

SUBMISSION



QUEENSLAND
FARMERS'
FEDERATION

9 May 2023

Mr Chris Whiting MP
Chair
State Development and Regional Industries Committee
Parliament House
George Street
BRISBANE QLD 4000

PO Box 12009 George Street, Brisbane Qld 4003
Level 8, 183 North Quay, Brisbane Qld 4000
qfarmers@qff.org.au | (07) 3837 4720
ABN 44 055 764 488

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

Dear Mr Whiting

Re: Queensland Climate Transition Bill 2023

The Queensland Farmers' Federation (QFF) is the united voice of agriculture in Queensland. It is a federation that represents the interests of 20 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)
- Turf Queensland
- Queensland United Egg Producers (QUEP)
- Queensland Chicken Meat Council (QCMC)
- Australian Cane Farmers Association (ACFA)
- 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 Co-operative Ltd
- Lockyer Water Users Forum (LWUF)
- Queensland Oyster Growers Association (QOGA)

MEMBERS
Canegrowers
Cotton Australia
Growcom
Nursery and Garden Industry Qld

eastAUSmilk
Turf Queensland
Australian Cane Farmers Association
Queensland United Egg Producers

Queensland Chicken Meat Council
Pork Queensland Inc
Qld Oyster Growers Association
Irrigator Groups Across Qld

QFF welcomes the opportunity to provide comment on the Queensland Climate Transition Bill. We provide this submission without prejudice to any additional submission from our members or individual farmers.

Value of Agriculture in Queensland

Queensland agriculture is a powerhouse to Queensland's prosperity and is central to the Queensland economy, regions and communities. The gross value of production forecast for Queensland primary industries for 2022-23 is \$18.09 billion.

The intensive animal industries of eggs, chicken meat, pork and dairy direct value of products to the Queensland economy is close to \$1.5 billion annually. It represents well over 50% of the animal protein intake of Queenslanders. It is important for food security that legislative impacts on agriculture are carefully monitored to prevent food shortages and ensure agricultural business sustainability and growth.

For the cotton, horticulture, nursery and garden and sugar cane, forecasts for 2023 are a gross production value of over \$7 billion.

Queensland agriculture leads the world in regard to best practices, sound land management and environmental considerations. All commodity groups have demonstrated incredible outcomes in their sustainable production journey, including significant improvements in water efficiency, soil health, animal husbandry and welfare, reductions in chemical applications, controlled runoff measures and much more.

Queensland can be proud of its agriculture industry which produces some of the world's very best food, fibre and foliage whilst remaining at the cutting edge of environmental stewardship and considered a global leader in this space.

Impacts for Consideration in Climate Transition Planning and policy proposals:

Use of LPG gas: LPG gas is used extensively throughout the pork and poultry industries. The amount is significant in pork processing. With chickens, the heating systems are provided by LPG and especially with day-old chicks being placed in sheds, this is a vital part of their survival. Australia does not process LPG. It exports its natural gas to places such as Singapore to be refined to LPG, which is then returned to Australia as LPG. A plan to discontinue exports by 2030 would mean no more LPG gas in Australia. There would need to be significant and costly changes to systems. Before decisions are made on targets such as these, an audit on the extent of LPG gas usage and a regulatory impact statement would need to be done to estimate whether it is feasible for Queensland to operate without LPG gas by 2030.

Oil, diesel and petrol: The phasing out of these products by 2030 would have catastrophic impacts on agriculture. Oil is exported overseas to return as diesel and petrol. It is unrealistic to expect all vehicles to be electric by 2030. Vehicles are used extensively in farming, and with no petrol available, the industry would shift to other states where the regulations are not so onerous and unprofitable. Any realistic and sustainable phasing-out plans need to include practical alternatives for the industry.

Steel production: Steel is a component of buildings and machinery. Steel is produced by coking coal from the metallurgical coal exported from Australia and used in steel production. Much of the steel produced in Australia is manufactured offshore and then shipped to Australia for processing and fabrication. While green steel is being researched, it is far from being used as an alternative by 2030. It is also far more expensive. A report launched by Rio Director Simon McKeon in February 2023 said that establishing a green export industry in Australia could require additional green iron technology investments of up to \$30 billion by 2050 and 234 terawatt-hours per year of electricity generation to

transform domestic ironmaking and steel making. Research is in its very early stages. In March this year, the Fortescue lab succeeded in turning iron ore into 150 kg of green iron. Scaling this up to 100,000 tonnes would require an enormous amount of renewable energy. This Bill proposes 2030 as a deadline to cease all oil, gas and coal exports. As our steel is made from exporting our metallurgical coal overseas and used to manufacture steel offshore or refined and brought back to Australia to make steel, this timeline is unachievable without a devastating impact on agricultural and other industries throughout Queensland.

Concerns about the Bill

There is inadequate detail in the Bill to assess its full impact. Division 2 says that the purpose of this division is to end activities for mining coal, gas or oil. Some comments are:

- **The method of measurement** of greenhouse gases says it will be the IPCC Guidelines for natural greenhouse gas emissions. Locking in a specific method into an Act can be problematic if the organisation changes names, is replaced by another organisation, or newer, more effective methods come into play. It is important to be consistent, but a better way to mention the methodology is to put in a schedule or regulation where it can be changed more easily.
- **Amending or cancelling an authority:** The powers of cancelling are not seen to be following fundamental legislative principles, including being consistent with natural justice and not adversely affecting rights and liberties or imposing obligations retrospectively. Specifically:
 - **Undecided applications** for fossil fuel authorities is taken as decided to refuse to grant the application
 - **QCTA may amend or cancel a fossil fuel authority**, and this will take effect when the holder receives the notice or on a specified date stated in the notice.
 - **No avenue for appeal:** The decision is final and conclusive and cannot be challenged, appealed against, reviewed, quashed, set aside or called into question in any other way under the Judicial Review Act 1991, or otherwise by the Supreme Court, another court, a tribunal or another entity.
- **Funding of the authority:** There is significant work to be done by the Authority, and it has the right to employ staff under the Public Sector Act. Unlike other Authorities, there is no provision to be funded from fees or other means. The Director of the Authority or Board members are not entitled to receive any payment unless as decided by the Premier. There is no mention of what the Authority can do to raise funds or how it would be resourced.
- **Powers of the Director and the Authority:** There is no detail of the powers that the authority will have. Section 28 says that the Director has the power to do anything necessary or convenient to be done in performing the Director's functions and also has any other powers given to the Directors under this Act or another Act. Does this mean that the Director has the power of entry onto premises, can seize records, and conduct investigations? Would the establishment of an Authority detract from the opportunity for carefully planned transition strategies to become mainstream and embedded in every government department to provide cohesion and coordination? QFF believes the establishment of this type of governance should be approached with extreme caution and well thought through in order to achieve an effective way forward that delivers rather than detracts.
- **Membership of the Board:** The Bill says that the Board will consist of at least 5 but not more than 7 members appointed by the Premier and must consist of at least one Indigenous person and at least 3 members who live in a relevant regional area. The Premier must appoint one person as Chair. That leaves only 2 people to be appointed to the rest of the Board. There is a list of skills and experience that the Board member must have. There is only one mention of industry, and that is the coal, gas or oil mining industry. Agriculture is not mentioned.
 - **QFF strongly recommends that agriculture is added to section 35 (3).**

Position: Queensland Farmers' Federation understands the intent and concept of the Bill, to meet the Paris Agreement targets. However, there are significant impacts imposed by the unrealistic deadlines outlined, and Queensland Farmers Federation cannot support the proposed Bill in its current form as it would have a devastating effect on industry and communities. Farmers and agriculture have the potential to make a significant contribution to achieving long-term, sustainable environmental outcomes; however, these will only be achieved by working with industry and rural communities, not against them. Targets and timelines need to be realistic, achievable, and well thought through so as not to break supply chains and, in doing so, drive perhaps unintended detrimental consequences to industry, food, fibre and foliage production systems and the wellbeing and livelihoods of communities more broadly.

The Queensland Farmers' Federation emphasises that as we strive for nature-positive targets, it is crucial to collaborate with both the environment and the industry, rather than implementing generic approaches. Queensland boasts abundant biodiversity and a thriving industry. A successful transition will heavily rely on adopting a regional approach that acknowledges and capitalises on opportunities specific to various industries and bioregions. A one-size-fits-all approach will not only fail to achieve desired outcomes but also risks disempowering individuals and negatively impacting entire communities and bioregions. It is imperative that any proposed future governance structure or model allows for regional representation with authoritative power in shaping policies, initiatives, and the future of their communities while aligning with broader state-wide directions.

For sustainable change to occur, it is essential to incorporate viable solutions. The adoption of technology, innovation in critical areas like soil health, education, and strategic support for communities and industries, will play a pivotal role in driving the desired long-term outcomes.

The adoption of short-sighted policies and poorly planned legislation from a centralised authority pose substantial threats to agriculture, the sustainability of future food production, the long-term prospects of land management, and the overall viability of regional and rural communities.

The Queensland Farmers' Federation is open to engaging in constructive discussions with the committee regarding the proposed Bill and any other relevant, broader matters.

Yours sincerely

Jo Sheppard
Chief Executive Officer