



13 July 2026

Queensland Productivity Commission

Re: Submission to the Queensland Productivity Inquiry

Dear Commissioners,

I write to you in my capacity as the chair of the Australian Climate and Biodiversity Foundation, the ACBF. In this organisation, we bring together leaders from business and environmental organisations, together with subject matter experts, to develop economically rational policy approaches to securing Australia's net zero climate goals, and Australia's commitment to the Global Biodiversity Framework's goal to halt and reverse the loss of nature by 2030.

Executive summary

It is our submission that the Queensland Productivity Inquiry should confront a foundational economic reality that has been systematically ignored by public policy frameworks for generations. Productivity growth cannot be sustained without preserving the functioning of the natural systems upon which all life depends. Moreover, regulatory efficiency, including through the streamlining of State and Federal environmental approvals processes, can be achieved only if State regimes deliver robust and measurable environmental outcomes through aligned assessment processes. The traditional framing of environmental protection as a friction or a natural enemy of productivity is a profound conceptual error. That flawed paradigm has delivered a severe lose-lose outcome characterized by accelerating ecological decline alongside moribund productivity growth across the nation.

To reverse this trajectory and secure the capital required for the ongoing, sustainable economic development and prosperity of Queensland, the state should overhaul its approach to natural resource management and work with the Australian Government to deliver the reformed federal environmental framework established under the Environment Protection and Biodiversity Conservation (EPBC) Act. Economically and environmentally, a genuine partnership and genuine coordination between the Australian Government and the Queensland Government is in everyone's interest.

The central thesis of this submission is straightforward. Industry will find it exceptionally easy to navigate the modernised federal system if state regimes are aligned with it, and there is cooperation between federal and state environmental regulators to achieve high-integrity environmental outcomes and faster assessment processes. When a state framework ensures the preservation and restoration of natural capital to the standard mandated by the reformed EPBC Act, the federal government can confidently accredit state processes.



Accreditation eliminates duplication, reduces regulatory risk, and unlocks the single-touch assessment and approval processes that business requires to accelerate capital deployment, and provide the efficient approvals that Australians need to build the homes and generate the renewable energy necessary to meet our targets for both, delivering affordable homes and energy to Queenslanders.

Conversely, if Queensland persists with an environmental assessment regime that has not achieved strong environmental protection, and fails to assess cumulative impacts, it guarantees a dual-track regulatory system that will slow assessments and approvals and inhibit investment. Capital investment will increasingly avoid jurisdictions that present such sovereign and regulatory risks, consigning them to lower productivity pathways.

In this submission, we demonstrate the ecological and economic importance of this alignment as it relates to deforestation in the Great Barrier Reef, bioregional planning and renewable energy and storage transition, and native forest logging in Queensland State Forests. Significant land clearing for grazing is accelerating sediment runoff and degrading the reef, which necessitates landscape-scale regulatory mapping and strict spatial protections to safeguard this vital economic asset. Implementing upfront bioregional planning is also essential to resolve cumulative biodiversity impacts and expedite the deployment of the renewable energy infrastructure required to meet state emissions targets. In addition, as historical federal exemptions for native forest forestry expire, Queensland must transition away from a structurally declining industry and instead secure its future wood supply by investing in a fully plantation-based timber sector supported by carbon credit revenues

Recommendations

1. The Queensland Productivity Commission should assess the extent to which current state environmental assessment processes meet the objectives and principles of the 2025 national environmental reforms. This assessment should evaluate the actual outcomes that have been achieved by the state environmental assessment regime rather than just comparing administrative processes.
2. Queensland should upgrade its state laws to match the objectives and principles of the new federal standards in order to achieve true regulatory efficiency and secure formal accreditation from the National Environment Protection Agency (NEPA).
3. The Queensland Government should work with the Australian Government to provide a landscape-scale regulatory solution that clarifies protected areas for landholders while assessing the cumulative impact of clearing on Reef catchments, establishing clear spatial maps that designate strict and legally binding no-go zones where native vegetation clearing is prohibited. These no-go zones should specifically target high-risk slopes, gullies, and areas within fifty-metre riparian zones. The regulatory solution could be a bioregional plan for Reef catchments to manage the impacts of vegetation clearing and cattle intensification on water quality, or in the form of a bilateral agreement where the outcomes of a cumulative impacts assessment are accredited.
4. The results of the cumulative impacts assessment should be produced as a regulatory map identifying areas unsuitable for vegetation clearing consistent with the Reef 2050 Water Quality Strategy targets.
5. The Queensland Government should continue to develop the pilot bioregional plans and engage with the Federal Government regarding the emergent regulatory framework for the creation and assessment of these plans.



6. The Queensland Government should ensure forestry operations and licensing of remaining native forest operations are compliant with the new national laws, including the soon-to-be operational National Environmental Standard for Matters of National Environmental Significance.
7. The Queensland Government should invest in the forest industries of the future, with targeted investment in:
 - a. New plantation establishment and strategic incentives for private sector investment.
 - b. Transitioning hardwood mills and upgrading processing capacity to handle plantation-sourced softwood timber.
 - c. Supporting regional workforce transitions to maintain job security as markets shift towards plantations and engineered wood products.
8. The Queensland Government should establish a Forest Carbon taskforce, chaired by the Department of Premier and Cabinet with representatives from Primary Industries, Climate change, Environment, Housing, and Manufacturing and Regional and Rural Development to investigate and propose potential locations suitable for the implementation of the Improved Native Forest Management method. The Australian Carbon Credit Units produced by this method could be used to offset Queensland Government emissions, or sold with revenues invested in forest management, and the forest industries of the future.

The context of the EPBC reforms and its relevance to the QPC inquiry

When assessing the impact of the Federal environmental reforms, it is important to note that the Environmental Protection Biodiversity Conservation (EPBC) Act of 1999, before the reforms of last year, was failing miserably. This is the conclusion of report after report that reviewed the legislation. The environment was not being protected. Biodiversity was not being conserved. Nature is in systemic decline. Independent reviews confirm that the environmental impact assessment systems embedded in the federal EPBC laws before recent reforms were not fit-for-purpose and promoted process and paperwork but did not deliver tangible benefits for the environment.

Graeme Samuel's independent review of the EPBC laws, conducted in 2019/20 at the request of the Morrison Government, found that the EPBC Act resulted in a system where ad-hoc ministerial discretion, without underlying objectives or standards, resulted in decades of environmental decline. The review found that the Act was 'outdated and requiring fundamental reform,' that it is 'complex and cumbersome,' powerless to stem the 'rate of ongoing and accelerating decline,' and not 'fit to address current or future environmental challenges.'

In response to this review, in December 2025, the Australian Parliament passed comprehensive reforms to national environmental legislation. These reformed re-affirmed the Australian Government's role in protecting the national interest. They also injected greater certainty and consistency in the application of the laws. Under new laws, the Australian Government meets its obligations to provide clear and binding protection for matters of national environmental significance (MNES) and in doing so, provides clear and consistent rules for business to pursue economic development opportunities without confronting a mountain of meaningless process and paperwork.

The reforms address the quandary that arises because of the facts that, on the one hand, Australia's constitutional arrangements mandate that environmental protection, biodiversity



conservation and nature repair are matters for state governments, not the Commonwealth, while on the other hand, the Australian government is necessarily involved because of the obligations it assumes upon signing international treaties and agreements.

The reforms include a narrowing of the historical 'continuing use' exemptions that had previously acted to exempt clearing for agriculture from federal oversight. Under the amended statutory architecture, all clearing of native vegetation older than fifteen years, or any clearing conducted within a fifty-metre riparian buffer of a watercourse, wetland, or drainage line within a Great Barrier Reef catchment, is subject to assessment like any other industry. A key principle of the reforms is to treat all industries the same. The laws have also clarified the assessment requirement for native forest logging, with the sunseting of Regional Forestry Agreements, and provide an opportunity for logging to move from non-compliance with the EBPC Act to compliance through modernising the existing state systems of granting logging licenses and approvals.

A key reform was to move from the ad-hoc case-by-case assessments of projects against largely opaque standards to an outcome-based approach, where the objectives of biodiversity protection are measurable and achieved. The principal mechanism in Samuel's report that has been carried through into the reforms is allowing the creation of National Environmental Standards, that set out objectives and principles for the application of the EBPC laws. These national standards are intended to establish a clear and effective benchmark that allows for the accreditation of State and Territory processes that meet the standards. The reforms also legislated the Samuel Review's recommendation to strengthen bioregional planning, giving the Commonwealth and Queensland Government a joint mechanism to resolve cumulative impacts and map development and conservation zones at a landscape scale, rather than case-by-case.

If the Queensland Productivity Commission is to effectively meet the Terms of Reference for the inquiry, it is critical, as part of its assessment of the impact of the Australian Government's 2025 environment protection reforms on Queensland, that it consider the environmental objectives and principles that are the heart of the national reforms, and the economic and environmental benefits of utilising the new tools, including better oversight and assurance by NEPA, and the provision of high quality environmental data. It is then necessary to assess the extent to which the current Queensland Government environmental assessment processes fall short of these standards and the benefit that would come from the use of the new tools. This gap analysis should go beyond a mere comparison of processes and instead assess the outcomes that have been achieved by Queensland Government's environmental assessment regime, and the outcomes that the national environmental reforms seek to achieve, such as achieving net gain in biodiversity values, preventing unacceptable impacts on matters of national environment significance and embedding the mitigation hierarchy in project development and approval.

Without such a comparison, the inquiry will not be able to provide the Queensland Government with the guidance it needs to achieve regulatory harmonisation and alignment with the new federal laws in a way that reduces the regulatory burden and compliance impacts of the 2025 reforms, including costs, timeframes, uncertainty and duplication. To put that another way, the proposed gap analysis is essential if the Queensland Government is to be properly informed of the regulatory and compliance impacts of the reforms.

If the Queensland environmental assessment process is enhanced to meet the objectives and principles outlined in the EBPC reforms, and the National Environmental Standards, accreditation of State assessments will be easily achieved, and the key benefits of the Queensland Government's understanding of local context will deliver improved decision making, community education and engagement and environmental outcomes.



The long hard experience of the 26 years between the creation of the EBPC Act and the passage of these reforms makes clear the challenge of achieving a political majority to effect significant environmental reforms, and the critical role to be played by a clear-eyed economically sound analysis grounded in the assessment of the environmental objectives that are the ultimate purpose of both Queensland and Federal environmental assessment regimes.

I would hope that the newly reconstituted Queensland Productivity Commission, by properly assessing both the Queensland environment regime and the current outcomes it achieves, and the Federal environment protection reforms, delivers a report similar in influence to Graeme Samuel's independent review. You have the opportunity to provide the guidance necessary to achieve aligned and harmonised Federal and Queensland Government environmental regimes that achieve faster, clearer decisions for Queensland businesses, as well as achieving the environmental outcomes necessary to turn around the decades of loss and degradation of natural capital in Queensland.

Natural Capital Protection and the Great Barrier Reef.

Economics is fundamentally concerned with optimizing choices within binding constraints. For over a century, macroeconomic policy has operated under the illusion that human activity can bypass the immutable constraints embedded in physics, chemistry, and biology. Natural capital is not an optional aesthetic amenity; rather it is the primary economic asset upon which all industrial production, food systems, and long-term societal wealth depend. When public policy permits the unsustainable plunder and degradation of this asset base, it is engaging in a form of intergenerational myopia or theft that erodes the literal foundations of future productivity growth.

As I have stated previously, the Queensland economy is heavily natural resource dependent. And Queenslanders are custodians of some quite outstanding natural and cultural heritage assets, of global significance. Extraordinary heritage assets like the Great Barrier Reef, K'gari, the tropical rainforests of far north Qld, the exquisite complexity and beauty of the countless rivulets of the Channel Country desert rivers. And extraordinary records of human civilization, such as the vast Quinkan rock art complex of southern Cape York. These are treasures whose protection and, where necessary, restoration is a shared responsibility between Queensland and the Australian Governments. Some of these areas are already listed as protected by the World Heritage Committee, and others may be in the coming decades.

The economic significance of the Great Barrier Reef provides a clear demonstration. The Reef is an exceptional ecological wonder that encompasses an extraordinary array of biodiversity, supporting thousands of marine species and maintaining an unbroken line of First Nations custodianship. However, its asset value is equally staggering in conventional economic terms. The total value of the Reef has been estimated at \$95 billion. It contributes approximately \$9 billion annually to the Australian economy and directly supports 77,000 full-time jobs, including over 42,000 jobs in reef tourism regions. If the Great Barrier Reef were categorized as a corporate entity, it would rank as the fifth largest employer in the nation.

Despite this immense economic contribution, the asset is being severely degraded. This is occurring because of multiple vectors of environmental degradation, including the continuing impact of global burning of fossil fuels and the destruction of forests. The resulting climate change and increased water temperatures are the cause of the severe mass bleaching events on the Great Barrier Reef that are occurring with increasing frequency. It is also being degraded by the linked impact of local negative externalities. Unchecked land clearing and the resulting sediment and nutrient flows from catchments that flow into the Great Barrier Reef lagoon are having significant long lasting negative impacts on Reef health and worsening the impact of the climate change induced mass bleaching events.



The failure to develop policies to address this environmental degradation constitutes a source of sovereign risk to the economic stability of Queensland.

If international institutions, trading partners and large corporate purchasers conclude that the outstanding universal value of the Reef is being permanently compromised, the reputational and financial consequences for Queensland will be severe. We have already seen the imposition of import controls by the European Union on products from deforestation hotspots. Furthermore, this regulatory disconnect carries profound implications for the wider commercial economy and corporate supply chains. Major domestic beef retailers, including Woolworths, Coles, and McDonald's have made explicit corporate commitments to eliminate deforestation from their supply networks. Because the federal law now captures the majority of catchment clearing, any ongoing non-compliance by graziers means that major retailers risk embedding illegal land degradation directly into their retail supply chains, exposing them to reputational damage and the loss of capital market support.

Corporate auditors and global capital markets will not tolerate jurisdictions where weak state laws facilitate supply chain illegality. Queensland can no longer treat its agricultural sector as an isolated enclave exempt from modern environmental accountability.

The technical evidence connecting catchment deforestation with the physical destruction of the Great Barrier Reef has been settled by rigorous science for many years. The 2022 Scientific Consensus Statement, compiled by over one hundred and forty-seven authors and reviewers, confirms that vegetation degradation and soil surface disturbance from current land management practices are the primary drivers of human-induced sediment fluxes into the Reef lagoon. Native forests once acted as a critical hydrological buffer by stabilizing topsoil and regulating the velocity of surface runoff during high-rainfall events.

When forests are cleared, natural hydrological processes are profoundly altered. The loss of forest cover accelerates surface runoff, leading to swift-moving pulses of freshwater flood plumes that carry large loads of terrestrial pollutants into the marine environment.

The volume of this pollution is ecologically and economically catastrophic. Each year, an average of 7.6 million tonnes of fine sediment flow into the Great Barrier Reef lagoon, representing a load that is 4.1 times higher than natural, pre-development levels. The majority of this pollution originates from just two primary river basins, namely the Burdekin catchment, which exports 3.4 million tonnes annually, and the Fitzroy catchment, which exports 1.5 million tonnes annually. Combined, this sediment discharge represents the equivalent of four hundred thousand dump truck loads of soil deposited directly onto fragile coral shoals and seagrass meadows each year.

The excessive sediment loading drastically reduces the light available for symbiotic coral micro-algae and seagrasses, damages near-shore ecosystems, induces coral disease, increases mortality, and suppresses the capacity of the Reef to recover from broader disturbances such as marine heatwaves and tropical cyclones.

The policy approach of both the Queensland and Australian Government over the past decade has completely failed to address the root driver of this problem. In the period 2013 to 2030, Australian governments have spent or committed nearly \$1.8 billion dollars to improve Reef water quality, and this figure doesn't include what new funds were included in the Queensland Government's \$330.5 million funding announcement in the 2026 Budget. Yet, despite this extraordinary expenditure of taxpayer funds, the official joint Reef Water Quality Report Card for 2021-22 rates the long-term outlook as poor for fine sediment reduction and very poor for riparian extents. The state has failed to meet its agreed water quality targets for dissolved inorganic nitrogen by 46.5 percent, for particulate nitrogen by 12.2 percent, and for fine sediment by 28.8 percent.



This systemic failure occurs because public finance is being directed toward remediating already degraded landscapes while the regulatory framework simultaneously permits ongoing, large-scale deforestation in the upper catchments. From 2018 to 2023, a staggering 856,744 hectares of forests and woodlands were cleared within Great Barrier Reef catchments, with 84% per cent of this clearing driven by the cattle grazing sector.

Project-by-project environmental management is incapable of addressing this crisis. Because the impact of a single landholder clearing a small parcel of land appears minor in isolation, the system permits a classic tragedy of the commons, driven by spatial free-riding and intergenerational myopia. The cumulative effect of hundreds of individual clearing decisions is what has been delivering millions of tonnes of sediment and nutrient to the Reef lagoon.

The persistent failure to achieve water quality targets is the direct result of profound structural loopholes hardwired into the Queensland regulatory architecture. The principal statute governing land cover, the Vegetation Management Act 1999, has been repeatedly compromised by grandfathering provisions and loopholes that defeat the purpose of the Act to protect native forests. While the Act establishes various categories to protect remnant and high-value regrowth forests, it simultaneously exempts vast swathes of the landscape under Category X. As of July 2024, 36 percent of the total land area within Great Barrier Reef catchments was mapped as Category X, rendering it exempt from significant clearing protections under state law.

This map-based exemption is compounded by the operation of Property Maps of Assessable Vegetation. These instruments permanently lock in historical vegetation classifications on a parcel of land, legally preventing regrown native forests from ever obtaining protection under the Act, regardless of how mature or ecologically vulnerable the landscape becomes over subsequent decades. Furthermore, the state framework relies on self-assessable codes and broad exemptions that permit tens of thousands of hectares to be cleared annually under the guise of fodder harvesting, weed management, or native forest practice.

Simultaneously, the state framework for regulating agricultural sediment and nutrient pollution, established under the Reef Protection Regulations of the Environmental Protection Act 1994, fails to regulate a significant driver that impacts on Reef Water Quality. While new cropping or horticulture expansions are required to obtain formal environmental approvals before commencing operations, the beef cattle grazing sector is entirely exempt from upfront development controls regarding new deforestation. Instead, the regulations merely prescribe minimum management standards for ground cover after the initial clearing has taken place. This statutory carveout fails to distribute the regulatory burden equitably among agricultural sectors, ignoring the primary driver of sediment generation and penalizing highly regulated industries while allowing grazing intensification to escape equivalent regulation.

It is our recommendation that the most efficient path for the Queensland Government to take to reduce the regulatory burden and compliance impacts of new reforms to address land clearing in reef catchments is to work with the Australian Government to provide a landscape scale regulatory solution that utilizes the surfeit of scientific knowledge on the drivers of Reef Water quality, to provide clarity to landholders on areas that have to be protected from clearing, while assessing the cumulative impact of clearing on reef catchments. This could take the form of the development of a bioregional plan for Reef catchments to manage the impacts of vegetation clearing and cattle intensification on Reef water quality, or a bilateral agreement between the Queensland and Australian Governments in which the outcomes of a cumulative impacts assessment could be accredited as a requirement for accreditation. The results of the cumulative impacts assessment could be produced in the form of a regulatory map that would identify those areas not suitable for vegetation clearing, consistent with targets outlined in the Reef 2050 Water Quality Strategy.



Such mechanisms could remove the need for landholders to invest in environment consultants or assessments to determine if their proposed land use would have a significant impact and need to be assessed, providing certainty and clarity that would relieve concerns at potential costs or compliance actions. It would also allow for outcome-based landscape planning that would achieve the goals of the Queensland and Australian Governments' shared water quality targets in an efficient way, both in terms of government expenditure and reduced regulatory burden.

Bioregional planning and renewable energy rollout

The national environmental reforms to the EPBC Act establish a platform for achieving both Queensland's biodiversity and climate goals. The Queensland Government has committed to a legislated target of reducing climate emissions by 75% by 2035. Any economically sensible pathway to reach these targets includes the replacement of ageing coal-fired power stations with new renewable energy generation and storage. This is because electricity generation is the single largest contributor to Queensland emissions, and other sectors such as agriculture, heavy industry and transport lack the commercially viable technology required to achieve deep cuts within the next decade. Transitioning to renewable energy also enhances the durable supports of export competitiveness and addresses the risk of instability in the grid and energy supply due to the impact of ageing assets on system reliability.

Despite the emissions reduction target, the Queensland Government has called in and overturned the approval of the Moonlight Range Wind farm, repealed legislation that allowed the construction on Forest Wind Farm Development in state forests, following community concerns in part regarding environmental impacts of these projects. The Planning Minister has also called in the Pleystowe Battery Energy Storage Facility, Marmadua Energy Park, and Middle Creek Energy Hub, and is proposing to call in the Gin Gin Battery Storage System.

Reforms in support of bioregional planning provide a key new tool to achieve net-gain environmental outcomes and improve certainty for renewable energy project proponents. The reforms will also give communities upfront information on restoration priorities and the renewable energy rollout; both are essential for building social license. Bioregional planning has the capacity to be game-changing. It is designed to provide high-quality information that resolves difficult biodiversity and project decisions upfront, delivering faster and more reliable renewable energy project decisions, including approvals, rather than costly, extensive, and uncertain piecemeal project-by-project assessments. This approach can manage cumulative environmental impacts, identify 'no go' zones up front, and expedite regional scale investment in conservation, restoration, and essential renewable energy projects. By providing clearer guidance on environmental protections, bioregional planning should also help reduce consultation fatigue by minimising engagement on projects unlikely to proceed.

The renewable energy industry consistently highlights that EPBC approvals are the critical bottleneck for delivering the RET and the emissions reduction goal. Swift, effective implementation of the EPBC Reforms is required to build investor confidence, reduce costs, and unlock capital for both renewables and biodiversity outcomes. Clear identification of bioregional planning priorities aligned with renewable energy zones and supported by delivery timelines for Bioregional Guidance Plans and Bioregional Plans and assessment processes will support achieving these outcomes.

Assessment delays lead to both direct costs to proponents from collecting the diverse types of information regulators require and indirect costs that include delayed revenues while waiting for an approval to start construction. For example, the Queensland Renewable Energy Council has reported that "a 12-month delay in financial close on a \$400 million project can add more than \$20 million in holding and opportunity costs". A delay of up to three years may cost up to \$60 million.



The Queensland Government has been an early adopter in the development of bioregional plans, with the State and Federal Environment Ministers agreeing to a Memorandum of Understanding to develop three trial Bioregional plans in December 2002. This has continued under the current Crisafulli Government, with progress including one focused on the renewable energy industry in Hughenden. It is estimated that the \$2m invested by the Federal Government in the investigation of a bioregional plan establishment is less than 1/10th the cost of a single project delay of one year in the Hughenden Renewable Energy Zone.

We submit to the Queensland Productivity Commission that the most economically beneficial and environmentally effective pathway is for the Queensland Government to continue to develop Bioregional Plans and engage with the Federal Government on the development of the regulatory framework for the creation and assessment of these plans. In the next month, ACBF will be releasing a Case Study report on *Accelerating renewable energy development while delivering environmental net gain*. We will seek to submit that report to the QPC and the Queensland Government as a source of recommendations for how the Queensland Government could best engage with the Federal Government to achieve an effective landscape scale environmental assessment using the mechanism of Bioregional plans.

Native Forest Logging in Queensland State Forests.

The EPBC reforms will remove the current exemption available to forestry operations in regional forest agreement (RFA) areas. From 1 July 2027, RFA forestry operations will need to comply with the same rules and standards as other industries for assessment of actions that are likely to have a significant impact on matters of national environmental significance under the Act.

Given there is no RFA in Queensland that activates this sunset provision, there is strong impetus on the Queensland Government to engage with the federal Department on the status and compliance of current forestry actions logging native timber in State forests.

Current selective logging in native forests is likely to trigger assessment or compliance actions from the newly established National Environment Protection Agency, due to the current practice of logging the habitat for critically endangered species such as the greater glider in southeast Queensland, including the area named in logging classification the Eastern hardwoods.

As in other states, native forest logging in Queensland is in long-term structural decline, with production declining by 30% since 2004. The economics have become increasingly marginal; native forest sawmills generate small timber volumes, with the lowest average output of native forest sawmills nationally, and long-term investment in this part of the industry has not been forthcoming despite resource access having been guaranteed for many years. Although Queensland is home to Australia's largest estate of native forests, only a small subset of species – such as spotted gum, blackbutt and ironbark – are suitable for milling. Logging of rainforest species is prohibited under Queensland law.

The regulation of native forest logging in Queensland is underdeveloped compared to other states. Sustainable yield calculations are absent or not publicly available; environmental assessments are largely desktop-based rather than informed by robust field surveys; and there is limited transparency around the location and timing of logging operations. Queensland's existing code of practice for native forest harvesting requires a comprehensive review to meet minimum sustainability standards.

There is a strong economic case, given the recent national environmental law changes, for the Queensland Government to avoid chasing marginal and sunset economic activities in the native timber space and instead investing in the future of the timber industry. A strong and thriving plantation-based forestry industry in Queensland is the solution to secure future wood supply. Queensland is already on this path, with 85% of all wood harvested in Queensland



already sourced from plantation forests. With the right policy settings and support, a full transition to a 100% plantation-based industry in the early 2030s is achievable.

To meet future timber demand sustainably, Queensland should prioritise investment in plantations and agroforestry plantation systems as the foundation of a resilient, high-value timber industry. Unlike native forestry, which is constrained by ecological limits and reputational risks, plantations and integrated land use systems offer the potential to deliver secure supply, premium products, and long-term regional jobs.

Queensland's tropical climate and existing processing infrastructure make it uniquely competitive for expanding plantation production. Short-rotation species with cycles as brief as five years can rapidly increase domestic supply while supporting innovation in engineered wood products and high-value timber markets. Expanding agroforestry plantation systems – where timber production is integrated alongside agricultural activities – also enables landholders to diversify income streams without compromising farm productivity. However, this should not be undertaken at the expense of existing native regrowth or remnant vegetation, especially in reef catchment areas.

Queensland already dominates the local plantation market, with the next closest major plantations located in southern New South Wales. Leveraging this competitive advantage will require targeted investment in:

- New plantation establishment and strategic incentives for private sector investment.
- Transitioning hardwood mills and upgrading processing capacity to handle plantation-sourced softwood timber.
- Supporting regional workforce transitions to maintain job security as markets shift towards plantations and engineered wood products.

Positioning plantations and agroforestry as the cornerstone of the Queensland government's approach to timber supply would also enable Queensland to align with global sustainability expectations while delivering more consistent, high-integrity supply chains for domestic and export markets. This would also create integrated multi-use landscapes that simultaneously deliver economic returns, climate benefits, and biodiversity outcomes.

The Queensland Government is also well positioned to benefit from the newly created Improved Native Forest Management method for creating Australian Carbon Credit Units by voluntarily ceasing planned harvesting in defined areas of multiple-use public native forests. By ceasing harvesting, the INFM projects allow forests to grow longer and store more carbon. An example of this application in the Great Koala National Park in Northern NSW that will be funded and secured through reliance on this method. In June 2026, the Australian Government's Emissions Reduction Assurance Committee (ERAC) assessed that the INFM method met legislated Offset Integrity Standards, and recommended approval to the Assistant Minister for Climate Change, Josh Wilson. The method was approved on June 25, 2026, and tabled in Parliament as a disallowable instrument. We recommend that the proposed Queensland Government Forest Carbon Taskforce, chaired by the Department of Premier and Cabinet, with representatives from Primary Industries, Climate change and Environment, be tasked with investigating and proposing prospective locations suitable for the implementation of this method.

By investing in plantations and high integrity agroforestry now, Queensland can secure a resilient, competitive timber industry that supports rural and regional economies while meeting the state's climate, biodiversity, and housing objectives. Through the application of the INFM method, the Queensland Government could secure a revenue stream to underwrite this investment. This is an



opportunity for Queensland to lead nationally in shaping a timber future that is high-value, sustainable, and globally respected.

The Imperative for the Queensland Productivity Inquiry

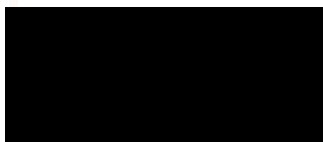
The Queensland Government cannot achieve regulatory efficiency without setting objectives for achieving strong environmental outcomes. Maintaining weak environmental standards does not lower costs for industry. Rather, it guarantees continuing duplication and increasing legal and investor uncertainty. If the state regime fails to address significant drivers of biodiversity loss, such as deforestation, the National Environmental Protection Agency will be legally compelled to intervene on a project-by-project basis to protect matters of national environmental significance, destroying any prospect of single-touch approvals.

The path to genuine productivity reform requires Queensland to upgrade its laws to match the new federal standards. This Inquiry should formally recommend a series of urgent structural corrections to the state framework.

First, if the Queensland Government seeks a one touch assessment process with an updated Federal accreditation of State assessments, the Queensland Government will be required to embed the objectives and principles of National Environmental Standards in State environmental assessments. Second, the state should collaborate with the Commonwealth to implement comprehensive, whole-of-catchment regional planning. These regional plans should establish clear spatial maps designating strict, legally binding no-go zones where vegetation clearing is entirely prohibited, particularly on high-risk slopes, gullies, and within fifty-metre riparian zones.

By establishing a rigorous, outcome-based state framework that explicitly halts deforestation and meets federal environmental standards, Queensland can seek formal accreditation from the National Environment Protection Agency. This alignment will eliminate federal duplication, provide absolute certainty to project proponents, safeguard the \$95 billion dollar asset value of the Great Barrier Reef, and ensure that the state remains a competitive destination for investment. Streamlining can only happen through the strengthening of environmental safeguards, and the state should act immediately to align its laws with this economic reality.

Yours sincerely,



Dr Ken Henry AC

Chair

Australian Climate and Biodiversity Foundation