the balance is too heavily in favour of the promotion of industry and economic development. For example the Environmental Defenders Office in Queensland are concerned with the State Planning Policy’s failure to “adequately incorporate consideration of the environmental impacts of extractive industries” with the result that “extractive industries in areas of high conservation value and areas of endangered or of concern regional ecosystems” should be excluded to “address this imbalance” (Bragg & Cull, 2004). Such argument typically directs itself in the context of the need to minimise the loss of good quality agricultural land or koala habitat.

Primary issues include concerns over the ability of developers to be able to rehabilitate areas to full pre-development ecological conditions. Loss of scientifically valuable vegetative species, within a reasonable time-frame, as well as other environmental issues including impact on scenic amenity, and impact on fauna, are also frequently cited concerns.

The State Development & Public Works Organisation Act 1971 (Qld) and Relevance of Large Infrastructure Projects

Whilst there appears to be no statutory guidance on what constitutes a state significant project in Queensland, under the State Development Act (*State Development and Public Works Organisation Act 1971*), there are no limitations imposed on the power to declare a significant project – it is at the discretion of the Coordinator-General whom declares a project to be a “significant project”. Further, whilst significant projects are not limited to mining and

energy projects it is observed (Leong, 2005) that as a matter of practice it is likely that the project will need to involve at least \$50 million in investment.

Examples of projects which have been declared significant projects by the Coordinator-General include (approval dates bracketed) the \$3 billion Aldoga Aluminium Smelter, Gladstone (2001); the Gateway Upgrade Project, Brisbane (2003); the 800 hectare Prawn Aquaculture Facility, Elliot River, Bowen (2001); the \$85 million Dent Island Golf Course Resort, Whitsundays (2001); construction of a marina complex - Port of Airlie Marina Development, Boathaven Bay, Airlie Beach (2000); and the \$193 million investment in Shute Harbour Marina Development, Whitsundays (2003).

For projects declared state significant, this Act effectively provides a means for circumventing certain provisions under IPA and other statutory requirements typically taken into consideration by developers – particularly that related to environmental legislation. Whilst the potential for circumvention exists, there may be strong economic arguments for supporting, and “fast-tracking” projects that can assist in meeting some of the critical infrastructure needs in Queensland, and south-east Queensland in particular.

Large scale infrastructure projects likely to be declared state significant have particular import for Queensland since an unprecedented level of investment in these projects are planned for implementation over the next decade. This is highlighted in a recent submission by the Council of Mayors, SEQ (CMSEQ) (*South East Queensland One Community - A Case for further Federal Government Investment in South East Queensland Infrastructure*, 2008) where \$11.84 billion of “priority one” strategically important infrastructure projects have been identified. Some of these 12 projects are mentioned above, but in any event they are all, by any reasonable measure, “state significant”. They include the Gold Coast Railway Extension, Pacific Motorway upgrade: Gateway Motorway to Logan Motorway, duplication Acacia Ridge to Port of Brisbane Rail Line, Redland City to Port of Brisbane Corridor (Tilley Rd Extension), Kingsford Smith Drive Corridor, Petrie to Redcliffe Multi Modal Corridor, Caboolture to Maroochydore Corridor Options Study., Rail: Beerwah to Maroochydore, North Coast Rail Line Upgrade, Sunshine Coast Airport Runway, Rail Capacity Upgrade – Rosewood – Ipswich – Brisbane rail line, Replacement of Timber Bridges in Lockyer Valley, Scenic Rim and Somerset Regional Councils, and the Toowoomba Bypass project. The CMSEQ submission provided an evidence-based argument detailing the need for and benefits from further infrastructure investment in the South East Queensland (SEQ) region that would “address infrastructure deficits in the South East Queensland region; enhance economic activity; lessen congestion on the drive to and from work; enhance existing road and public transport networks and have minimal impacts on the environment”.

This CMSEQ bid was intended to “enhance” the Federal Government’s \$20 billion commitment to the infrastructure task facing Australia, designed inter alia to assist a significant number of local, state and federal funded projects as identified in the SEQ Infrastructure Plan and Program (SEQIPP) 2008-2026. These projects are considered to be

“strategically important infrastructure projects” providing interconnection and integration when linked with existing and committed infrastructure projects across the region. The SEQIPP now identifies more than \$107 billion worth of investment over the next 18 years in transport and freight, water, energy, information and communication technology, industry development, and social and other community infrastructure. This includes \$83.5 billion in road, rail and public transport projects including investigations, over \$12 billion in social and community infrastructure, \$8 billion in water infrastructure, and \$3.5 billion spending on energy (*South East Queensland Infrastructure Plan and Program 2008-2026* 2008).

In prioritising the infrastructure projects, the CMSEQ report cited references relating the seriousness of Queensland’s “infrastructure crisis”, underpinned by the pace of growth of Queensland’s population especially in the south-eastern corner and above average growth. Queensland’s problems on the Sunshine Coast were singled out and described as being “acute”, with “new concentrations of young families and senior citizens facing challenging infrastructure needs”.

These issues highlight arguments in favour of streamlining processes that facilitate the removal of constraints caused by over-regulation. This is not to say that prudent environmental, planning and other controls need to be removed as a matter of expediency; rather, it represents an argument for an imperative that focuses on the quality or strength of regulation rather than quantum of regulation. Research involving inter-country comparisons has sometimes concluded that a *strong* government role (as against the *quantum* of government involvement) in urban policy and land regulation can actually explain the achievement of very positive outcomes. For example, it has been demonstrated that a strong government role in urban policy and land regulation has facilitated higher levels of affordable housing achieved through the planning process in the United Kingdom and the Netherlands, in comparison to Australia and North America (Gurran et al., 2007).

Therefore, a case exists for the development of regulations that give special treatment to, or otherwise assist the fast-tracking of larger development projects. This is on the basis that such treatment should be applied only to those projects having the potential to address key infrastructure needs that, if otherwise inhibited, constrain state development and growth.

State Significant Projects and the Integrated Planning Act 1997 (“IPA”)

According to Leong (2005), if a development application is required for a material change of use or requires impact assessment – and has been determined to be a significant project - then the assessment process in IPA is modified. Essentially, the information and referral stage and notification stage of the integrated development assessment system (IDAS) does not apply – obviating the need for two out of the four stages in the assessment process. The Coordinator-General’s report (as per notes under *The State Development & Public Works organisation Act*

1971 above) is taken to be a concurrence agency’s response under IDAS, approved subject to conditions or otherwise refused.

There are advantages to a developer in going through the environmental impact assessment process under the State Development Act rather than the IPA. This includes the potential elimination of mandatory public notification requirements (public notification requirements are determined by the Coordinator-General), and the potential for greater weight to be placed on economic growth and jobs as a positive to offset environmental impacts – compared to that undertaken by an assessment manager under the IPA in assessing the Environmental Impact Statement [EIS] (Leong, 2005)¹.

Other Advantages of a Project declared a Significant Project in Queensland

Once a Project has been declared significant by the Coordinator-General, the environmental impact assessment process for a significant project is started. However, it is the Coordinator-General that formulates the terms of, and subsequently considers, the EIS, and as a consequence determines any include conditions which should be imposed on the project.

The declaration of a project as a significant project provides advantages to a developer if the project also requires approval under the EPBC Act (*Environment Protection and Biodiversity Conservation Act 1999 - Incorporating Amendments to: Act No. 38 of 2005* 2005). Under this Act the approval of the Commonwealth Environment Minister applies for projects that are likely to have a significant impact on a matter of national environmental significance. However, the EPBC Act incorporates mutual (bilateral) agreements to overcome duplication of environmental impact assessment processes at the Commonwealth and State levels. This means that instead of going through two different environmental impact assessment processes, only one process needs to be complied with. The Queensland Bilateral Agreement provides that the environmental impact assessment process for a significant project under the State Development Act is accredited for the purposes of the EPBC Act. That means that if a significant project needs an approval under the EPBC Act there is no need to go through the assessment stage under that Act and the project can proceed straight to the decision stage (Leong, 2005).

Another statute that provides additional benefits to a significant project is the *Queensland Vegetation Management Act 1999* (“VMA”) – now subordinated (*Vegetation Management & Other Legislation Amendment Act 2004, incorporating the Queensland Vegetation*

¹ Under the State Development Act the coordinating State government department is the Department of State Development whom may be more likely to give additional weight to economic growth and job creation, and therefore likely to be reflected in the decision on whether or not to grant a development approval for a significant project. This is because there is no information and referral stage and notification stage in IDAS for a significant project, which means the assessment manager is likely to be heavily influenced by the opinions as expressed by the Coordinator-General in his/her report assessing the EIS (Leong, 2005).

Management Act 1999, 1999). Whilst under VMA it is a policy of the Queensland Government to phase out broad scale clearing of remnant vegetation, a vegetation clearing application can still be made in relation to a significant project under the State Development Act.

Interstate legislation – meaning of “State Significance”

In determining the meaning of “state significance”, legislation or policy guidelines elsewhere in Australia may also provide further guidance. For example, the NSW Treasury have developed guidelines with a key purpose ensuring a whole-of-Government approach to the assessment of projects where the State has potential to incur substantial long-term or contingent liabilities. In this instance it has determined (*Commercial Policy Framework Guidelines for Assessment of Projects of State Significance (NSW) - Policy & Guidelines Paper*, 2002) that any project that satisfies one or more of the following criteria is deemed to be a Projects of State Significance:

- potentially controversial projects such as those that involve significant sensitivities in terms of economic, environmental or political risks;
- investment in activities interstate or overseas;
- involvement of the private sector in financial arrangements (including, but not limited to, joint ventures, joint financing arrangements, co-operative alliances, hybrid arrangements and power purchase agreements);
- complex or innovative projects with significant risks in terms of viability, procurement or Government commitment; and/or
- total value of the project (including debt and equity) in excess of \$100 million.

In Tasmania, a project of State significance takes a major development proposal outside the planning process established under that state’s *Land Use Planning and Approvals Act 1993* (as amended). The Resource Planning and Development Commission makes recommendations to government about a project of State significance, with the government making the final decision. Declarations are achieved under the *State Policies and Projects Act 1993* (Tas). A project is eligible to be a project of State significance if it possesses at least two of the following attributes:

- significant capital investment;
- significant contribution to the State’s economic development;
- significant consequential economic impacts;
- significant potential contribution to Australia’s balance of payments;
- significant impact on the environment;

- complex technical processes and engineering designs; and/or
- significant infrastructure requirements.

One such example is the Basslink project which was declared a project of State Significance under the State Policies & Projects Act 1993 (Tas). This large scale strategic infrastructure project links the Tasmanian and Victorian electricity grids by a combined subsea and overland high voltage, direct current interconnector between Tasmania and Victoria, enabling Tasmania to join the national electricity market (*Basslink - Project of State Significance*, 2002).

In Western Australia “Agricultural land of State and regional significance” are identified utilising assessment based on crops, climate, soil, water and other base characteristics. Its meaning within a “project context” is generally loose and not enshrined within statutory instruments. The Local Government & Department of Industry and Resources have developed a Protocol for future State Agreements and resources projects of significance to the State (*Protocol for future State Agreements and resources projects of significance to the State*, 2004). However, that document serves to recognise general principles of the State & Local Government Partnership Agreement encouraging cooperation and collaboration between the State and Local Government – it does not seek to clarify the meaning of state significance. Mention of “state significance” is also covered in the context of the Western Australian Regional Initiatives Scheme (WARIS) which provides grants from \$10,000 to \$250,000 for non-capital works projects designed to deliver benefits to two or more regions of the State in areas such as capacity building and leadership, youth support, population retention, environmental and natural resource management and research and development on regional issues and opportunities (“Regional Investment Fund - Regional Infrastructure Funding Program (RIFP),” 2008). The primary criteria for bid submission is that the project has “State significance” and fits the scheme guidelines, however once again there are no criteria provided which enable defining of state significance itself.

In Victoria, studies deemed to have State or Regional significance usually relate to a large project in a planning scheme / development context, or otherwise in relation to heritage or environmental matters. Projects identified by the Victorian Government as state significant (e.g. the Donald Mineral Sands Project in the Wimmera region of north west Victoria), usually cite the project’s ability to significantly contribute the local economy - high environmental and social standards are often mooted as part of the assessment criteria. Once again, a loose definition prevails except in an environmental or heritage context, e.g. Rainforest Sites of Significance are sub-catchments botanically identified, delineated and rated in a four tier system. The highest and most significant rainforests are given a national rating followed by state, and regional significance. The criteria used to determine rainforest significance parallel those adopted by the Australian Heritage Commission and cover ecological integrity and viability, richness and diversity, rarity, representation, evolutionary development, and scientific reference and education. There is also a geological context in Victoria, developed by the Geological Society of Australia (White & Mitchell, 2006) being a

methodology and protocol for assigning or reviewing geological significance (White et al., 2003)², with categories incorporating sites of International and National significance. The criteria for significance in this instance is related to whether a site can be “regarded as important” with reference to it being “representative or outstanding”.

In South Australia, the term “state significance” is used primarily in relation to *places* of state significance, or state “heritage areas”, rather than in relation to projects. There is no mention, for example, of state significance in the South Australia Strategic Plan or the Strategic Infrastructure Plan. However, major projects are identified in the Strategic Infrastructure Plan, and are used to guide new infrastructure investment by government and the private sector over the ensuing 5 to 10 year periods. In relation to places of significance, the State Heritage Register database includes an inventory containing places of local heritage value listed in any Development Plan, and places included on the Register of the National Estate and State Heritage Areas. It also includes all heritage agreements and variations to such agreements. Unlike most other states, in South Australia any individual or organisation can nominate a place to the State Heritage Register; however it lists mainly built environment places, including buildings, industrial and mining sites, monuments and cemeteries. Geological, archaeological and palaeontological areas can also be listed. Criteria for inclusion on the Register include demonstration of rare, uncommon or endangered qualities of historical, spiritual or cultural significance, or otherwise exhibiting a high degree of creative, aesthetic or technical accomplishment in construction techniques or design characteristics (Rechner, 2002).

The Australian Government also recognises local issues of State significance. For example, in the case of South Australia, examples include the formation of the Barker Inlet and Port River Estuary Integrated Management and Protection Strategy and the Lower lakes and Murray mouth initiative. Key projects identified in that state include: Sediment Transport Modelling, Encounter 2002 Program, Natural History of Nuyts Archipelago, Gulf St Vincent ten-year study, Regional Bio-icons and the Acid Sulfate Soils Project – data sourced from Australian Government (“Estuary Assessment 2000: South Australia - Australian Natural Resources Atlas,” 2007).

The table at Table 1 summarises the above information, providing a convenient comparison of the major salient features of each state’s position on state significance.

A Framework for Improving Criteria & Definition

NSW currently has the most tightly defined criteria for identifying projects of state significance. Project approval under the *Commercial Policy Framework Guidelines for the*

² GSA (Victoria) Heritage Subcommittee uses this methodology in conjunction with a customised database to be a manageable process for cataloguing and searching records. It enables work to be steadily built over time with multiple operators and provides an effective method for comparison of site information across the state (White & Mitchell, 2006)

Assessment of Projects of State Significance is undertaken at senior government levels with involvement by Treasury integral to the process. Projects likely to obtain approval are usually relegated to large, complex projects apt to have significant risk or otherwise involving significant sensitivities in terms of economic, environmental or political issues.

Much looser definitions of “state significance” exist in Victoria, South Australia and Western Australia, although all states in Australia have relatively stringent definitions in the context of heritage, historical or cultural places.

In Queensland, aside from the cultural and heritage context, state significance has a similar meaning to that identified in New South Wales, although the projects by comparison can be somewhat smaller even if captured under the State Development & Public Works organisation Act 1971. By way of contrast, projects identified as “Key Resource Areas” and therefore of “state or regional significance” can be of almost any size provided they demonstrate some unique aspect relating to production capability, market, scarcity, or specialised need especially where they might relate to a material requirement for a strategic infrastructure development. The resource area's social, cultural and environmental aspects are also taken into account. Accordingly, this framework appears to be a useful mechanism by which extractive resources can be effectively protected.

It can be seen then that each state’s approach has its own advantages, disadvantages, and peculiarities, with criteria developed generally as a political response to particular challenges presented over time. It may be noted that most states have developed criteria that is enshrined, or at least supported, by legislative or statutory instruments. However, this does not always translate to a clearly defined framework.

Any argument presented that supports a more loosely defined definition of state significance might initially be thought to carry with it certain flexibility. Nevertheless, relatively unstructured arrangements may not necessarily be as flexible as first apparent since certain projects, by their nature, require fast-tracking through legislative and statutory requirements – otherwise they may not, for a number of reasons proceed. For example, if key strategic infrastructure projects required in fast growing population areas are for whatever reason unacceptably delayed, there is potential to draw excessive economic penalties. Economic viability may become threatened. Therefore, more stringently defined criteria such as that demonstrated in New South Wales may be a more appropriate model.

Alternatively, relatively unstructured models with imprecisely defined criteria has potential to allow a greater number and / or wider range of projects to receive state significance recognition, thereby potentially avoiding prudent environmental and other controls that would otherwise apply. It also has potential to decrease the level of transparency. In the case of large, complex projects, these problems are less likely to arise since they typically achieve a relatively high profile with a commensurately higher level of public scrutiny obviated. This also supports the need for more tightly defined criteria in relation to state significance

eligibility.

There are several additional reasons why closer attention to a well defined criterion might be desirable. They align with the stated aims and objectives in relation to the NSW Government’s Commercial Policy Framework (*Commercial Policy Framework Guidelines for Assessment of Projects of State Significance (NSW) - Policy & Guidelines Paper, 2002*), namely:

1. It assists the monitoring regime for Government businesses
2. It replicates within Government businesses the disciplines and incentives that lead private sector businesses towards efficient commercial practices; and
3. It facilitates a whole-of-Government approach to the assessment of projects where the State may incur substantial long-term or contingent liabilities.

The above objectives suggest a striving towards greater transparency and accountability, particularly where the line between government and private business becomes somewhat blurred. There is also the question of liability as indicated in point (3) above. Together with factors outlined previously, the implications of state significance are therefore clearly considerable. It follows that the level at which approval may be sought should rest at an appropriately senior level within Government. This suggests final approval of such projects should rest with a State’s Treasurer, possibly carrying Cabinet ratification.

Criterion for determining state significance in relation to a project might therefore satisfy at least one or more of the following:

1. Total value of the project (including debt and equity) should exceed AU\$50 million inclusive of capital costs and ongoing expenditure in the first 5 -10 years of the project’s life.
2. The project involves considerable complexity or innovation, accompanied by significant risk in terms of Government liability, project viability, environmental sensitivity, or financing arrangements.
3. The project involves key natural resources that, if not protected, might prevent or constrain their extraction or realisation of agricultural potential.
4. The project has key strategic employment, social or cultural significance affecting large sectors of the population, as might be defined by the potential for social dislocation and / or community well being and / or the creation or destruction of jobs.
5. The project involves impact on key strategic infrastructure of a magnitude likely to change the essential quality, nature or delivery of key communications, transport or public services.

Conclusions

There are no formal thresholds used to define “projects of state significance” in Queensland. Its meaning also varies amongst various state authorities. However, it may be surmised that aside from meanings as may be ascribed under associated environmental, planning or heritage legislation, projects of “State Significance” are ones of unusually large size or scope with an ability to make a significant economic contribution or impact to the State’s development. This is typically accompanied by considerable capital investment usually measured in terms of direct investment (regardless of whether it is equity or debt). In the case of Queensland, this is most likely to be recognised where at least \$50m investment is involved.

Where extractive resources are formally identified as Key Resource Areas and subsequently deemed to be of State or regional significance, some measure of resource protection may be afforded by the State Planning Policy: Protection of Extractive Resources. Nevertheless, operations remain subject to the normal assessment process under the ‘Integrated Development Assessment System’ (IDAS), as well as the usual requirements of the vegetation management codes particularly where there are State or regional biodiversity values.

However, if the Coordinator-General declares a project to be a “significant project” under the State Development Act (*State Development and Public Works Organisation Act 1971*), the environmental impact assessment process may become more streamlined. Certain other advantages may also apply.

Regardless of definition, if a project has special significance for the State of Queensland - particularly where the significance extends to providing a means to facilitate Queensland’s economic growth - then an argument exists for streamlining the assessment process in order to avoid or minimise constraints acting on the state’s development. Since the development in that state is being largely driven by a strongly growing population base, an inability to deliver has potential to cause both economic and social dislocation.

The above augurs well for a tightening and greater clarification of state significance, the nature of which has been outlined in the previous section.

Table 1 – Criteria for State Significant Projects (Australian States)

	Qld	N.S.W.	Victoria	S.A.	W.A	Tas.
Relevant Legislation or Statutory documents	State Planning Policy 2/07; State Development & Public Works Organisation Act 1971; Queensland Heritage Act 1992.	Commercial Policy Framework Guidelines for Assessment of Projects of State Significance (NSW)	n/a	Development Act 1993	Meaning within a “project context” is generally loose and not enshrined within statutory instruments.	Declarations achieved under the State Policies and Projects Act 1993 (Tas).
Decision Maker	Coordinator-General (declares “State Significant”)	Treasury (in principle); final approval: Shareholding Ministers (SOCs) or the Treasurer (other Government businesses)	Not easily definable	all development applications affecting places listed on the State Heritage Register must be referred to the Minister responsible for the Heritage Act	n/a	Resource Planning and Development Commission (makes recommendations) government - final decision.
Size	Likely that the project will need to involve at least \$50 million in investment, or identified as a “KRA” (Key Resource Area) where size is not well defined	Total value (including debt and equity) in excess of \$100 million	Any “large project” in a planning scheme / development context	No specific size nominated, however major projects are identified in the Strategic Infrastructure Plan	“Agricultural land of State and regional significance” - identified utilising assessment based on crops, climate, soil, water and other base characteristics.	“Significant” capital investment; and/ or significant contribution to the State’s economic development; and / or significant consequential economic impacts;
Nature of Project	Not limited to mining and energy projects; KRA’s - refer SPP 2/07 - resources are protected from developments that might prevent or constrain their extraction	Complex or innovative with significant risks in terms of viability, procurement or Government commitment	A loose definition prevails.	Loosely defined: any project or place having strategic social, cultural or economic significance to the State		Likely to have significant impact on the environment; complex technical processes and engineering designs; and/or significant infrastructure requirements

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	Qld	N.S.W.	Victoria	S.A.	W.A	Tas.
Involvement of private sector in financial arrangements?	Yes	Yes	Yes	Yes; major projects identified in the Strategic Infrastructure Plan are used to guide new infrastructure investment by government and the private sector	n/a	Undetermined, presumed yes
Special Features	Declaration provides a means for circumventing provisions under IPA and other statutory requirements particularly environmental legislation. Term can also be applied to Areas of state significance in the context of cultural heritage (Queensland Heritage Register)	Potentially controversial projects e.g. involve significant sensitivities (economic, environmental or political risk)	Can also relate to heritage or environmental matters. Rainforest Sites of Significance are sub-catchments botanically identified, delineated and rated in a four tier system. The highest and most significant rainforests are given a national rating followed by state, and regional significance.	The State Heritage Register database includes an inventory containing places of local heritage value listed in any Development Plan.	Local and State Government have jointly agreed to a Protocol for State Agreements and resources projects of significance to the State.	Project likely to have significant potential contribution to Australia’s balance of payments

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