



16 August 2012

Research Director
Agriculture, Resources and Environment Committee
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Dear Agriculture, Resources and Environment Committee

Re: Reducing regulatory burdens for Queensland's agriculture and resource industries

Thank you for the opportunity to comment on reducing regulatory burdens for Queensland's agriculture and resource industries. My family have been beef and grain farmers for several generations and in recent decades I have personally observed a dramatic increase in the regulatory burden on our farm and other family farms. The red tape has become crippling, not only in terms of restriction and direct costs but the administrative burden on small enterprises. Worse, in some instances it seems contrary to common sense and good, win:win outcomes. There are numerous examples of this ranging from local planning instruments, to State and Federal Government regulations and policies.

Common sense

The trouble with much regulation is that it is often designed to stop worst practice, with little regard for the better practices it may also prejudice against or the costs imposed on the 'innocent'. There is a line often used in my family that "you can't regulate for common sense". Unfortunately, the dramatic increase in regulations and restriction over recent years has not only failed to regulate for common sense but it has also inadvertently regulated to often make it illegal or against government policies for common sense to prevail. This is highly frustrating, inefficient and costly. It also tends to reduce the esteem with which various level of government and politicians are viewed by much of the community. I can provide numerous examples but am limited by time, space and resources at this time.

Differences between agriculture and resource industries as relevant to regulation

It is also important to point out at this juncture that the situation is very different between agricultural and resource industries. Firstly, they are governed by

different regulations (resource industries seemingly not having to comply with SPA, local planning instruments and even being able to do things that others wouldn't be allowed under the Vegetation Management Act (VMA), Environmental Protection (EP) Acts and various water regulations for example. If we, as farmers, proposed to move a creek, destroy 'protected' ecosystems, add 4% to Australia's GHG emissions and use 5 billion litres of water each year in an area where it is often scarce for other farmers without producing any food, close a town, displace numerous families and cause more noise and dust at people's homes than the state standards allow and destroy around 5000ha of prime agricultural land we'd be laughed at and people would assume we weren't serious. However, our mining neighbours seem to be welcomed by governments, despite the short-time frame and fundamental unsustainability of their project or the impact on things people thought of as basic rights such as being able to stay and sleep in their own home.

The business structure of a large mining corporation is also often quite different to that of a small family farm. The relative increase in administrative burden for a task that might take one person a month of research and writing is dramatically higher for a small family farm than for a corporation. Not only is it likely that the corporation would have ready access to the appropriate expertise, but the workload will take up a much smaller portion of their human resource capacity. It would seem unlikely that it would impact much on the operation of a mining company whereas it could have an enormous impact on a family farm, possibly missing a planting opportunity and dramatically reducing a whole year's income for example. This example is not entirely arbitrary. When a farm is placed in the situation where out of the blue through no fault of their own they have a resource company propose a project in their neighbourhood, this is a scenario that occurs time and again. Firstly, out of the blue at a time not of the farmer's choosing, the mining company can release an Environmental Impact Statement (EIS) and the farmer will have just 6 weeks or so to read, analyse and understand thousands of pages of consultants reports and appropriately critique and respond in writing to this. This requires skills that are often not the farmer's strong suite and access to relevant experts (lawyers, hydrologists, air modelling experts etc) would also require an unfeasible portion of the average family farm's annual budget. Similar situations arise if they have to 'negotiate' a land access agreement, or go into 'mediation' or to respond to a draft piece of legislation that might affect them quite significantly. Some of the rural industry organisation may be limited in their capacity to respond to things like EIS releases, so it is no-wonder that it is difficult for individual farms. Indeed, it has seemed at times that even the government has been limited in its capacity to diligently assess and monitor such projects to protect citizens and the environment from harm.

On a similar vein, much regulation does facilitate the opportunity to make a case for some special consideration but only if the applicant pays a higher fee and maybe gets all the experts to put a good case together. Examples include impact assessment in local planning instruments and situations under the VMA and strategic cropping land. However, whilst the intent of this might be reasonable in principle, in practice it seems to mean that the bigger corporations (for which such fees and costs are a smaller portion of their budget) are able to get around restrictions whereas smaller enterprises cannot even afford to get to a point

where a more common sense and possibly mutually acceptable outcome is possible. Also, it seems that the larger resource projects are automatically granted access to numerous government officers' attention and high level meetings to put their case. Through being earmarked as a project of state significance for example, this process was virtually designed to 'streamline' approvals and make an easier pathway for the bigger projects. This may offer an unfair advantage and also takes up a lot of government resources whereas there is very little assistance available for farmers.

It should also be rather obvious that the impact that an agricultural business has on an environment or a community is dramatically different to that of a resource project. Aside perhaps from the intensive animal industries, and the major irrigation proposals, which are both now more tightly regulated, as is appropriate, given their potential adverse impacts on others, most farmers coexist quite considerably with other members of the local community and the natural environment. Conversely, my experience with a resource company is that it has caused enormous stress for many members of the local community, caused noise and dust levels above the Environmental Protection (EPP) standards and even above the maximum levels indicated in their Environmental Authority for avoiding causing harm, drawn a disproportionate amount of water, displaced numerous farming families and most of a town and had an enormous human toll in terms of lost productivity (due to efforts having to be diverted from production to fighting to maintain basic amenity and environmental standards) and the impacts of stress and pollution and fragmenting the community. As well as the loss of a school, numerous other community organisations have folded as a result and there seems to be insufficient health services, often needing to wait up to a week to get into see a GP and much longer for a medical specialist even as a private patient. Obviously, the very process of open cut mining destroys not only the vegetation and ecosystems at that location but also impacts on the soil structure and health. The noise has disrupted the sleep and concentration of many for years, and the dust is also of particular health concern, as well as the emissions from the 10 million litres of fuel to be burned on site each year. With this in mind it is appropriate that resource projects be might more highly regulated and monitored by the government than agricultural industries which have a much lower risk of environmental or social harm.

It is also important to remember that fundamentally agriculture has an inbuilt incentive to look after the environment. The ongoing health and productivity of the environment is essential for future productivity and also to maintain asset value. The resources industries have no such motivation. They simply take the resources as cheaply as possible and move on to the next site.

The impact of the resources sector on the agricultural industry in our area has caused a loss of confidence and a lot of concern. People are less willing to invest in their farms and improve their assets for fear of losing it all anyway (against their will and despite their business endeavours if it is taken for mining). This is also a serious problem for succession planning, in an industry where encouraging younger generations is recognised as a critical issue. The economic impact has also been adverse. With the loss of community members and rural businesses, many local businesses have closed (29 in Oakey I believe), young

people who used to work on farms or bring other skills to the district seem to largely have left and it can be hard to get casual labour on farms at an affordable price these days. The impact of the high Aussie dollar (which many attribute at least in part to the resources sector) has been an enormous burden for agricultural industries that export, such as the beef industry where it has impacted adversely on our competitiveness with the US in key Asian markets and had a direct adverse impact on the terms of trade on many farms.

In light of the above, it is not fair to assume that the regulation that is appropriate for the resources industry is necessarily appropriate for the agricultural industry. The only thing they share is really a competition for the same land, one which would continue to use it sustainably for many generations and the other to make a quick buck.

Quick comments on suggested methods for reducing regulatory burdens

Better policy development – can't argue against that but needs to be informed by feedback by the people impacted and how can we afford the time to do this adequately?

Benchmarking of regulatory costs – good idea but don't make the surveys compulsory or that would be yet another burden. Mainly have a good think about the impact and try to make sure it is reasonable and appropriate given the risks and take care not to capture unintended situations or cause unintended outcomes. Have bureaucrats run a few example scenarios through it as a test to see how it would work.

Regulatory impact assessments – still necessary

Regulatory reduction targets – not bad in principle but not sure if pages of legislation is the best indicator so need to be true to the intent i.e. reduce adverse impacts on the private sector (and government efficiency) more than the indicator.

Reviews of legislation – needs doing but a drain on human resources so focus where there are likely to be problems or things are most likely outdated first.

Regulatory offsetting arrangements – again not a bad concept for ministers to have in mind but be sure to focus on the intent and not tokenism that a proxy indicator might encourage

Cabinet gatekeepers – need more information on this to be sure if it is a good idea or not. Surely good ideas would be welcome in cabinet even if they are not yet properly researched but some sort of test along these lines might be appropriate at some point prior to introducing legislation etc.

Regulatory review office/committee – be careful who is on this committee and that their remit is appropriate so that it does not inappropriately bias the legislation and policies of the government in other ways.

Harmonisation – not bad in principle but again beware of unintended consequences e.g. triggering higher levels of assessment / high admin burdens and costs of some things that wouldn't otherwise require them.

Tiering- worth considering in principle

Better regulatory information – would be helpful, not just printed info and more 'junk' mail but also access to people who can answer questions without just saying things like 'I can't give you any advice'

Electronic services – definitely helpful for people in rural areas, though it would really help if we had adequate and reliable internet and phone access too (this is a significant frustration for our business).

One-stop shops – could be helpful, but only if they know what they are talking about. Also better communication between government departments so we don't have to tell multiple people much the same thing before any notice is taken of our issue could be helpful too. It often takes multiple attempts to 'find' the right person in government to talk to about an issue.

Common commencement dates – maybe but not a massive issue I guess unless you are planning to bring in a heap of new legislation (hope not) and needs to be considered on a case by case basis the cost / benefit of any delay in commencement.

Consolidating the original act and subsequent amendments into one act – again, sounds like a good idea generally but beware of unintended consequences. Cross-references to help people find what they need to know might also be a solution to consider.

Thank you very much of the opportunity to comment on this important issue. I wish I had more time and resource available to consider this more thoroughly at this time and detail more specific examples and possible legislative changes but would be pleased to provide further detail or comment or to discuss this with you at a later date if feasible and appropriate.

Kind regards

A handwritten signature in blue ink that reads "Jaye RLL". The signature is written in a cursive, flowing style.

Dr Tanya Plant