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Research Director
Agriculture and Environment Committee
Parliament House
BRISBANE QLD 4000
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**SUBMISSION TO:
Vegetation Management (Reinstatement) and Other Legislation
Amendment Bill 2016**

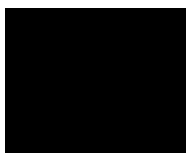
Dear Research Director and Committee Members,

AgForce is the peak lobby group representing the majority of beef, sheep and wool and grain producers in Queensland. The broadacre beef, sheep and grains industries in Queensland generated around \$5 billion in gross farm-gate value of production in 2013/14. AgForce exists to ensure the long term growth, profitability, productivity, and sustainability of its members. Our members provide high-quality food and fibre products to Australian and overseas consumers, manage more than half of the Queensland landscape and contribute significantly to the social fabric of rural, regional and remote communities.

We provide this submission in support of the discontinuation of the current Vegetation Management Act 1999, rejection of the changes proposed in the Vegetation Management (Reinstatement) and Other Legislation Amendment Bill 2016 ("the 2016 Bill"), and recommend actions to identify a regulatory framework with bi-partisan support that will enable certainty for all stakeholders.

We thank you very much for the opportunity for AgForce to provide a submission to this inquiry and we are eager to meet with and provide further information and detail to the Committee as required. For further inquiries please contact Dr Greg Leach [REDACTED]

Regards,



Grant Maudsley, AgForce President

SUBMISSION

AgForce's overriding issue with the 2016 Bill is that its introduction in the Queensland Parliament on 17th March represents **yet another** variation to the Vegetation Management Framework, which has been amended over 18 times since its introduction in 1999. It is particularly galling that the proposed changes reek of political expediency, rather than sound scientific argument to support change to the current Vegetation Management laws. This constant change in legislation severely impacts on the ability of landholders to plan and implement effective long-term property and business management decisions. Ecological processes work in much longer timeframes and can be severely compromised when mismatching, constantly changing regulations are enforced. Farmers have long called for certainty with the vegetation management regulatory framework. With the Bill being introduced when farmers are on their knees and over 86% of Queensland is in drought, it should come as no surprise that AgForce is totally opposed to continued uncertainty and attacks on the viability of farmers, their long-term sustainability as well as attacks on the agricultural industry. An Act which has been subject to so much review is clearly deficient and needs complete repeal.

AgForce members are strongly opposed to all changes proposed by amendments in the 2016 Bill that are driven by certain ideologically driven sectors of our community, and fail to recognise how agriculture provides food for the tables of all Queensland families. They also blatantly disregard the fact that Queensland farmers are world leaders in terms of environmental sustainability and are the envy of the global industry in terms of food safety and security. AgForce totally rejects:

1. Removing High Value Agriculture (HVA) and Irrigated High Value Agriculture (IHVA) from the Vegetation Management Framework
2. Re-Introduction of Reverse Onus-of-Proof and Denial of Common Justice (Section 24)
3. No compensation will be payable to HVA, IHVA and Property Map of Assessable Vegetation (PMAV) applicants during transitional arrangements and amendments will be retrospectively enforced
4. Re-Inclusion of High Value Regrowth as an additional layer of regulation under the Vegetation Management Framework on freehold and indigenous land
5. Increasing Category R vegetation regulations to include the Burdekin, Mackay, Whitsunday and Wet Tropics and additional catchments Burnett Mary, Eastern Cape York and Fitzroy, Great Barrier Reef catchments.
6. Reinstating provisions in the Water Act 2000 and Environmental Offsets Act 2014

AgForce advises that in contrast to claims of loss due to clearing, vegetation has been increasing across Queensland over the last four years of data from the Statewide Landcover and Trees Study (SLATS). SLATS shows an increase of over 400,000 hectares of new wooded vegetation cover for the period 2010-2014. If we include cumulative clearing figures, there has been a total of 943,000 hectares of new woody vegetation cover in this period. Clearing of 296,000 hectares is quoted in the media for the 2013-14 period. 111,400 hectares of this total was in the mulga lands for drought feeding stock. This number also includes only 0.51% of 'Endangered', 0.4% of 'Of Concern' and 0.21% of 'Least Concern' vegetation status across the State. Additionally, less than 10,000 hectares was 'illegal clearing' conducted without a permit for a recognised purpose. This exposes the claims of the Palaszczuk Government concerning the 'Rate of Clearing in Queensland' as misrepresentative of the facts and constitutes cherry-picking of data for political gain, rather than for interdependent environmental and production outcomes. Arguably, advisors to Government decision-makers have questionable credibility according to accepted scientific standards for data interpretation.

In providing this submission we refer directly to key amendments of the 2016 Bill. In each section we outline the position of the AgForce Vegetation Management Committee, a representative group of experienced farmers across Queensland's bioregions that has met on numerous occasions and collected detailed region-specific information. Some Committee information is included in quotation marks to stress impact of the 2016 Bill. Later in each section we outline the AgForce Policy position in relation to each proposed amendment and recommendations.

1. Removing High Value Agriculture and Irrigated High Value Agriculture from the Vegetation Management Framework

1.1 AgForce Vegetation Management Committee

Development: “Removing HVA and IHVA will stifle rural community development, accelerate ‘urban drift’ of young rural people to the city and stagnate local jobs. The prospect of positive rural development is an essential life-line for rural communities. The biggest cause of environmental degradation is not land clearing, it is poverty.”

Economic: In the wake of decreased prospects in the mining sector, agriculture has increased in Queensland’s economy to be \$16.88 billion in 2015-16, a 12% rise on the previous financial year. “As predicted, agriculture will become a \$30-billion-dollar industry in the coming decade and it will need key ingredients such as high speed telecommunications, human talent, productivity increases, premium branding and last but not least tenure and resource security. We should use a percentage of this to incentivise good vegetation management. Clear property rights are fundamental to business evolution. Indeed, removal of Government as a business stakeholder is critical to evolution of agricultural enterprises currently stuck in the grind of operational uncertainty. As agriculture becomes a major pillar of the State economy, provisions such as HVA/IHVA are required to fill fiscal gaps from the mining downturn. Removal of HVA/IHVA destroys viability and profitability of farms who intended to utilise this provision for stabilising income generation and provide a chance to value-add and finish stock for premium markets. HVA/IHVA value-adds to existing farming enterprises, which has knock on benefits for local employment, value chain enhancement and local businesses. Removing HVA/IHVA diminishes Queensland farmers’ ability to manage drought.”

Social: “A major social impacts of this amendment is reduced succession capacity within family farms with lessened business opportunity being a stark reality on many properties. HVA/IHVA offers vital improved financial viability. Keeping children in family business becomes much more difficult when positive options like HVA/IHVA are trashed.” More broadly speaking, “Trashing HVA/IHVA destroys our development opportunities, eliminates employment from HVA/IHVA activity which support our local communities, it stifles and restricts improved use of resources and reduces our ability to conserve fodder for value adding and assisting regional communities through drought times.”

Science and Environment: “The science and statistics quoted by environmental lobby groups are flawed, particularly the concern that HVA/IHVA is a major contributor to increased carbon dioxide/greenhouse emissions. Only 0.08% of the remnant vegetation in Queensland has been approved for conversion to high-value agriculture and irrigated high-value agriculture since 2013, or less than one-fifth of the size of Brisbane! Even with HVA/IHVA development, vegetative cover in Queensland has continued to increase annually.”

Industry: “Omission of HVA/IHVA from the VMA restricts capacity of agricultural industry over much of the State and places it directly at odds with the Federal Government’s proposed investments in the development of industry in Northern Australia, including intentions of significantly increasing Indigenous-non-Indigenous prospects. This is particularly unpalatable as the environmental outcomes sought by omitting HVA/IHVA has no proven environmental benefit, nor scientific basis.”

Benefits of Compliance: “HVA/IHVA facilitates managed landscapes with positive net environmental benefits. Particularly when Module 8.0 Native Vegetation Clearing Code is adhered to. This promotes cross-compliance with Nature Conservation Act 1992, Environmental Protection Act 1994 and the Environment Protection and Biodiversity Conservation Act 1999. Removing HVA/IHVA risks NOT capitalising on the diversity of Australian natural capital and climatic conditions. It also restricts environmentally sensitive development in a planned and compliant manner, improving connectivity, weed management and riparian health. Historically, clearing in Queensland provided vast flow-on benefits for farmers, regional communities and the Australian economy. No farmer will invest

significant capital to achieve environmentally or economically DETRIMENTAL outcomes! Indeed, if farmers are asked to produce more food than the land can handle environmental decay will occur.”

Food Security and Indigenous Independence: “Australia must increase its food production capability or import food from countries with little or no environmental policy. Australia has an opportunity to responsibly develop water and soil resources to feed growing Australian, indigenous and world populations. Removal of positive economic and environmentally sensitive development options like HVA/IHVA stifles innovation and Indigenous projects, economic advancement and independence.”

Great Barrier Reef: For sediment contributions to the Great Barrier Reef, “AgForce welcomes greater scientific scrutiny concerning the GBR, particularly in the way that HVA/IHVA developments can enable Agriculture to play an active role in protecting the reef as well as improving farm viability. Omitting HVA/IHVA restricts development on some of Queensland’s most productive areas and prevents rehabilitation of some degraded landscapes, which in their unimproved state are eroding badly, by stabilising soil, providing ground cover and creating viable assets.”

1.2 AgForce Policy

High Value Agriculture and High Value Irrigated Agriculture provide significant potential for farmers to improve drought mitigation and stabilise income in dry years. Since commencement of previous amendments to the VMA, approximately 112,400 hectares of clearing has been approved for HVA and IHVA. Of this area, 107,400 hectares was for high-value agriculture and 5,000 hectares was for irrigated high-value agriculture which represents only 0.08% of remnant vegetation in Queensland.

The removal of HVA and IHVA affects farmers in regions differently, with those in the north particularly hard hit. Throughout northern Queensland energy and protein become limiting in cattle diets during the dry season and this can cause farmers issues with stock survival and welfare through years of drought. HVA and IHVA permits provide farmers with the opportunity to grow fodder/grain for supplementing in the dry season and providing protein for finishing off stock for a burgeoning demand for Australian beef. AgForce has case-studies demonstrating very positive cost-benefit.

The removal of HVA and IHVA is a direct conflict with the opportunity for agriculture presented in Australian Government White Paper on the Development of Northern Australia. A current example of this is \$220 million being spent to upgrade roads to some properties and communities in Cape York, but Queensland State Government Vegetation Management Framework is preventing indigenous and non-indigenous land holders from developing agriculture projects.

In central and southern Queensland, HVA and IHVA provides opportunity for farmers to drought-proof properties and stabilise production and income over variable climatic and market conditions. Sustainable clearing for relatively small pockets of high value agriculture enable agricultural production to improve continuity of supply to food processors and meet the increasing requirements of international markets and Australia’s Free Trade Agreements.

Indigenous development and capacity building is particularly compromised by stripping of the right to develop traditional lands under HVA or IHVA and these issues will exacerbate with the the re-inclusion of High Value Regrowth (HVR). For example, Indigenous landowners on the Gilbert River in northern Queensland preparing to submit IHVA applications have now been denied the possibility of stabilising beef production and employing local community labour on their properties.

1.3 Recommendations:

- a. **Oppose the proposed amendment to the VMA and retain High Value Agriculture and Irrigated High Value Agriculture as a purpose in the Vegetation Management Framework.**
- b. **Conduct further consultation and investigation into the most effective and sustainable inclusion of HVA/IHVA in different Queensland bioregions.**

2. Re-introducing Reverse-Onus-of-Proof and Denial of Common Justice (Section 24)

2.1 AgForce Vegetation Management Committee

Information Access: “The Reverse Onus of Proof is patently unfair because data limits and internet issues prevent information access across regional Queensland. Telecommunications limitations across many areas in the State restrict farmers' ability to access websites and download maps. The basic assumption that all individuals have equal access to information is incorrect and a failure of Government policy.”

Abuse of Power: “Use of punitive legal instruments such as Reverse-Onus-of-Proof is totally unnecessary. Compliance should be an open and transparent process. The Ombudsman role is key. The Office of Best Practice Regulation Report highlights the overt use of power and the shortcomings of the VMA.” The VMA is in breach of the ten principles for Australian Government policy makers:

1. Regulation should not be the default option for policy makers: the policy option offering the greatest net benefit should always be the recommended option.
2. Regulation should be imposed only when it can be shown to offer an overall net benefit.
3. Cost burden of new regulation must be fully offset by reductions in existing regulatory burden.
4. Every substantive regulatory policy change must be subject to a Regulation Impact Statement.
5. Policy makers should consult in a genuine and timely way with affected parties.
6. Policy makers must consult with each other to avoid cumulative or overlapping regulations.
7. The information policy makers base decisions on must be published at the earliest opportunity.
8. Regulators must implement regulation with common sense, empathy and respect.
9. All regulation must be periodically reviewed to test its continuing relevance.
10. Policy makers must work closely with Deregulation Units through policy making process. See: <http://www.cuttingredtape.gov.au/handbook/ten-principles-australian-government-policy-makers>

Discrimination (technology): “Only some people have the ability to use GPS technology and match on-ground features with Regulated Vegetation mapping polygons. The basic assumption that all individuals have the CAPACITY to understand/navigate the required information is problematic.”

Discrimination (ability to pay): “Farmers must be able to afford justice. Those with less financial resources are open to victimisation by placing a high dollar price on justice.”

Overreach of Sovereign Rights: “The 2016 Bill and reintroduction of the Reverse-Onus-of-Proof is a direct threat to our democratic system and legal rights of being 'innocent until proven guilty'. We In fact, the maps are completely inadequate and of that poor quality that in most parts of Queensland they cannot be used for compliance purposes!”

Section 24 (Mistake of Fact): “Contractors make mistakes, we make mistakes, we are not infallible!”

2.2 AgForce Policy

The inclusion of Reverse Onus of Proof in Queensland Government's Vegetation Management Framework is a direct affront to the rights and liberties of farmers. Reverse Onus relegates farmers clearing vegetation to a level below that of criminals, where they are denied common justice under Section 24 of the Criminal Code: Mistake of fact. In Queensland not only are farmers presumed guilty until they are proven innocent, but they are refused the possibility of making a mistake.

2.3 Recommendations:

- a. Prevent re-introduction of Reverse-Onus-of-Proof
- b. Remove amendments that deny Common Justice (Section 24 of Criminal Code)
- c. Further investigate the effectiveness of the Early Detection System as a transparent mechanism that provides real-time data to aid compliance

3. No compensation will be payable to HVA, IHVA and Property Map of Assessable Vegetation (PMAV) applicants during transitional arrangements and amendments will be retrospectively enforced

3.1 AgForce Vegetation Management Committee

Uncertainty: “Within the transition period there is considerable uncertainty for those farmers wanting to progress their development options. The threat of no compensation, in combination with other retrospective provisions is intimidation, which effectively creates a moratorium on clearing and farm development until a political decision is achieved.”

Opportunity Cost: “We cannot implement HVA/IHVA developments in a perfectly programmed manner. Yearly climatic variability combined with opportunity and holding costs as we prop up financial arrangements waiting for a decision, reduce incentive for farmers to apply for a permit. The threat of no compensation kills any enthusiasm for small-scale agricultural development.”

3.2 AgForce Policy

The proposal that compensation will not be available for HVA, IHVA or PMAV applicants during the Bill transition period and that amendments will be enforced retrospectively is arguably a tactic to halt development and prevent panic clearing. This is unwarranted as landholders have over a decade of experience with the Vegetation Management Framework and have broad understandings of the legal and financial implications of illegal clearing. The most evident example of panic clearing resulted when Minister Rod Welford announced a tenure blind regulatory system in 1998, which resulted in the VMA in 1999.

The 2016 Bill also proposes section 131, which requires any person found guilty of ‘unlawful clearing’ carried out between the 17th of March and the date of royal assent to be issued with a ‘restoration notice’. This may involve restoring area additional to what was deemed illegally cleared in the first place, which is excessive and punitive.

Fundamental legislative principles are based on the ‘rule of law’ and underpin legislation formed in the democratic parliamentary system. One of these principles is the requirement of laws not affecting rights, liberties or imposing obligations retrospectively. This legislative aim is set out in s 4(3)(g) of the *Legislative Standards Act 1992*. Arguably, proposed amendments breach this principle.

Section 7.2.7 of *The Queensland Legislation Handbook* provides that usually the Scrutiny Committee will oppose retrospective legislation unless there is sufficient justification.

3.3 Recommendations:

- a. Remove amendment sections 132 and 1005 No compensation payable**
- b. Conduct further inquiry into the real financial, environmental and social impacts on farm businesses of the Vegetation Management Framework**
- c. Identify compensation options available for impacted businesses**

4. Including High Value Regrowth as an additional layer of regulation under the Vegetation Management Framework on leasehold, freehold and indigenous land

4.1 AgForce Vegetation Management Committee

Land Use Change: “The re-inclusion of Category C High Value Regrowth instantly significantly devalues valuable land and restricts carbon income opportunities into the future, which would deliver vegetation retention outcomes anyway.”

Compensation: “This is some of Queensland's most productive land and imposition of Category C requires compensation. Category C mapping is a land grab that permanently devalues land and reduces income. This land has been paid for and has been developed at major cost. There is a case for compensation for land freeholded since December 2013, particularly for those who freeholded and arranged a Forest Consent Agreement with the State giving them ownership of the timber.”

High Value Regrowth is a Misnomer: “Protection of 'High Value Regrowth' does not imply/infer/result in positive environmental outcomes. We do not support this definition of 'high-value'. High Value has not been defined as opposed to High Value Agriculture which requires an assessment and prediction of value (e.g. additional soil testing to verify value where State soil data inadequate).”

Lack of Development Confidence: “The inclusion of High Value Regrowth creates a lack of confidence for landholders planning for future sustainability. Rejection of development options provides little possibility of property betterment.”

Science is Inadequate: “Category C is based on unreliable science with the underlying assumptions within modelling using existing soil mapping being patently wrong over large areas of Queensland. Category C is not based on science, because without Category C tree cover is increasing. The maps are misleading!! Regional Ecosystem maps were not designed for regulatory purpose and there is a lack of ground-truthing in many areas.”

Carbon: “The Freehold Cat C carbon implications are considerable. There is a loss of potential income from carbon markets on High Value Regrowth country. Those with Cat C colour on their property have decreased income opportunities and property value.”

Hampers Innovation: “Increased input from Government stakeholders not good for innovative business.”

4.2 AgForce Policy

The re-inclusion of High Value Regrowth (HVR) as an additional layer of regulation on leasehold, freehold and indigenous land is an overt grab by Queensland Government in search of targets for meeting international treaties such as the Kyoto Protocol and more recently the 2015 Paris Climate Deal. In 2009 when initially introduced, this HVR layer was prepared hastily in a 'desk-top' mapping exercise with associated errors including areas of non-native vegetation (such as orchards) and bare earth. In preliminary investigations of several properties it appears that the accuracy of the 2016 HVR is no better than that in 2009, with errors continuing to plague the reliability of this dataset.

If the market places an average value of \$12.25 per tonne on carbon, the estimated dollar value of "High Value Regrowth" should be aligned with this, unlike in 2004 when the Queensland Government compensated carbon abatement for \$1 per tonne (based on ABARE estimation of \$150 million for 25 mega-tonnes CO² abatement). Farmers' and indigenous landholders' ability to trade carbon is removed over regulated land and the Queensland Government needs to consider the sources of recompense for this loss.

4.3 Recommendations:

- a. Remove amendments that re-introduce High Value Regrowth (category C)
 - b. Conduct further inquiry into the effective management of regrowth in different Queensland bioregions
 - c. Enable Queensland landholders to participate in the carbon market (e.g. Emissions Reduction Fund or ideally a Queensland based carbon market) with High Value Regrowth rather than regulating, limiting access to this income source
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5. Increasing Category R vegetation to include the Burdekin, Mackay, Whitsunday and Wet Tropics Great Barrier Reef catchments and additional catchments Burnett Mary, Eastern Cape York and Fitzroy.

5.1 AgForce Vegetation Management Committee

Landuse Change: “Instead of just limiting potential, they are restricting actual productivity. Increasing Category R will take out a considerable area of ‘high value arable land’ in a tightly held environment. Category R robs producers of productivity that have not only paid for the land but paid for development as well. Category R locks out Queensland’s most productive country.”

Science is Misleading: “Increasing Category R vegetation is punitive and arbitrary, not based on science. There is no scientific consensus to back Category R regulation. Ground cover in conjunction with tree cover supports sediment and chemical filtration. Grass cover reduces Nitrogen, filters sediment (especially fine sediment) and increases macroinvertebrate diversity in-stream. There is no evidence or scientific proof that stream buffers have demonstrated effective filtration of sediments in current Category R areas. Therefore the present Category R catchments have not scientifically justified further implementation in the three other regions. In recent scientific studies 50-100 m buffers are not supported for either biodiversity outcomes or sediment/nutrient reduction (Momm et al. 2014, McCracken et al. 2012, Mayer et al. 2007, Parkyn et al. 2003, Kuglerova et al. 2014).”

Monitoring Results Inconclusive: “Monitoring is not backing up practice-change in terms of NRM Groups funding fencing. Focus of riparian health should not be assessed using cross-sectional monitoring and modelling but looking at reach (length of stream). Monitoring science does not support Cat R being effective in GBR protection.”

Contamination Causes: “The reef contamination causes need to be highlighted - people within coastal urban and industrial developments are known major contributors, but this is rarely acknowledged by Government.”

Questions of Value: “Definition of the term “High Value” is misleading as it is unclear who receives ‘value’ from this regrowth. It is ambiguous as to who the beneficiary is and who is making the definition. If the beneficiary is the community, they need to pay for this benefit, or ‘public good’.”

Poverty Degrades: “Loss of income from Category R land amplifies the sediment and runoff control problem. Poverty actually creates perverse environmental outcomes. The best environmentalist is a viable primary producer.”

5.2 AgForce Policy

The increase in Category R provisions to include three additional catchments is a further restriction on development in Northern Queensland, which is in stark contrast to the development imperatives contained with the White Paper on Developing Northern Australia.

The science is completely unproven on the necessity to include ≥50 metre buffers along streamlines. In fact, a study conducted in Queensland and published in 2016 shows that grass is a far better assimilator for nitrogen to prevent leaching into waterways. The current bleaching of the Great Barrier Reef is not caused by high nutrient runoff from agricultural lands. As suggested by the World Wildlife Fund, there is a distinct deficiency in Queensland Government analysis, policy or science.

AgForce principles for land management in the Great Barrier Reef catchments include:

1. Ground cover determines erosion risk in conjunction with tree cover.
2. Dense woody riparian vegetation buffers do not provide streambank channel stability or reduce erosion potential. Upstream catchment condition and extreme runoff or flood events are the main factors affecting channel erosion.
3. Protecting bare erodible soils and preventing further gully erosion is the priority for Reef health. “Strengthening regulations to protect” riparian areas covered with woody vegetation and high ground cover would not reduce the main erosion source of bare subsoils.
4. The soil erodibility factor in Reef modelling is based on runoff studies from pasture areas. No Reef science studies have measured and modelled suspended sediment runoff from wooded vegetation. There has been no impact evaluation of Category R regrowth on Reef water quality.
5. Reef Report Cards claim land management practices is a main factor affecting water quality. Voluntary Grazing BMP benchmarking can validate 75% of 1682 Reef graziers manage frontage and riparian country at or above best practice, 10% below best practice and 15% do not have riparian frontage. Over 96% manage the tree-grass balance and restore their bare areas.
6. Strengthening vegetation management regulations was an election / political commitment rather than a Reef water quality outcome. Upon election in February 2015, the Queensland Labor Government rapidly inserted new actions into the Reef 2050 Long Term Sustainability Plan just prior to the Plan being directly sent to the World Heritage Committee. These actions, including strengthening vegetation management regulations, did not go through due process of consultation, nor confirmed support from all stakeholders on the Reef Advisory Committee.

5.3 Recommendations:

- a. **Remove Category R from the Vegetation Management Framework**
- b. **Conduct further inquiry into the role of riparian vegetation in preventing suspended sediment and nutrients from entering the Great Barrier Reef lagoon**
- c. **Revise mechanisms for improving water quality entering the Great Barrier Reef lagoon.**

6. Reinstating provisions in the Water Act 2000 and Environmental Offsets Act 2014

6.1 AgForce Policy

AgForce at the time of submission has not received a detailed briefing on proposed amendments to the Water Act or the Environmental Offsets Act from Queensland Government so neither AgForce policy staff or the Vegetation Management Committee have been well enough informed to comment on these proposed amendments. Further information will be provided through Public Hearings.

6.2 Recommendations:

- a. **Oppose reinstatement of provisions in the Water Act 2000 to regulate the destruction of vegetation in a watercourse, lake or spring under a riverine protection permit**
- b. **Oppose amendment of the Environmental Offsets Act 2014 to:**
 - **Remove the “significant impact” threshold for residual impacts**
 - **Enable Commonwealth offset payments into the Offset Account and use of legal security mechanisms under the Queensland environmental offsets framework**

7. Other matters relevant to the Vegetation Management (Reinstatement) and Other Legislation Amendment Bill 2016 that the review committee should consider appropriate and worth some consideration

7.1 Compensation and the VMA

7.1.1 AgForce Vegetation Management Committee

Cumulative Impact of VMA: “The cumulative effect of the VMA gives entitlement for compensation due to serious land devaluation, annual income reduction and Government enforced rural poverty.”

Stewardship Payments: “Fair compensation for high value regrowth (stewardship) would require annual contributions indexed in perpetuity. European Union and United States reward stewardship.”

Abuse of Power: “Repeated information requests for HVA/IHVA are a massive abuse of power specifically aimed at applicant running out of money and withdrawing. This is actually the reverse of compensation where the applicant pays an exorbitant fee, plus consultancy costs. This needs to be referred to the Ombudsman!!”

It is Sovereign Overreach and Lacks Natural Justice: “This 2016 Bill is Un-Australian and defies equity of opportunity, constitutional rights and the 'Fair Go' principle. Refusal to compensate represents a lack of natural justice and procedural fairness.”

Rights of Land Ownership: “The right to land is ownership. If the State wants to implement rights they must have ownership and consider compensation for taking our perceived rights away. The refusal for compensation is another erosion of property rights and values.”

Precedence: “Serious questions of compensation still exist with the VMA. Act amendment in the past has caused ‘significant impact on potential viability of the enterprise’, which has resulted in Queensland Government recognising this through ‘Vegetation Management Framework Financial Assistance for Farm Businesses’, a thinly veiled (compensation) package to provide grants to offset production losses from usurped development potential.”

Landuse Change without Recompense or Rationale: “Proposed changes to Category C, R, HVA and IHVA equates to land appropriation based on poor science. It means a loss of property values with no option to value-add. Rights are taken away on Freehold, Leasehold and Indigenous land with no recompense and restriction are imposed for no provable reasons.”

Politics Getting in Road of Reality: “Inconsistency in interpretation of the Vegetation Management Act is like quicksand where we all stakeholders get stuck – It is now Political not Environmental Policy – We need to engage the science, economics and environment through a proper inquiry.”

7.1.2 AgForce Policy

The proposal that compensation will not be available during the Bill transition period may be a short term tactic, but implications for compensation in the broader sense are quite alarming. Since the cessation of broad scale land-clearing, compensation for landholders to offset opportunity cost, lost development potential and decreased property value has been a critical omission from the Vegetation Management Regulatory Framework. The issue of compensation has been debated heavily by federal and state legislators, however a precedent was set by the Beattie Government in 2004 with provision of \$150 million over 5 years to offset landholder losses due to the removal of their rights to clear. This however was inadequate with the funds unable to provide effective recompense for opportunity costs incurred, despite prior assessment undertaken for the

Commonwealth Department of Agriculture, Fisheries and Forestry in 2003. In 2004, the Queensland Government effectively compensated carbon dioxide abatement for less than \$1 a tonne.

In the 2016 Bill transition period the situation is quite different to what it was in 2004. The threat to remove HVA and IHVA from farmers' potential to develop property provides considerable grounds for compensation, particularly for those that have structured investments and farm management activities to take advantage of HVA/IHVA in the near future. Also HVA/IHVA has attracted far greater interest in northern Queensland, with large swathes of marginal beef production areas provided the opportunity of growing supplementary feed to overcome the protein drought in the dry season.

The 2003 Commonwealth study mentioned above did not include north or west Queensland Local Government Areas and consequently grossly underestimated the areas to be considered for compensation. Another change since 2004 is the free market recognition of the value of carbon abatement with the recent auction of the Emissions Reduction Fund selling carbon at \$12.25 per tonne. The Queensland State Government needs to recognise the fact that they are robbing the rights of farmers to develop productive HVA/IHVA land sustainably and that the area for development and value for carbon are much greater than they were in 2004.

7.1.3 Recommendations:

- a. Conduct further inquiry into the real financial, environmental and social impacts on farm businesses of the Vegetation Management Framework**
- b. Identify compensation options available for impacted businesses**

7.2 Social and Health Impacts of the VMA

Mental Health and Wellbeing: A significant number of landholders have suffered considerable emotional stress due to VMA amendments and how it has been administered. AgForce has a number of examples of farmers who have been impacted with different health, family and social complications due to the longer term implications of the VMA and its administration by DNR staff.

7.2.1 Recommendation:

- a. Conduct further inquiry into the wider social and health impacts of punitive and deeply contentious policy and legislative instruments used by Queensland Government to administer the management of vegetation, fundamental environmental and production assets on farms across the State**