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Queensland Productivity Commissioner
Angela Moody
enquiry@qpc.qld.gov.au

Inquiry into the Impact of the Australian Government's 2025 Environment Protection Reforms on Queensland

The Property Council of Australia welcomes the opportunity to provide this submission to the Queensland Productivity Commission in relation to its inquiry into the impact of the Australian Government's 2025 environment protection reforms on Queensland.

As the leading voice for Queensland's property industry, the Property Council of Australia represents more than 450 member companies who invest in, design, build and manage the homes, precincts and workplaces that underpin Queensland's growth. Our members are committed to delivering the housing supply, community infrastructure and employment land required to keep Queensland affordable, attractive, globally competitive and sustainable. They are also deeply invested in celebrating and protecting Queensland's environment, and in ensuring this review delivers a framework that supports conservation outcomes alongside continued growth.

The Property Council members are acutely affected by the efficiency, certainty and coordination of environmental and planning approvals systems. Queensland's growth task, including housing supply, infrastructure delivery and preparation for major economic opportunities over the coming decade, depends on regulatory frameworks that protect environmental values while also enabling timely and feasible project delivery.

We note that the Commission has been asked to examine how the reforms affect Queensland in practice, with a focus on regulatory burden, economic impacts, implementation risks and operational arrangements, and to identify options to reduce unnecessary regulatory burden and improve regulatory efficiency. The Terms of Reference (ToR) and Call for Submissions specifically direct attention to matters including regulatory burden and compliance impacts, the interaction between Commonwealth reforms and Queensland's existing regulatory and planning frameworks, the capacity of landholders and other stakeholders to comply with the amended requirements, and the implications for investment, housing delivery, infrastructure, business viability and productivity.

The Property Council supports reform where there is confidence in how the framework will operate in practice, where obligations are clear, decision-making is transparent and outcomes

are predictable. Policy that delivers certainty, improves efficiency and strengthens investor confidence is essential to supporting industry to deliver the critical housing, infrastructure and employment projects Queensland requires.

At present, the interaction between State and Commonwealth EPBC processes can create duplication, inefficiency and delay within the Queensland system. Industry experience is that these impacts are driven not by one jurisdiction alone, but by how the two frameworks overlap and operate in practice. The Property Council therefore supports reform that streamlines approvals and establishes a more integrated, coordinated framework that reduces duplication and improves overall system efficiency.

The ToR ask industry to provide detailed feedback on a reform framework that is not yet in place with many aspects of the 2025 reforms yet to be implemented, and where these reforms will rely on subordinate legislation, standards, guidance and administrative practice, with legally binding National Environmental Standards still under development. While some elements of the reforms commenced immediately after passage of the legislation and additional elements commenced on 20 February 2026 and 1 July 2026, the remaining reforms will commence on or before 1 December 2026, with consultation on implementation detail continuing. In practical terms, this means stakeholders are being asked to assess the impact of a framework whose most consequential features are not yet finalised.

This materially limits the ability of industry to model costs, assess risk, determine how approval pathways will operate, or understand the practical interaction between Commonwealth and Queensland processes. It is difficult to provide definitive evidence about compliance pathways, assessment thresholds, data requirements, offsets, bilateral operation or likely timeframes where those matters remain subject to further design and consultation. For that reason, while the Property Council's submission responds to the current inquiry, it is recommended that consultation continue as the detailed implementation architecture is released.

It is the view of the Property Council that the Commission should treat this first round of submissions as an early contribution to a process that must continue through the finalisation of standards, rules and requirements.

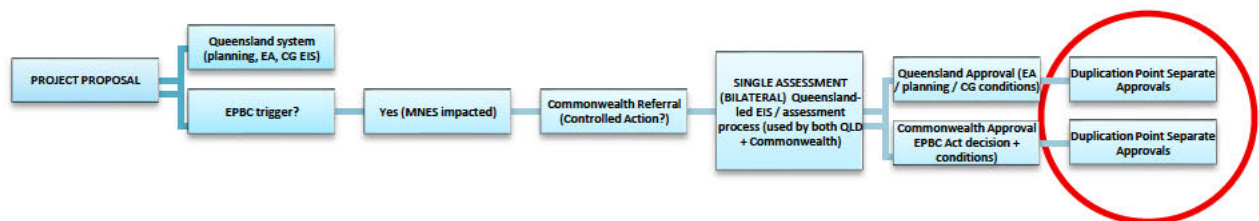
Notwithstanding that limitation, the Property Council supports the objective of strong environmental regulation and recognises the legitimate role of Commonwealth oversight in relation to matters of national environmental significance. However, for these reforms to succeed in Queensland they must improve the current framework and not add layers or further duplication.

Importantly, the Property Council considers that the problems currently experienced by proponents are not confined to one level of government. The focus of this inquiry is, appropriately, on the Australian Government's 2025 reforms. However, it is also clear that Queensland's existing approvals environment already presents material friction points. Industry experience is that environmental approval burdens are cumulative, Commonwealth and State requirements frequently overlap, sequencing is often poorly aligned, information demands are duplicated, and uncertainty in one part of the system can reverberate across the whole project lifecycle, with complexity being generated by how the Commonwealth and Queensland systems interact in practice.

Current Process

While Queensland operates under an EPBC assessment bilateral agreement that enables a single, coordinated environmental impact assessment process, duplication remains at the approvals stage. Projects that require referral under the EPBC Act and are assessed under the bilateral agreement are still required to obtain separate Commonwealth approval under the EPBC Act. This results in parallel decision-making, including separate approval conditions and timeframes, creating inefficiency and uncertainty for project proponents. In practice, the system has reduced duplication in studies and assessment documentation, but not in regulatory outcomes highlighting a structural gap between streamlined assessment and fragmented approval pathways as outlined in the diagram below.

Single assessment, dual approvals where duplication persists in the current EPBC system



The Property Council's position is that the Queensland Government should seek to adopt a system in which Queensland processes are capable of satisfying Commonwealth requirements through robust accreditation and bilateral arrangements, rather than requiring proponents to navigate separate and effectively duplicative assessment tracks. The ToR expressly identify bilateral agreements and accreditation arrangements as a key part of the new framework, and the Commonwealth reforms themselves place substantial weight on accredited State processes operating consistently with National Environmental Standards. It is the view of our members that this is where the greatest productivity opportunity lies. If implemented properly, accreditation can produce a "single touch" pathway that protects environmental outcomes while materially reducing transaction costs, delay and investor uncertainty.

Regulatory burden, costs, timeframes, uncertainty and duplication

The property industry operates within one of the most complex and layered regulatory environments in Australia, with approval pathways spanning all three levels of government. This cumulative regulatory burden imposes significant costs delaying project timelines, undermining investor confidence, and increasing the cost of delivering critically needed housing and infrastructure.

The ToR call for stakeholder input on how the 2025 reforms affect costs, timeframes, uncertainty and duplication, particularly in their interaction with Queensland's planning framework. In order to achieve the necessary productivity, there needs to be deliberate alignment between Commonwealth and State systems.

By leveraging its existing assessment processes and planning pathways, the State can help drive greater integration with Commonwealth requirements, particularly in aligning conditions, timeframes and decision points. Ensuring reform implementation seeks to streamline will be essential to reducing regulatory friction and delivering the intended efficiency gains.

For proponents delivering housing, industrial estates, urban renewal precincts and enabling infrastructure, environmental approvals are already a source of delay and risk. The ToR note that environmental approvals can be a barrier or delaying factor for projects reaching development approval stage. This reflects the current reality that environmental assessment often sits upstream of, alongside, or in tension with planning, servicing and infrastructure approvals. When environmental processes become uncertain or sequential, they introduce holding costs, defer delivery, affect financing windows and can ultimately undermine project feasibility. These outcomes are particularly acute in sectors such as residential and industrial development, where delivery timing is closely tied to market conditions, carrying costs and the timely provision of trunk infrastructure.

Our members have identified five recurring bottlenecks in the present EPBC-related environment in Queensland:

1. Uncertainty around triggers and thresholds, particularly in determining when a proposal is likely to have a significant impact and therefore requires a referral or further assessment. Where thresholds are unclear, proponents and advisors adopt conservative positions, driving over-referral, duplication of effort, and delay.
2. Sequential processing- Commonwealth and State processes often operate one after the other, rather than concurrently, even where there is substantial overlap in subject matter.
3. Information duplication- proponents may be required to prepare similar reports or datasets in different forms to satisfy multiple agencies.
4. Offsets complexity, including identifying feasible offset solutions in locations where land is scarce or where suitable offset opportunities are limited. We note and welcome the current review of the offset regime by the Department of the Environment, Tourism, Science and Innovation, and the Property Council will continue to work with the Department to provide input into the modernisation of the regime.

5. Timeframe uncertainty- including limited visibility over where an assessment sits within the system and when decisions are likely to be made. These are the practical bottlenecks that make the system feel more burdensome than it needs to be.

It is important to emphasise that these bottlenecks are not solely a Commonwealth problem. Queensland's own approval pathways can also be complex, heavily conditioned, iterative and resource intensive. The industry's concern is therefore not simply that federal reform will introduce new friction, but that it may do so on top of existing State-level friction unless both systems are consciously aligned, and why any reform must be grounded in the desire to remove inefficiencies and ensure the framework is fit for purpose.

Implications for investment, housing delivery, infrastructure and productivity

The effect on investment, including housing delivery and infrastructure, is one of the most important aspects of the inquiry. Housing and infrastructure delivery are highly sensitive to delay, uncertainty and duplicated processes. The more uncertain and prolonged the approvals pathway becomes, the more difficult it is to move projects from concept to commencement and from commencement to delivery.

Queensland is facing sustained population growth, significant housing need and ongoing pressure to expand economic infrastructure and employment land. In that setting, any regulatory framework that introduces additional uncertainty into land supply, project feasibility or delivery timing has broader social and economic consequences. Delay in environmental approvals is not merely an administrative inconvenience. In the residential context it can slow the release of lots, delay apartment commencements, defer infrastructure sequencing and increase project costs that are ultimately borne through prices, rents or reduced project volume. In job-creating industrial and commercial developments it can constrain the supply of employment land and business premises that support jobs, logistics and broader economic activity.

Confidence is the foundation on which the industry makes decisions. Investors need certainty and in a regulatory environment that is subject to multiple overlapping approval points, or exposed to changes in standards not yet finalised, investors price that risk into their decisions. In some cases, projects proceed but at higher cost and lower margin. In others, projects are deferred, or in the worst case abandoned, resulting in significant consequences for housing supply but also for the delivery of supporting infrastructure and employment-generating development.

The adoption of an integrated approvals pathway would be seen as a productivity reform by industry. A pathway that has Commonwealth and Queensland systems operating in unison, through accreditation, clear standards, concurrent assessment and shared information settings would better place the property sector to deliver homes, infrastructure and investment at the pace required.

Capacity to comply and implementation risks

The ToR request consideration as to how the 2025 reforms affect the capacity of different landholder groups to comply with amended requirements. While much of the public commentary on this issue has focused on agricultural landholders and offset providers, the same principle applies more broadly to project proponents, landowners, consultants and delivery partners across the property system. Compliance capacity depends on clarity, proportionality and predictability. Where the system is still being designed, standards are not finalised, and obligations may become more prescriptive over time, compliance becomes more expensive and less certain.

The emerging Commonwealth framework appears likely to require more formalised standards, stronger documentation, additional disclosure and enhanced oversight and enforcement. The establishment of the National Environmental Protection Agency, together with strengthened compliance powers and new standards architecture, reflects a more structured and interventionist model. Those features may be appropriate in principle, but they carry a real risk of increasing complexity unless paired with clear guidance, practical transitional arrangements and genuine interoperability with State systems. If not, compliance burdens will fall on every participant in the approvals chain.

The implementation risk for Queensland is therefore twofold. The first risk is that the Commonwealth establishes new standards and operating arrangements that are conceptually sound but insufficiently aligned with Queensland's planning, environmental and development systems. The second is that Queensland does not take the opportunity to simplify its own interfaces in response. The result could be that proponents bear the burden of translating between two systems whose expectations, timing and evidentiary requirements do not line up. That is not a sustainable model for a state seeking to improve productivity and accelerate project delivery.

Bilateral agreements, accreditation and operational arrangements

In our view, bilateral agreements and accreditation arrangements are the most important operational issue for this inquiry. The ToR specifically identify Commonwealth–State accreditation and bilateral agreements as a core feature of the reforms, and public commentary on the new framework consistently points to these mechanisms as central to whether the system will in fact be streamlined. The Property Council submits that Queensland should pursue the strongest possible accreditation model consistent with maintaining environmental integrity and legal certainty.

A well-functioning accreditation model should allow Queensland agencies and processes to undertake assessment once, against requirements that also satisfy Commonwealth standards. This approach will eliminate avoidable duplication in process, information requests and decision pathways. Commonwealth oversight can and should remain, but it should be exercised through confidence in accredited systems, not through routine duplication of work already undertaken at the State level. This is the practical pathway to reducing costs, timeframes and uncertainty while preserving environmental protections.

To achieve that outcome, bilateral arrangements should be based on several principles. First, they should support concurrent rather than sequential processing. Second, they should include clear and consistent information requirements, so proponents are not preparing multiple versions of the same material for different agencies. Third, they should establish transparent decision-making timeframes and reporting arrangements so that project proponents and investors have visibility over process. Fourth, they should reflect the reality of different project types and scales, ensuring the system is risk-based and proportionate rather than uniformly burdensome.

Offsets and practical delivery constraints

The 2025 reforms revise the rules relating to environmental offsets and contemplate restoration contributions in some circumstances. Public material on the reforms indicates a stronger emphasis on avoidance, mitigation and repair before offsets are used, along with more structured offset principles and compliance requirements. While these objectives are understood and broadly supported, it is critical that the practical realities of offset delivery in Queensland are reflected in the design and implementation of the reformed system.

The Queensland Government is currently undertaking a review of its environmental offsets framework, with a clear focus on modernisation, improved delivery and streamlining of existing processes. The Property Council welcomes this work and strongly supports its intent to move toward a more outcomes-focused and efficient framework. This reform process presents a significant opportunity to better align state and Commonwealth approaches, particularly where this reduces duplication, improves consistency and provides greater certainty for proponents operating across jurisdictions.

Feedback from our members consistently highlights that the current offsets system is constrained not only by policy settings, but by practical delivery challenges. For urban development and infrastructure projects, the availability of suitable offset opportunities within the required geography and timeframe is often limited. In many locations, appropriate land is scarce, fragmented or already committed, while existing delivery mechanisms can be overly prescriptive and administratively complex. This can result in a system that is focused on procedural compliance rather than achieving timely and scalable environmental outcomes.

Consistent with our submission to the Queensland Offsets Review, there is a strong preference for a more flexible, outcomes-based approach that prioritises the effective deployment of offset contributions and the delivery of measurable environmental benefits. This includes enabling greater use of aggregated funds, pipeline-based delivery models, and a broader range of offset pathways beyond traditional land-based mechanisms where appropriate. In some circumstances, restoration contributions, strategic conservation investment and partnerships with delivery agencies including local government may offer a more practical and effective means of achieving environmental outcomes.

Alignment between Queensland and Commonwealth offset frameworks will be critical to ensuring these reforms reduce, rather than exacerbate, regulatory burden. While recognising that the two systems operate at different scales and serve different legislative purposes, there is a clear opportunity to align principles, improve transparency, and reduce duplication in

requirements, processes and decision-making. Without this coordination, there is a risk that proponents will continue to navigate inconsistent settings, duplicated obligations and misaligned delivery frameworks, undermining both efficiency and environmental outcomes. This is particularly evident where the same species – including the koala – is protected under both regimes in different contexts, but subject to entirely different assessment and offset regimes.

Ultimately, offsets reform should support both environmental integrity and project delivery by providing a clear, flexible and outcomes-focused pathway that reflects real-world constraints.

Maximising the benefit of EPBC Act reforms in Queensland

While the ToR focus on the impacts of the Commonwealth reforms, it is equally important to consider how the Queensland Government can proactively position itself to maximise the benefits of these changes. There is an opportunity for the State to align processes, frameworks and policy settings to operate within the new regime.

To ensure the reforms deliver on their intent to streamline processes and reduce duplication, the Property Council makes the following recommendations:

- The Property Council supports a reform pathway underpinned by integration, certainty and proportionality
- The current Commonwealth reforms are not yet fully operative and ongoing industry engagement and consultation is needed
- Both levels of government should explicitly prioritise system integration, rather than layering new Commonwealth processes over existing Queensland frameworks (or vice versa)
- The strongest practical form of bilateral accreditation should be pursued as a matter of priority, enabling assessment and approval wherever possible to occur once through recognised State pathways
- Governments should support concurrent assessment processes, standardised information requirements and shared digital platforms to reduce duplication
- Offsets frameworks should provide greater flexibility in delivery, ensuring environmental outcomes can be achieved in ways that are workable in the Queensland context
- Clear and enforceable timeframes, along with transparency in assessment progress, are essential to maintaining investment confidence and project feasibility
- The State should prioritise the negotiation and execution of a new bilateral agreement with the Commonwealth as soon as possible to support a more efficient and coordinated approvals pathway. While an approvals bilateral agreement should remain the preferred outcome, an assessment bilateral agreement would provide an important interim measure by reinstating the status quo. To facilitate a new bilateral agreement, the State should review and amend its environmental assessment processes to align with the Commonwealth's assessment regime, including consistency with National Environmental Standards, application of the net gain test actions with residual significant impacts and requirements to avoid unacceptable environmental impacts

- Consideration should be given to expanding the scope of future bilateral agreements at the State level beyond the assessment pathways currently covered, including reviewing references to outdated legislative processes and identifying additional State assessment pathways suitable for accreditation. The State could also investigate the introduction of an optional EIS pathway under the Planning Act 2016 to support a single, streamlined approval process
- Local government involvement is critical and their role in assessment must also be aligned as part of any assessment/approvals bilateral
- Progressing targeted bioregional plans should be prioritised as a key mechanism to enable streamlined assessment pathways for classes of development in appropriate locations
- The State should actively explore opportunities to participate in and support strategic assessments under the reformed EPBC Act. While strategic assessments are likely to require significant upfront investment and coordination, they offer the potential to streamline approvals by facilitating approval of classes of actions undertaken in accordance with these instruments
- The State should align its environmental assessment and approvals framework with the reformed EPBC Act to ensure that projects registered under approved strategic planning instruments, such as bioregional plans, can proceed through a streamlined approvals pathway
- It is important that the State has input into the design and operation of the restoration contribution calculator to ensure it reflects local conditions and delivers workable outcomes
- The State should also have a clear role in informing the development of protection statements for threatened species and ecological communities to ensure alignment with State-based environmental frameworks
- It is important that the State progresses these actions proactively and in parallel with the QPC review process, rather than waiting for interim or final recommendations

The Property Council supports the objective of strong environmental protection and recognises the importance of reforming national environmental law to improve consistency and integrity. However, the Commission's inquiry arrives at a point when key elements of the framework are still not settled and many of the most significant changes will not fully commence until later in 2026.

Queensland does not need a more complex approvals system – rather, it requires a more coordinated and effective one. The 2025 reforms present an opportunity for streamlining the current framework, and reducing inefficiencies through better alignment, stronger accreditation, concurrent processing and clearer operational rules.

The Property Council looks forward to continuing to engage with the Queensland Productivity Commission and would welcome the opportunity to provide further evidence as the detailed implementation settings of the Commonwealth reforms become clearer.

In the meantime, please do not hesitate to contact me on [REDACTED] or via email

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Yours sincerely,

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Jess Caire

Queensland Executive Director