



# QUEENSLAND FARMERS' FEDERATION

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## Submission

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Office of Resource Recovery  
Environmental Policy and Programs  
Department of Environment and Science  
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To Whom It May Concern

### Re: Independent Environmental Protection Agency (EPA) consultation Discussion Paper

The Queensland Farmers' Federation (QFF) is the united voice of intensive and irrigated agriculture in Queensland. It is a federation that represents the interests of 21 peak state and national agriculture industry organisations and 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)
- EastAUSmilk (formerly QDO)
- Australian Cane Farmers Association (ACFA)
- Turf Queensland
- Queensland United Egg Producers (QUEP)
- Queensland Chicken Meat Council (QCMC)
- Pork Queensland Inc
- Bundaberg Regional Irrigators Group (BRIG)
- Burdekin River Irrigation Area Irrigators Ltd (BRIA)
- Central Downs Irrigators Ltd (CDIL)
- Fairbairn Irrigation Network Ltd
- Mallowa Irrigation Ltd
- Pioneer Valley Water Cooperative Ltd (PV Water)
- Theodore Water Pty Ltd
- Eton Irrigation Scheme Ltd
- Lockyer Water Users Forum (LWUF)
- The Carbon Hub
- Queensland Oyster Growers Association (QOGA)

*The united voice of intensive and irrigated agriculture*



QFF welcomes the opportunity to provide comment on the discussion paper on an Independent Environmental Protection Agency (EPA). We provide this submission in consultation with but without prejudice to any additional submission from our members or individual farmers.

It is the consensus amongst QFF members that departments and /or agencies responsible for environmental protection and sustainable development already exist. The agriculture industry does not want further regulation. There is already too much, and the establishment of an EPA sends a signal to the industry that the government is inclined to increase environmental regulation. Collaboration and education have been proven to work best when working with industry.

QFF strongly opposes the establishment of a new agency as we believe it would highly inhibit development and future investment in Queensland agriculture. It has been demonstrated in southern states that Independent EPAs do not work for the agricultural sector as expertise is lost, industry confidence is reduced, and increased red tape with the cost of implementation passed onto industry.

An Independent EPA is a particular governance structure that has been adopted by some jurisdictions, presumably to meet a specific need or purpose. Identifying a valid reason(s) for establishing an EPA is, therefore the key to whether a similar governance model is desirable for Queensland or whether adjustments to the existing legislative and administrative arrangements could achieve the same result.

Arguments can be made for and against establishing an independent EPA. The high costs associated with developing a new agency, particularly if it was to be an independent authority employing its staff would be prohibitive. Unless adequately funded, a new EPA is unlikely to be any more effective at ensuring environmental protection than the current structures that are in place.

Undoubtedly the effectiveness of existing government departments that deal with environmental protection would be enhanced by increasing levels of resources. It can be argued that instead of spending funds on the establishment of an EPA that it would be more cost-effective to improve the resource base of existing agencies so that they can more effectively carry out their statutory roles and responsibilities. Improving communication between government departments would also help maximise outcomes concerning environmental protection.

QFF has responded to only the questions that effective comments can be made.

### Discussion paper Questions

#### **1) What do you think are the most important factors for an environmental regulator?**

QFF believes the most important factors for an environmental regulator are independence, transparency, financially stable and effectiveness whilst balancing the environment, jobs and economic growth. QFF submits all of these factors are important and need to be considered.

#### **2) How much do you agree that adopting the EPA brand would improve awareness of the role of Queensland's environmental regulator?**

QFF does not believe an EPA brand would improve awareness of the role of Queensland's environmental regulator.

Improving awareness would require substantial investment to engender support through education and marketing programs to improve the understanding of the operations and functions of an Independent

EPA. With the current structures in place working QFF does not see this as a wise use of taxpayer money.

Renaming something does not change something. The current approach to environmental regulation balances the protection of the environment and the market, compliance activity, supports good operators, drives innovation, and provides swift action on rogue elements in the sector.

**3) How much do you agree that establishing an EPA as an independent organisational form would improve the independence of the environmental regulator?**

None of the EPAs in other States/Territories and their Boards (where present) are truly “independent” in the sense that they are all government-appointed and funded, and they report to the government through the relevant Environment Minister.

QFF submits that the current environmental regulatory system in place represents integrity and independence and does not see how the movement away from the current system would not equate to significant costs in establishing the agency, which would be passed down to industry.

The intensive animal industries, including egg, pork, chicken meat and dairy, have significant concerns about moving away from the current regulatory alignment via the Department of Agriculture and Fisheries. There is the potential to destroy years of joint industry and government understanding around compliance issues and raise farmer costs.

**4) How much do you agree that an independent organisational form would improve community confidence in the integrity of the environmental regulator?**

QFF does not believe the independent regulator would improve community confidence in the integrity of the environmental regulator. Most State/Territory EPAs are reactive agencies responding to the chance report of an offensive incident. QFF believes that unless an EPA has a facility within it that is known by all Industries operating within QLD, to have the significant inspection, detection and authoritative powers, rather than an Agency that acts only AFTER offence to the Environment has taken place, it will be considered ineffective, and not taken seriously by industry and the community.

**5) How important is it to you that a regulator providing oversight to both public and private entities is established in a form that is independent and at ‘arms’ length?**

QFF submits that if an independent EPA was established it is vital that it is independent, and the structures are in place to prevent political interference. With this in mind, QFF is not confident these structures could be implemented.

QFF asserts that if such an agency was established whatever its configuration and objectives, it must be appropriately resourced by the state. Typically, EPAs in other jurisdictions undertake significant investigation, enforcement and prosecution activities that require substantial resourcing.

**6) How much do you agree establishing a Board to oversee an independent EPA would improve accountability?**

The establishment of a well-balanced Board would be essential in governing an Independent EPA. The Board would provide strategic direction, develop environmental policy and monitor performance.

**7) If Queensland were to adopt a model with a Board or Committee, what areas of expertise do you think are most important to be represented?**

The Board would require expertise in:

- environment protection and natural resource management
- business and industry
- environmental conservation and advocacy
- waste industry
- environmental law
- local government
- legal
- cultural
- science
- management.

Question 8 page 26 of the discussion paper has been addressed above.

**9) How much do you agree that funding of environmental regulator should publish its own separate annual performance report distinct from the broader department?**

When an annual report is part of a broader Departmental report, detail is limited. This does not mean that a more detailed report cannot be put into a Departmental report. The more detail, the more transparent it is.

**10) What level of risk (in terms of a conflict of interest do you think would exist if an independent EPA fully controlled its own industry-sourced funds.**

The risk is in setting its own fees and carrying over surpluses. This encourages expenditure and is outside of normal government expenditure policies such as “no new fees”. An increase in fees would in turn impact agricultural producers.

**11) How much do you agree that funding of environmental regulation should be supported by revenue collected from regulated industries through fees (e.g. licence fees)?**

QFF does not support any increase in environmental fees to the sector. Queensland intensive agribusiness operations currently designated as an Environmentally Relevant Activity (ERA) are highly regulated. These businesses pay significant costs currently which would likely increase under a cost-recovery component in the development of an Independent EPA agency.

**13) How much more efficient do you think an environmental regulator would be if it was independent?**

It is appreciated that the notion of the establishment of an Independent EPA, as found in other States, may be attractive to government. However, it is considered that such an agency may by its very independence from government, become hostage to special interest groups and beyond the control of the government and the electorate which would create inefficiency in service delivery.

**14) Would making an independent regulator accountable to a multi-skilled Board further improve its efficiency?**

Yes, accountability should also include regular meetings with government agencies, industry, interest groups and the community

**15) Would separating the policy and regulatory functions create any risks for your sector?**

The benefits of separation of policy from regulation reportedly is that policy is not captured by the agenda of the provider, with potential conflict of interest issues arising. However, in terms of operational policy, feedback from the provider and consumers provides essential knowledge of what works best. If an operational policy is developed by people with no links to operations or understanding of the industry, then there will be a disconnect with potentially negative consequences for industry.

The current alignment of policy and regulatory function within the current Department of Environment and Science causes some concern about the independence of policy i.e., it is difficult to discuss frankly and openly with policymakers about instances and examples of sub-standard farming practice when there is an underlying concern that the information will go directly from the policy maker to the regulator. That said, regulation policy development in recent times was handled well by individual officers through a “Chinese Wall” approach between themselves and their regulating cousins. Better relationships and greater trust is a better way to address this potential conflict of interest rather than significant investment in a new agency. Particularly given that so many aspects of environmental policy are underfunded.

**16) Where do you think the following functions are best located (page 16 discussion paper).**

All of the functions can be dealt with by the department. There are no compelling reasons to change the current structure and the implications of higher prices for industry as has happened in other states is a real possibility. The current system with the experienced group at Toowoomba (intensive animals) works well and QFF sees no reason to change what is currently working.

The current arrangement with DAF in Toowoomba works well as DES staff understand the industry issues and can make relevant decisions and provide appropriate advice. This contributes to an ongoing pool of knowledge and expertise that benefits all parties by providing science-based decisions in the framework of being fully informed about industry impacts and options. This builds relationships, strengthens compliance and ensures successful industries while protecting the environment. This expertise can also spill over into emergency situations where decisions have to be made quickly on environmental matters.

EPAs in other states lack rural livestock capability as the majority of their work tends to focus on metropolitan and industrial facilities this does not invoke confidence that the same issues occurring in other states would not occur in Queensland.

**17) How much more effective do you think an environmental regulator would be if it is independent?**

The day-to-day implementation of environmental protection legislation and policies is carried out by the relevant government agencies, being independent is unlikely to make these agencies more effective without a significant expansion in resourcing.

**18) Would making an independent regulator accountable to a multi-skilled board further improve its effectiveness?**

It is possible effectiveness would be improved but this is the most complex and costly of the options to implement, particularly if combined with changes to environmental regulatory functions of the Department of Environment and Science.

**19) Would establishing Advisory Committees for specific focus areas, such as environmental science, improve the effectiveness of the environmental regulator.**

Science should guide policy, but this science can come from a number of sources other than a committee. It could include universities, specialist scientists in the government, and private industry. If a

committee were to be established, it should be balanced with industry stakeholders so that there is a balanced view.

**20. Which of the following would be more effective?**

- an EPA with a targeted focus regulating against the risks to environmental values associated with industry and development
- An EPA with a broader remit of responsibilities, incorporating nature conservation and natural resource management functions.

Either can be effective. The more information that can be accessed from industry and science to ensure good decisions are made, the better. This can occur in either model.

**21) How important is public trust in the regulatory framework to industry's social licence to operate?**

Farmers are increasingly expected to demonstrate their social and environmental responsibility as a pre-condition to being allowed to carry out their preferred farming and commercial practices [and that] Issues including climate variability, water scarcity, animal welfare, and declining biodiversity have led to increasing demands on farmers to conduct and communicate their farming practices so as to protect their "social license to farm", public trust in the regulatory framework is vital.

The focus of the public's trust needs to be with industry and its farmers. Farmers must produce safe food for the public to eat and they do this by complying with food safety standards that are audited by third parties (that are not always government). This is a requirement issued by those retailers who sell food. A secondary, but still important element is that the public must have faith and trust in the government's regulation of those industries. Otherwise, there is no point to the regulation.

**22) How much do you agree that establishing an independent environmental regulator would improve Queensland's environmental reputation?**

QFF understands that if the government perceives there is a need for an Independent EPA then the focus should be on improving, strengthening and empowering the existing departments currently responsible for environmental protection and ensuring these departments are adequately resourced to achieve the desired outcomes. QFF is not convinced it would improve Queensland's environmental reputation.

**23) How important do you think Queensland's Environmental Social and Governance (ESG) credentials are to its future economic prosperity and job creation?**

Demonstrating Queensland's environmental, social, and governance (ESG) credentials is critical for the state's future economic prosperity and job creation.

Agriculture is implicated in multiple aspects of ESG investing. The agricultural sector has a positive environmental impact, such as the creation of alternative fuels — when plant products are used in biofuels, or diesel that is mixed with oils from certain agricultural products as a way to reduce the total consumption of fossil fuels.

Considering agriculture's impact in social risks and opportunities of ESG, trade tensions can often strain agriculture sectors, alongside unpredictability and shifting prices causing potential damage to the industry.

Many commodities now have Sustainability Frameworks that guide the issues that they have identified as critical to businesses satisfying a triple bottom line. For example, the Australian-grown Horticulture Sustainability Framework has a number of elements that relate to ESG credentials. These include:

- Safe and ethical work
- Thriving Communities
- Trade and economic value
- Leadership and governance
- Food waste
- Packaging
- Farm waste.

These frameworks are evidence of industries realising what is needed to be a profitable business in the domestic and international markets. They are responding to market demand rather than a government-imposed generic rule where one size fits all – but that is well recorded that it doesn't work in reality.

**24) How supportive are you of establishing an independent EPA in Queensland?**

As stated above QFF strongly opposes the establishment of a new agency as we believe it would highly inhibit development and future investment in Queensland agriculture.

QFF believes that a partnership approach to addressing environmental issues and better communication between the various departments and stakeholders would be more beneficial than introducing another level of bureaucracy.

Thank you for the opportunity to provide comment on the independent EPA discussion paper. I look forward to the opportunity for further engagement on behalf of QFF and members on this important issue.

Yours Sincerely

Ms Jo Sheppard  
Chief Executive Officer