



QUEENSLAND FARMERS' FEDERATION

Primary Producers House, Level 3, 183 North Quay, Brisbane QLD 4000
PO Box 12009 George Street, Brisbane QLD 4003
qfarmers@aff.org.au | 07 3837 4720
ABN 44 055 764 488

Submission

22 March 2018

Committee Secretary
State Development, Natural Resources and Agricultural Industry Development Committee
Parliament House
George Street
BRISBANE QLD 4000

Via email: sdnraidc@parliament.qld.gov.au

Dear Committee

Re: Vegetation Management and Other Legislation Amendment Bill 2018

The Queensland Farmers' Federation (QFF) is the united voice of intensive agriculture in Queensland. It is a federation that represents the interests of peak state and national agriculture industry organisations, which in turn collectively represent more than 13,000 primary producers across the state. QFF engages in a broad range of economic, social, environmental and regional issues of strategic importance to the productivity, sustainability and growth of the agricultural sector. QFF's mission is to secure a strong and sustainable future for Queensland farmers by representing the common interests of our member organisations:

- CANEGROWERS
- Cotton Australia
- Growcom
- Nursery & Garden Industry Queensland (NGIQ)
- Queensland Chicken Growers Association (QCGA)
- Queensland Dairyfarmers' Organisation (QDO)
- Burdekin River Irrigation Area Irrigators Ltd (BRIA)
- Central Downs Irrigators Ltd (CDIL)
- Bundaberg Regional Irrigators Group (BRIG)
- Flower Association
- Pioneer Valley Water Cooperative Ltd (PV Water)
- Pork Queensland Inc.
- Queensland Chicken Meat Council (QCMC)
- Queensland United Egg Producers (QUEP).

QFF welcomes the opportunity to provide comment on the Vegetation Management and Other Legislation Amendment Bill 2018 (the Bill). QFF provides this submission without prejudice to any additional submission provided by our members or individual farmers.

The united voice of intensive agriculture



Summary

QFF acknowledges the importance of biodiversity conservation and ecologically sustainable agricultural industries. QFF consider a sensible and sustainable vegetation management framework is critical for the future viability and prosperity of our sector and its reliant regional communities, and to realise the environmental outcomes sought by the Queensland Government. However, the Bill as it currently stands will not deliver a fair, transparent and stable regulatory framework. It does not provide a long-term solution to the issue of balancing the needs of the environment and the legitimate business interests of Queensland intensive farmers and the prosperity of the state as a whole.

Accordingly, QFF submits to the Committee that it recommends to the Parliament that:

1. the Bill be rejected outright
2. the government engage in an objective, transparent and evidence-based consultation process with all key stakeholders to realise a long-term, vegetation management framework that delivers triple bottom line sustainability for all Queenslanders.
3. an independent consultant be appointed to lead this consultation process and provide considered recommendations to government.

If the Committee decides not to reject the Bill outright and conduct a proper consultation process, QFF submits that:

1. the clearing provision for IHVA, or the inclusion of a similar mechanism, be retained to allow vegetation clearing where there is a demonstrated economic and social outcome
2. the government greatly improves the level of information and statistics around land clearing, regrowth, and change in land use away from agricultural production to ensure a complete picture can be used to inform policies
3. a Regulatory Impact Statement (RIS) process be undertaken given stakeholders have not been consulted on the proposed changes and the Bill will clearly have significant adverse impacts.

Background

In April 2016, QFF opposed the government's 'Vegetation Management (Reinstatement) and Other Legislation Amendment Bill 2016.' QFF submitted two recommendations to the Agriculture and Environment Committee:

- The Bill be rejected in its current form.
- The Committee recommends to the government that they lead an open, constructive consultation process on the Vegetation Management Bill.

Some of QFF's specific concerns with the 2016 Bill included:

- ***The removal of the High-Value Agriculture (HVA) and Irrigated High-Value Agriculture (IHVA) clearing permit provisions.***

QFF highlighted several legitimate reasons why the HVA and IHVA clearing provisions must be retained, including:

- Achieving the Great Barrier Reef Water Science Taskforce report recommendations such as the 'voluntary retirement of marginal land from production', which will not occur without viable options to open up alternative and sustainable agricultural land to maintain agriculture as major contributor to the economy.
- Denying the future pathway for agricultural development in Northern Australia, particularly when new water entitlements are made available and new dams may be built.
- The continued loss of the state's highly productive agricultural land due to urban encroachment, infrastructure developments and resource industry developments – the HVA and IHVA provisions provide a highly regulated way of ensuring the sustainable

development of new agricultural land, and the ability of intensive agriculture to generate jobs, profit and boost economic activity is well documented.

- ***Implications of Mistake of Fact Defence & Reverse Onus of Proof.***
- ***Category R.***

The arbitrary application of a 50-metre buffer zone does not take into consideration the definition of a waterway, opportunities for operating in a carbon economy, opportunities for ecosystem services or integrate scientific knowledge.

- ***Transitional arrangements.***

Only one of the concerns raised in 2016 has been addressed in the 2018 Bill – removing the mistake of fact / reverse onus of proof. Further, the government has not consulted with all relevant stakeholders prior to reintroducing the Bill. This is disappointing, as a sustainable, long-term solution will not be reached without broad, effective consultation.

Continued concerns

Some specific concerns with the 2018 Bill include:

- ***Removing clearing provisions for HVA and IHVA***

The HVA and IHVA provisions are already the most regulated part of the *Vegetation Management Act 1999*. Clearing under these provisions can only occur with expressed approval, following a detailed application process. Vegetation can only be cleared for cropping or irrigated pasture, where it can be demonstrated that landholders have suitable land, and sufficient water (licence or allocation) in the case of IHVA, available and they have met clearing performance outcomes. These provisions do not allow clearing for lower value agriculture such as grazing activities or plantation forestry.

Only small amounts of land are responsibly cleared and generate significant value

From 2 December 2013 to 5 February 2018 (4 years 3 months), there were 67 agricultural development approvals under these provisions – 35 HVA and 32 IHVA¹. Together, approvals over this period will only see 114,512 hectares cleared for high value agriculture. To put that figure in context, that is only about 0.08 per cent of the area currently used for agriculture, and only 0.066 per cent of the land area of the state.

Retaining clearing for IHVA activities is particularly compelling. Only 5,608 hectares – about 0.0039 per cent of the area currently used for agriculture, and only 0.003 per cent of the land area of the state – have been approved to be cleared under the IHVA provision over the past 4 years 3 months. This is small-scale, responsible clearing for specific purposes that accommodate shifts in the agricultural footprint to combat climate change, realise better environmental outcomes, and increase farm flexibility and profitability. In the irrigated agriculture industries, more than 76 per cent of these approvals were for 30 hectares or less.

The economic return and job creation derived from IHVA clearing for irrigated agriculture is incredibly high compared to the amount of land cleared. For example, if the 5,608 hectares that has been approved for IHVA clearing was used in the following industries, the regional economic stimulation and job creation would be:

¹ Department of Natural Resources, Mines and Energy

Sugarcane	\$28 million in additional gross state product 1,203 direct jobs
Mango	\$89 million in additional retail value 617 direct jobs
Banana	\$269 million additional gross value of production 2,243 direct jobs
Macadamia	\$73 million in additional wholesale value 196 on-farm jobs
Cotton	\$39 million in additional value 65 on-farm jobs

Many rural and regional communities rely on the considerable returns for these high-value industries for their economic wellbeing. These irrigated agriculture industries provide relatively high direct and indirect employment for their small footprint – something that is much needed in regional Queensland.

Ability to adjust the provisions

If the Palaszczuk Government believes that the current framework is too loosely prescribed, the response should not be to remove the provisions – it should be to adjust them. This could easily be done by strengthening the application requirements to prevent any possible perverse outcomes. QFF suggests that more prescriptive application conditions could include the mandatory use of industry Best Management Practice (BMP) programs or the use of reasonable environmental offsets. If the government can't realise these changes, then it needs to consider a new pathway for small scale, sustainable clearing that reflects the large economic importance to rural and regional communities.

Flexibility in the agricultural footprint

Small-scale clearing is essential to maintain the current footprint of our member industries. Urban encroachment, infrastructure, the recent rapid growth of large scale solar facilities, and landscape change due to climate change are always imposing on the footprint of agriculture across the state. The Queensland Land Use Mapping Program established that over 104,000 hectares of class A & B agricultural land had been lost to non-agricultural development since 1999, demonstrating the critical need for sensible provisions to open up new agricultural land or modify existing enterprises under the right conditions for the right reasons.

Farm redesign required in 2020

Queensland agriculture is the second largest user of water and has the second largest number of irrigated agricultural businesses in Australia (about 5,500). Queensland is the second largest user of groundwater and largest user recycled/recaptured water resources. The amount of energy, and therefore the financial cost, of using these water sources is higher than using surface waters. Irrigation electricity tariffs in Queensland have risen a minimum of 136 per cent over the past decade, and for some more than 200 per cent, while CPI has increased by just 24 per cent over the same period.

Electricity costs are resulting in a steady decline in the number of irrigation businesses as well as reduced productivity across the sector. Farm design for irrigation businesses is based on current electricity tariffs. Post 2020 when these 'non-cost reflective' irrigation tariffs are removed, irrigation farms will require radical redesign. By removing the IHVA clearing provision and locking in their footprint, this redesign will not always be possible and farms will be unable to adapt. Surely this should be considered a perverse unintended outcome of the Bill.

Farming businesses already struggling to cope with unsustainable electricity price increases will be unable to continue operation when this occurs. At the end of 2016, there were about 42,000 regional

businesses currently on eight different tariffs classified as transitional or obsolete. About 17,400 of these connections are for farming and irrigation purposes.

IHVA a successful policy

The IHVA clearing provision has been a policy success – it has enabled responsible, small scale clearing to realise best management practices and positive environmental outcomes. Removing these provisions and only leaving a costly, bureaucratic state development application process will stifle agricultural agility and growth in the state; an unacceptable and inequitable outcome.

- ***Extending category R to include regrowth vegetation in watercourse and drainage feature areas in three additional GBR catchments – Eastern Cape York, Fitzroy and Burnett-Mary***

QFF absolutely recognises and fully supports a vegetation management framework that will protect the Great Barrier Reef. To do this, the different ecosystems, waterways, soil types and vegetation across the catchments need to be considered to determine effective catchment specific riparian zones – not by applying an arbitrary 50 metre buffer zone.

Legislation must clearly define the different riparian zones and the buffer zones must be determined based on the size and significance of the relevant watercourse. A broad-brush approach to riparian zones will not achieve the desired environmental outcomes and will have a negative impact on farm businesses.

For example, on a small-scale horticulture property a 50 metre buffer significantly reduces the amount of available land. If the ability to clear land under the IHVA provision is also removed, farm flexibility, profitability and maybe viability will become an issue. An offset approach or a compensation model could be appropriate in this context to ensure that the farmer has no net loss.

- ***Impact on land values***

The Bill proposes to extend the protection of high value regrowth vegetation to align with high conservation values by: increasing the land types on which high value regrowth is regulated (as category C) to include freehold land, indigenous land and occupational licences; and amending the definition of high value regrowth to be vegetation that has not been cleared for 15 years. However, it is not clear what impact these changes will have on property prices, nor have we seen a RIS, even though the explanatory notes (p. 7) identify that the proposed Bill may adversely affect landholders rights in this regard.

Land value and farm business equity tied to the land are two vitally important aspects of property ownership. The government has a responsibility to identify any impacts the Bill will have on property prices and ensure compensatory processes are in place. For example, when the government increased fishing restrictions to safeguard Queensland marine resources, it identified the impacts and set up a trawler buy-back scheme.

- ***Existing prime agricultural land not adequately protected***

The government should not be allowed to make legislative changes to clearing provisions for prime agricultural land until it can be demonstrated that the current protections for this irreplaceable asset are adequate. The current planning framework does not satisfy this objective and over 104,000 hectares of Agricultural Land Class (ALC) Class A and B land – the best agricultural land in Queensland – has been lost to non-agricultural development since 1999.

Due to the incremental nature of policy development and issue resolution within government, the Queensland policy framework for the protection of agricultural land for productive purposes currently consists of three separate approaches to this issue:

- Protection from development defined in the Planning Act 2016 (Important Agricultural Land; Class A Agricultural Land and Class B Agricultural Land)
- Protection from mining and petroleum activities (Strategic Cropping Area)
- Protection from mining and petroleum activities [Priority Agricultural Area (PAA) and Priority Agricultural Land Uses (PALU)].

QFF believes that this framework should be simplified by the development of a single classification of agricultural land to be protected from development and implemented through existing legislation appropriate to the relevant type of development.

1. A single classification of land to be protected should take the best elements of the current classification systems and should include the following elements:
 - a) A broadscale classification and mapping of agricultural land suitable for strategic planning at the state, regional and local scale.
 - b) A set of biophysical criteria that allows the verification of the land classification at the property scale.
 - c) The current or recent use of the land should not be a criterion.
2. The process for the assessment of the proposed development affecting agricultural land should be consistent regardless of the type of development. Decision outcomes should:
 - a) seek to avoid the loss of agricultural land
 - b) minimise the impact on agricultural land
 - c) include options for requiring the mitigation of the impact of development if impacts cannot be avoided.

- ***Knowledge gaps***

The vegetation debate has largely had a single focus – how much land is being cleared. However, we know that the high value agricultural footprint is shifting and shrinking, but there is a lack of data to formulate a comprehensive picture of this shift. Vegetation regrowth is not accurately measured and acknowledged so a complete picture of the real net change in vegetation across Queensland does not inform decision making. The debate will remain myopic until the Queensland Government greatly improves the level of information and statistics around land clearing, regrowth, and change in land use away from agricultural production.

- ***Perverse outcomes***

QFF understands that it is sometimes necessary and appropriate to review and amend regulatory frameworks to ensure they are current and better align with the objectives of the government of the day. But this cannot be said about the vegetation management framework. Frequent changes to legislation do not serve the long-term interests of Queensland's economic, social and ecological environments. In its report 'Regulation of Australian Agriculture (November 2016)', the Australian Government Productivity Commission singled out Queensland's vegetation management legislation as an example of how ongoing changes to regulation had created uncertainty, unnecessarily restricted farm management decisions, reduced investment and led to perverse outcomes. Unfortunately the proposed Bill simply repeats the problem rather than looking towards a long term, sustainable solution.

QFF and members acknowledge and accept that there is a need for effective regulation. When regulation is well designed and implemented it has a positive impact on the sector. However, perverse outcomes arise from regulation that is not warranted or appropriately targeted, and when it is not well

communicated or clearly understood. The vegetation management framework is already complex and not well understood by many farmers. There has been no consultation with the sector on the Bill and several sectors do not understand what the proposed changes will mean for them. This will undoubtedly lead to perverse outcomes.

- ***Regulatory Impact Statement (RIS)***

QFF requests that a copy of the Preliminary Impact Assessment (PIA) associated with this Bill is made public given that the government's PIA has clearly presumed that the potential impact of the proposed changes will not be adverse and significant on farmers. Associated with this, QFF also seeks a copy of the Office of Best Practice Regulation (OBPR) decision that a RIS was not required.

QFF was surprised that a RIS was not required given that the trigger or requirement to conduct a RIS is whether the proposed regulatory change is likely to result in significant adverse impacts – which the Bill clearly does. Particularly considering the lack of consultation that has occurred, as acknowledged in the explanatory notes (p. 9).

QFF and all of our members remain willing to enter into discussions regarding sustainable vegetation management. We are of the view that the current framework forms a solid foundation for agriculture in Queensland. There are options to enhance the functionality and outcomes achieved under the current framework. The proposed Bill is unbalanced, is not supported by complete evidence, and will not realise the government's policy objectives. Stakeholders have not been consulted, nor have the impacts on farmers been quantified. It is time to work with all stakeholders to deliver the stable, workable framework that farmers, regional communities, and the environment deserve.

Yours sincerely

Travis Tobin
Chief Executive Officer