



Submission

7 October 2016

Mr Rob Hanson
Research Director
Agriculture and Environment Committee
Parliament House
BRISBANE QLD 4000

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

Dear Mr Hanson

Re: Submission to the Agriculture and Environment Committee on the *Environmental Protection (Underground Water Management) and Other Legislation Amendment Bill 2016 (EPOLA Bill)*.

The Queensland Farmers' Federation (QFF) is the united voice of intensive agriculture in Queensland. It is a federation that represents the interests of 17 of Queensland's peak rural 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 primary producers by representing the common interests of our member organisations:

- CANEGROWERS
- Cotton Australia
- Growcom
- Nursery & Garden Industry Queensland
- Queensland Chicken Growers Association
- Queensland Dairyfarmers' Organisation
- Burdekin River Irrigation Area Committee
- Bundaberg Regional Irrigators Group
- Central Downs Irrigators Limited
- Fitzroy Basin Food & Fibre
- Flower Association of Queensland Inc.
- Pioneer Valley Water Board
- Pork Queensland Inc.
- Queensland Chicken Meat Council
- Queensland United Egg Producers
- Australian Organic
- Queensland Aquaculture Industries Federation.

QFF welcome the opportunity to provide comment on the *Environmental Protection (Underground Water Management) and Other Legislation Amendment Bill 2016* (EPOLA Bill). QFF provide this submission without prejudice to any additional submission provided by our members or individual farmers. The Bill seeks to modify the existing water licence regime with the objective of better managing the environmental impacts of groundwater take and to protect the interests of farmers and other landholders.

Under the proposed changes, environmental impacts of groundwater extraction for new projects will be addressed as part of the environmental authority application rather than a separate water licence process. This will result in a single environmental authority (EA) covering environmental impacts including groundwater. Resource companies will be required to detail any proposed exercise of underground water rights, detail each aquifer affected by the activity and submit an analysis of the predicted quantities of water to be taken and any impact on the quality of groundwater. This should result in clearer presentation of underground water impacts in a single location (document), permitting interested landowners to more easily identify actual or predicted impacts.

The Bill also proposes to amend the existing underground water impact reporting regime under the *Water Act 2000* by requiring resource companies to report on past and predicted future impacts on environmental values. Those reports will be used to assess whether the initial conditions of an EA are adequate to regulate environmental impacts to groundwater during the operational phase of resource projects with any reported changes in past or predicted impacts potentially triggering an amendment of the EA. Whilst QFF notes that the Department of Environment and Heritage Protection has always had the power to amend an EA under Part 6 of the *Environmental Protection Act 1994*, the additional clarity regarding the ability to amend an EA to reflect improvements in groundwater modelling and new knowledge based on both actual and predicted impacts is welcomed.

QFF strongly supports the proposal to amend Chapter 3 of the *Water Act* to require resource companies to pay a landholder's reasonable costs in engaging a hydrogeologist for negotiation of a make good agreement. Resource companies would also be required to bear the costs of any alternative dispute resolution in the make good agreement negotiation process. QFF notes that this is in addition to the existing requirement to cover the landholder's reasonable accounting, legal and valuation costs.

In addition to these provisions, the Bill seeks to reinforce make good obligations in the context of water bores. New obligations will be triggered if a bore is impaired by free gas. The proposed threshold test for impairment is if there is a 'likelihood that the exercise of underground water rights is the cause of, or material factor towards, impaired water bore capacity, regardless of whether there is some scientific uncertainty'. Resource companies will also be required to meet the hydrogeologist, accounting, legal and valuation costs of bore owners. QFF welcomes these additions and notes these amendments reflect the numerous concerns raised by landowners which have been reported to the State Government through the Underground Water Impact Report process for the Surat Cumulative Management Area¹. QFF welcomes the Government's acknowledgement of these increasingly significant issues and this corresponding action.

Finally, the reforms propose a cooling-off period to allow either party to walk away from a make good agreement without penalty. Within the Explanatory Notes, it is stated that Clause 28 will insert a new section 423A which provides that a bore owner may terminate a make good agreement without penalty within the cooling off period, which will extend to the end of the period set by section 423(2)(a). The purpose of the provision is to ensure that bore owners have a reasonable period within which to reflect and take advice on the implications of a make good agreement entered into. QFF acknowledges that the drafting intent of the Bill is to align the proposed cooling off period with the natural progression of

¹ Office of Groundwater Impact Assessment, Department of Natural Resources and Mines. Submissions Summary: Underground Water Impact Report for the Surat Cumulative Management Area. May 2016.

an agreement, however, the period would apparently apply regardless of whether the Chief Executive has agreed to the later date under section 423B or if the bore owner had received the notice of the outcome of the bore assessment from the tenure holder just ten days beforehand (section 419). After this period the cooling off period would not apply. QFF suggests that the intent of the cooling off period is retained in all circumstances to facilitate landowner access to appropriate and qualified legal and financial advice. This is particularly important given recent events where lenders are now considering land/property hosting CSG infrastructure (wells) as “unacceptable” security for lending purposes.

If you require further clarification or have questions about this submission, please contact Dr Georgina Davis on (07) 3837 4720 or email georgina@qff.org.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Travis Tobin', is positioned above the printed name.

Travis Tobin
Chief Executive Officer