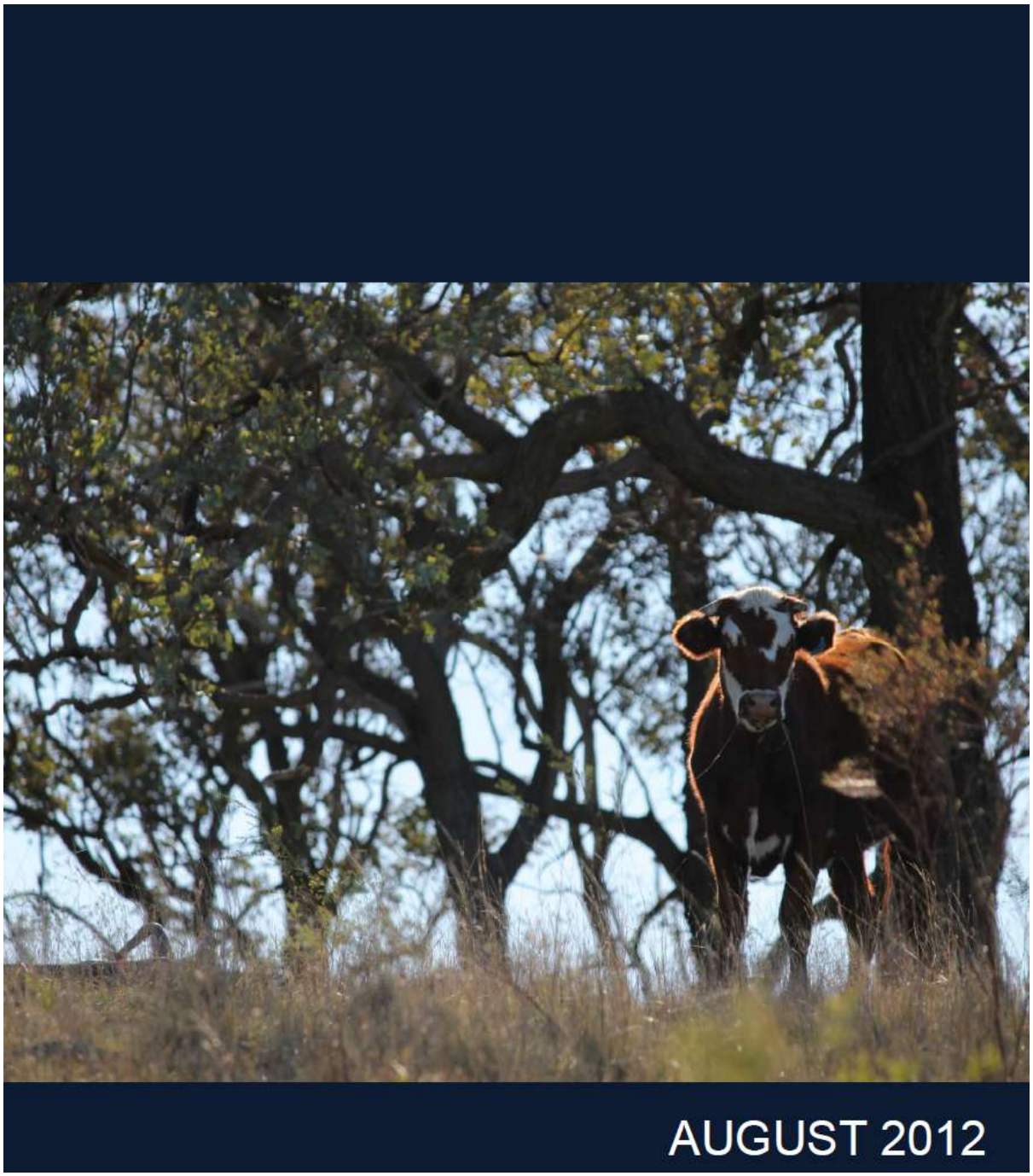

AgForce Submission:

Inquiry into Queensland Agriculture and Resource Industries

1. Introduction

AgForce

AgForce Queensland (AgForce) was established in 1999 and is the peak body representing thousands of Queensland beef, sheep and wool, and grains primary producers who recognise the value in having a strong voice. These broad-acre industries manage 80% of the Queensland landmass for production and most rural and regional economies are dependent on these industries directly and indirectly for their livelihood. AgForce delivers key lobbying outcomes and services for members and presents the facts about modern farming to consumers through the *Every Family Needs a Farmer* campaign.

AgForce acknowledges the need for effective regulation of agricultural practices to ensure everybody is free to exercise their property rights in such a way that it does not impinge on the free exercise of other people's rights, and that ensures society's reasonable expectations about sustainable resource use are achieved. It is therefore important that regulation is effective, clearly communicated, and its restrictions minimised as far as possible.

Context of Inquiry

The Inquiry into Queensland Agriculture and Resource Industries was referred to the committee by the Legislative Assembly on 7 June 2012. The terms of reference (TOR) require the committee to report to the Legislative Assembly by 30 November 2012.

The TOR require the Committee to investigate and report on methods to:

i) Reduce regulatory requirements impacting on agriculture and resource industries in Queensland; and

ii) To further promote economic development while balancing environmental protections.

Outline of Submission

The TOR set by the Committee and further discussions with the group have guided AgForce's response which is also separated into a detailed analysis on some of the key regulatory burdens to agriculture and then a section which pertains to economic development for the industry.

Estimated volume of regulation impacting on agriculture

At 1 January, 2012 a desktop assessment conducted by AgForce showed that *just at a state level*, Queensland agriculture was regulated through over 55 Acts and Regulations covering over 12,890 pages (refer to table 1). Printed double-sided that would equal over 10 reams of photocopy paper. . This does not include local government by-laws.

Table 1 – Current Acts and Regulations relevant to Queensland primary production

State Act/Regulation	Pages
Aboriginal Cultural Heritage Act 2003	113
Agricultural Chemicals Distribution Control Act 1966	55
Agricultural Chemicals Distribution Control Regulation 1998	36
Agricultural Standards Act 1994	46
Agricultural Standards Regulation 1997	62
Animal Management (Cats and Dogs) Regulation 2009	38
Cattle Stealing Prevention Act 1853	13
Environmental Protection Act 1994	786

2. Comment on Specific Red-tape Impediments

As outlined in our initial discussions with the committee in August, 2012, there is a myriad of regulation that can put an unnecessary brake on increased rural productivity in Queensland.

2.1 Vegetation

Introduction

The vegetation management framework in Queensland regulates the clearing of native vegetation mapped as either remnant vegetation on a Regional Ecosystem (RE) map or regulated regrowth on a regrowth map. It is regulated through the *Vegetation Management Act 1999* (VMA) and the *Sustainable Planning Act 2009* (SPA).

In additional to the VMA and SPA the framework is made up of other pieces of legislation (for example the *Vegetation Management Regulation 2000*), State policies, regional vegetation management codes, an offsets policy, a regrowth vegetation code.

Landholders wanting to manage and develop their properties must ensure they comply and follow the complex framework, a task that is often time consuming, arduous, resource intensive and shrouded in red tape. This is particularly the case for landholders wanting to manage and develop land within remnant REs, regardless of the conservation status and classification (least concern, of concern or endangered) and the extent of the RE across Queensland.

In order to carry out development within a remnant RE it must for be a relevant purpose as outlined in Section 22A of the VMA, this includes development (relevant to production):

- necessary to control non-native plants or declared pests; or
- to ensure public safety; or
- for establishing a necessary fence, firebreak, road or vehicular track, or for constructing necessary built infrastructure (each relevant infrastructure), and the clearing for the relevant infrastructure cannot reasonably be avoided or minimised; or
- for fodder harvesting; or
- for thinning; or
- for clearing of encroachment.

The landholder must put in a development application, which is assessed by the department against the relevant regional vegetation management codes that set out a number of performance requirements that must be met. Each performance requirement within the codes has an acceptable solution that has been developed by the government, or an option of presenting an alternative solution to the performance requirement. The performance requirements must be satisfied in order to receive approval for the application and a permit to conduct vegetation clearing.

However, the development application and permit process is constrained by red tape and bureaucracy and as such has ramifications on social, economic, and environmental outcomes across Queensland that need to be addressed. Measures need to be taken that can produce fairer and more equitable result for landholders.

AgForce's opposition to the VMA

The following issues have been compounding for a number of years while landholders attempt to understand and wok within legislative reforms from the inception of the VMA in 1999 and ongoing over the last 12 years. The concerns outlined below are consistent with AgForce's most recent consultation survey of its members about vegetation management.

These regulatory deficiencies have limitations on achieving the purpose of the VMA and its desired legislative objectives to:

a) Conserve remnant vegetation that is-
   - An endangered regional ecosystem; or
   - An of concern regional ecosystem; or
   - A least concern regional ecosystem; and
b) Conserve vegetation in declared areas
c) Ensure the clearing does not cause land degradation; and
d) Prevents the loss of biodiversity; and
e) Maintains ecological processes; and
f) Manages the environmental effects of the clearing to achieve the matters mentioned in (a) to (e); and
g) Reduces greenhouse gas emissions.

If not addressed they have the potential to magnify environmental, social and economic problems across the State. The effects have been felt by producers in both land development proposals and ongoing land management. The constraints in the process show a distinct lack of trust from the Government in allowing producers to make land management decisions.

Complexity and limitations of the development application process

Landholders often have difficulty understanding the codes, the performance requirements and acceptable solutions- this can increase the time, resources and stress on the landholder when attempting to prepare their application.

Because of the complex nature there are often delays in application processing and at a departmental level there is a reliance on desktop assessments alone to make decisions when there are known inconsistencies with the mapping process.

In some cases where aerial photographs are required as evidence, these must be applied for and purchased from the department. The landholder is then required to return these photographs to the same area to assess the application.

Administration

Administration of the codes and decisions are made by staff who do not have the appropriate skills or lack on-ground understanding of the region- this leads to inconsistency of advice as well as an unwillingness to offer, negotiate or consider alternative solutions to performance requirements-

This inconsistency of information and inflexibility from departmental staff makes it even more difficult for producers to try novel solutions to achieving landscape outcomes and comply with their legislative obligations
The prescriptive and complex nature of the codes means that many landholders cannot complete the development applications by themselves and require consultative assistance- often at great cost to the producer.

Post application lodgement

Once an application is lodged with the department there are often long delays in getting a response or a permit for development. Evidence from a recent vegetation management survey conducted on AgForce members shows that application approvals take anywhere from two months to three years, with an average timeframe of just under a year for a response. Often the landholder has to follow up a number of times to get this response, and despite the extended timeframe a successful application is not guaranteed.

This adversely affects long-term planning; forcing landholders to focus on short-term objectives and can have perverse environmental, social and economic outcomes. For example if a producer was required to wait a year for a permit to control woody vegetation encroachment the following problems would foreseeably arise:

- The creation of a monoculture causing such issues as:
- Erosion, taking with it valuable soil nutrients that would otherwise be stored in ground cover
- biodiversity loss
- A loss in valuable grazing land
- The cost of then carrying out the permit increases, as the vegetation has had this year to continue to encroach and thicken
- The cost of feeding stock due to the loss of ground-cover grasses, either in another paddock or bringing feed in- and the environmental impacts that can potentially be tied to this such as overgrazing of other paddocks
- Safety is impacted with mustering unable to occur through heavily thickened country as well as this unaddressed tree thickening posing a major fire risk.
- Landholders waiting for the application to be processed are often stressed, frustrated and fearful of the unknown as to whether their permit will be granted.

In addition to this, once approved, the current five year permit timeframes are unrealistic and rigid. Reapplying for permits uses considerable resources, both for DERM (the assessing officers) and landholders. In its current form, permit time frames can impose unexpected financial stress on landholders if permits are due to expire or if seasons take a turn for the worst.

AgForce's recommendations for improvements

A legislative framework and permit system that sets unrealistic expectations not only impacts negatively on landholders as shown above, it also creates broader negative perceptions of management activities as requirements are unable to be achieved.

Self-assessment and property plans

All relevant purposes (s22 of the VMA and previously listed in this document) need to be made self-assessable to the greatest extent, tied in and underpinned by correct property maps (with accurate and detailed scale and spatial information). With a framework that is easily followed and understood by the average landholder for examining, implementing and reporting on on-ground activities. Landholders need freedom to operate their properties and to utilise the land management skills they have built up over many years.

The department needs to work with landholders to create a property plan that is ultimately certified by department staff. The plan should address all requirements on ground, including all relevant purpose activities that could take place, and taking into consideration the conservation of high classification ecosystems.

If this plan was completed and tied to the property title, along with a list of outcomes that were required to be achieved on-ground, essentially it should streamline any compliance checks that need to be conducted by the department.

As with any process best practice management techniques need to be taken into consideration. As knowledge evolves or legislation changes are required there needs to be commitment from Government that these will be made in consultation with the landholder and not over the top of them. This gives the landholder surety of their future in production and allows them to confidently make long-term plans.

Administrative efficiency

A move needs to be made away from the individual tree approach that prescribes how to achieve outcomes, to a whole of landscape/ecosystem approach and prescribing the outcome to be achieved. This needs to be supported by staff willing to consider innovative ideas to achieving outcomes at ground level.

The department needs to retain staff that have regional and on-ground knowledge where possible and allow for more on-ground support where needed.

If the department lacks the resources to complete the work themselves, they need to create an accreditation program, where outside organisations or individuals are trained and certified to complete the work for them.

Increase the permit timeframe

Where permits are required they need to be extended beyond the five year timeframe to perpetual permits with a 10 year review period. Once a permit is signed off by both parties it is reviewed every 10 years, at which time the department contacts the landholder to review permit conditions and any significant changes in vegetation legislation that need to be taken into account. At this point the landholder who holds the vegetation management permit can raise any concerns he/she may have with the conditions. A change of ownership would trigger a review, and the new owner may wish to cancel or continue the perpetual life of the vegetation management permit providing all conditions were agreed by both parties.

2.2 Labour laws

Introduction

The Queensland agricultural sector is characterised by a shortage of skilled workers and complex (and at times ill-suited) regulation.

A report commissioned by AgForce in 2011 noted that two-thirds of enterprises across the state (being 10,078 enterprises) employ casual labour.1 The same report noted that the use of skilled contractors in broadacre agricultural enterprises is high with three quarters of the enterprises of the equivalent of 11,647 of the total 15,846 enterprises statewide state they use contractors on a regular basis with high demand skills being fencing, yard building, crop harvesting/planting and ground mustering of livestock.

For agricultural employers this means that rural safety and Occupational Heath and Safety (OH&S) skills are viewed as vital operational skills for all broadacre agriculture workers, be them permanent, casual or contractors.

The same AgForce report noted that the current low profitability of agricultural enterprises, Government regulations and red tape and costs and competition for the resource industries were all seen as impediments when recruiting:

- Availability of skilled staff: 61.9% nominated lack of and availability of skilled staff
- Profitability of agriculture: 35.5% nominated low profitability of agricultural industries
- Government regulations: 30.9% nominated government regulation, red tape and cost of employing
- Resource industry competition: 30.6% nominated competition from the resource industries of mining and CSG
- Isolation and lack of services: 13.2% nominated isolation and lack of services and opportunity for employment for partners.
- Image of agriculture: 3.4% nominated the image of agriculture and lack of interest from young people.

When questioned how the abovementioned challenged impact upon immediate labour needs, survey respondents viewed government regulation as a disincentive to employ as they were considered to be restrictive and non-specific for the agricultural industries (in particular the seasonality of work). Other impacts on immediate labour needs included:

- Enterprise viability: 82.5% of respondents nominated rising input costs such as fuel, government charges, land rent, water, transport, fertiliser, chemicals, wages, energy, interest rates, cost of land, education and health; low commodity prices due to influences such as the high value of the Australian dollar; the level of enterprise indebtedness; or combinations of these factors.
- Government regulations and Policy: 35.3% of respondents nominated government regulation, reporting requirements, OH&S regulations, the Carbon Tax, animal welfare and environmental regulations.
- Lack of skilled workers: 29.0% of respondents nominated the lack of skilled workers and young people to work on properties.
- Lack of recognition of agriculture: 22.6 % of respondents nominated a lack of recognition of the value of agriculture by government.
- Unreliable weather: 14.7% of respondents nominated the unreliable weather and droughts and floods.

[11] Skills and Labour Needs Review Analysis (2011). Available online at: http://www.agforceqld.org.au/index.php?page_id=347

- Threat from mining/CSG: 11.4% of respondents nominated the encroachment and threat from mining and coal seam gas development.
- Management of pests and weeds: 9.9% of respondents nominated the problems of wild dogs, weeds, ticks and land management.
- Generational factors: 6.6% of respondents nominated the age of the landholder, succession planning and attracting younger people to the industry.
- Isolation: 1.1% of respondents nominated isolation.

AgForce's issues relating to labour laws

The following section contains commentary about a range of labour impediments facing the agricultural sector.

It should be noted that concurrent to this enquiry, a separate concurrent inquiry is investigating Queensland's workplace health and safety laws. The commentary provided below has also been provided to the separate inquiry.

Workers Compensation

Return to Work Programs

The Workers Compensation scheme aims to provide for employers and injured workers to participate in effective return to work programs. There is great concern from agricultural enterprises that employees returning to work after accidents and injuries are deemed to be fit to return to work on light duties. There are two issues to highlight.

The first issue for the vast majority of livestock and farming enterprises is that light duties are not a significant part of day to day operations. Under s228 of the Act agricultural industry employers are well aware that they have a responsibility to provide suitable duties—to take all reasonable steps to help with, or provide, rehabilitation to a worker suffering a work-related injury, while they are receiving compensation. Implementing a suitable duties plan or graduated work program within agricultural enterprises is challenging and financially detrimental to most producers. The issue with a working property is that many of the duties are of a physical nature. It is widely documented that returning to the workplace as soon as practicable is the best outcome for an injured worker as it is better for a worker's own health, their work mates, their family and employer. The intention stated in section 5 of the Act that the scheme should provide flexible insurance arrangements suited to the particular needs of an industry is an important consideration. Reiterating what has been previously stated, industry specific programs and training are crying out to be developed to ensure better return to work outcomes for the agricultural sector. Flexibility is also needed as when an employer is deemed fit to return to work in this industry. Limitations for injured workers in accessing rehabilitation and other key services are encountered by shear remoteness of many farms impacting on current return to work time frames.

The second issue is ensuring employees returned to work on light duties do not undertake tasks they are not fully fit to complete. By completing inappropriate duties the employee is at risk of further injury and the employer may also be deemed to be at fault under the Act. A smooth transition into the workplace achieved as early as possible after a worker's injury or accident is the goal. However, this goal must work

in partnership with achieving a sustainable return to work outcome. The nature of many duties in the agricultural environment is that the employees self-manage their work and complete many tasks unsupervised. The requirement whilst working under a Suitable duties program to monitor the workers progress back at work and make sure they are supported by co-workers and supervisors is not practicable. The employer is again faced with encumbrance financially as most small enterprises lack the resources to commit to continuous monitoring of employees.

Cost of Premiums: impact on competitiveness

According to the Act the scheme should aim to ensure a reasonable cost level for employers whilst providing fair and appropriate benefits for injured workers. The Act also acknowledges that it is in the State's interests industry remain competitive locally, nationally and internationally and the compulsory insurance should not impose too heavy a burden on employers or the community.

Premiums paid by the sheep, beef and grain farming industries are significantly higher than the average premium cost. The average premium for the 2011-12 year was 1.42 per $100 wages (excluding GST and stamp duty). Beef and beef/sheep farmers are stung with a premium of 5.692 and sheep farmers along with combination beef/grain or sheep/grain pay a rate of 4.430. Given that farmers are now faced with added costs related to the carbon tax, increased wages and the impending superannuation guarantee contribution increase any rise in premiums would be concerning. It must be understood that primary producers have very little control of the price of their commodity and are also in competition with other states and countries for the sale of their produce. The bottom line for producers is heavily impacted and their ability to expand is hindered. Consequently this constricts the producer's ability to employ new workers or retain current employees, causing a flow on effect in the wider community.

It would be of much greater benefit to the agricultural sector if more extensive training was readily available for farmers to provide a safer workplace thereby decreasing the cost of increasing claims within the agricultural industry. A conscious strategy between WorkCover, Workplace Health and Safety Queensland and the agricultural industry needs to be developed to address what are very industry specific issues concerning injury prevention and management of return to work programs. The underlying goal of the scheme is to encourage employers to minimise injuries and promote stay at work or return to work programs. This goal needs to be aligned with the message to farmers that the outcomes will be lower claim costs and more importantly lower premiums.

Short-term Visa Options for Semi-Skilled Workers

AgForce has been working with the National Farmers Federation to attract attention to short term visa options for overseas semi-skilled workers, or re-examine existing systems to facilitate the employment of overseas workers on a repetitive basis. The need for looking at this issue has arisen due to competition with the resource sector for available skilled and unskilled Australian labour with attractive rates of pay and conditions, and so an increasing reliance on short-term overseas labour via the 'working holiday' visa. Even before meeting formal training arrangements, a problem that members have encountered is that they can rarely attract or recruit competent Australian labour on-farm, with many Australian applicants either having no experience, or do not have basic capacities (e.g. no driver's license), or only apply to meet eligibility requirements for continuing access to Government unemployment benefits and have no intention of accepting employment.

A number of AgForce members have indicated that the working holiday visa holders develop useful farm labourer skills and work enough days to qualify for a second year visa, apply and then return overseas with the hope that they will return to Australia for 4 to 6 months during the agricultural "off" (November to May) winter season in Europe and North America, or during their university holidays. As you will be aware this visa involves the employer providing a training program for the worker and due to the high turnover of these workers through the short-term nature of the visa (3 months to 1 year stays) this training requirement places a significant demand on the agricultural employer. They consider that it would be a big advantage to the rural sector if these people could come and work and do so on a yearly basis if they wanted. There are a number of problems that members have encountered including:

- The visa holders may have turned more than 30 during their absence and so don't qualify
- The worker was here previously before the second visa was introduced
- The 29% tax rate from the first dollar earned reduces the multiplier effect in small rural communities as holiday workers commonly spend a significant proportion of their earnings locally. A lower tax rate might have flow on benefits.
- Returning workers may not wish to use their second working holiday visa for a short visit (<4 months) and so may just return for a holiday and not be paid for any farm work they may contribute to while here, which has worker's compensation implications.

Information from DIAC has been previously requested about 're-using' these returning farm labourers and have been directed to the Temporary Business (Long Stay) Subclass 457 visa under the Employer Sponsored Workers Scheme, where skilled workers can be brought in when an appropriately skilled Australian cannot be found. However this visa category does not include farm labourers even though a critical shortage exists. While the 457 visa runs for up to 4 years, potential employees from the EU or USA seeking to gain experience in Australia often prefer to take on a placement during annual leave periods. This is due to the high unemployment rates in those regions and the understandable reluctance to place their home job in jeopardy.

The 457 visa includes prescribed benchmarks for the training of Australian citizens or permanent residents. AgForce members see this requirement as a barrier to becoming sponsors within a Labour Agreement system. Quite often completing this training requirement, such as a HR Truck or heavy machinery ticket, results in the visa holder seeking employment in the more highly paying resource sector. This leaves the primary producer with no labour and a training bill for their efforts. There may be potential for State Farming Organisations with a Registered Training Organisation within their organisational structure to work with producers to provide relevant accredited national training to meet visa requirements.

There are also some concerns about the structure of 457 visas. The labour needed is often only as skilled as the training provided previously on-farm for a working holiday visa. The list of eligible occupations is quite restrictive - there is no reference to farm labour. Further where a potential overseas worker applies for the visa and then returns home after a short duration they need to provide a fresh application in order to return the following year.

Secondly DIAC have advised some members that providing all information needed for visa assessment has been provided, applications can be finalized within a 90-day (8 to 12 weeks) period. Given the seasonal nature of farming work this is often an

unacceptable delay given the need to accommodate the visa applicant into that year's farming program. For the reasons listed above, the restrictive nature of the 457 visa and slow processing of applications it is not considered to be an appropriate structure for farm labourer employment.

Members have also pointed out the use of the 416 Special Program Visa "work experience, cultural exchange" as another avenue for Australian farmers to obtain farm workers for a period of 6 to 12 months, but this can take up to 6 months to formalize and still has stringent training requirements (essentially a traineeship). The Regional Sponsored Migration Schemes (Visa 119 & 857) support meeting the skill needs of regional employers, but members consider that diploma level qualification requirements are not typically applicable or relevant to on farm labour. Regional Migration Agreements and Labour Agreements also include the training investment in local workers so that 'employment and training opportunities for Australians are not undermined'. This apparent need to prove a training program with prospective Australian employees is seen as being unreasonably restrictive, even if competent Australian farm labour was available and they would stay on-farm after training and not go to the resource sector. While the focus has been on the resource sector to date it can be argued that agriculture has significant skills shortfalls that limit agricultural productivity.

AgForce's recommendations for improvements

Workers Compensation

In relation to the specific issues relating to workers compensation, AgForce is currently preparing a submission to the Parliamentary Committee for Finance and Administration's 'Inquiry into the operation of Queensland's workers compensation scheme.'

Visa Issues

While we note that this is largely a Federal government issue, there are a number of options for immediate action that have been highlighted by AgForce members in relation to labour shortage issues, including:

- Revisit the eligibility criteria of the 457 Visas around formal ongoing training needs
- Include Farm Labour in the Employer Nomination Scheme Occupation List (ENSOL)
- Reduce the time required for DIAC to finalise applications in line with what is offered to the resource sector
- Develop a new visa for semi-skilled overseas farm workers that can demonstrate that they are studying agriculture and/or can demonstrate prior farm work experience (including on a first working holiday visa) so they can work on Australian farms on a short-term and repetitive, potentially annual, basis.

2.3 Wild Rivers

Introduction

The Wild Rivers Act was passed by the Queensland Parliament in October 2005 to 'preserve the natural values of rivers that have all, or almost all, of their natural values intact'. The Act

provides for a protective legislative scheme, part of which includes the power to declare wild rivers.

Once an area has been declared a wild river area it is protected by a number of statutory controls in relation to the approval of a proposed activity or taking of a natural resource in designated management areas which can include:

- high preservation areas
- preservation areas
- floodplain management areas;
- sub-artesian management areas;
- designated urban areas; and
- nominated waterways.

The Wild Rivers Act 2004 puts in place an 81-page code for land managers within 12 already declared wild rivers areas which have been identified as being 'relatively untouched by development and therefore in near natural condition, with all, or almost all, of their natural values intact.'2 The Code requires landholders to implement separate land management regimes for different parts of the river which are classified into High Preservation Areas and Floodplain Management Areas which can stretch back many kilometres from the riverbanks. The Wild Rivers Code prohibits a range of future development activities such as standard agricultural activities and some animal husbandry practices, aquaculture, many buildings, some dams and many types of vegetation management activities. This compromises the ability of future generations of farmers to effectively respond to emerging challenges, such as climate change, and fails to acknowledge that it is by the past efforts of landholders in these basins that the Rivers retain their natural values.

In the original plans that the Wilderness Society put to the Queensland Government when they proposed the legislation in 2004 was that 22 wild rivers would be declared.3 The Bligh ALP government had signified its intent to expand the number of wild rivers in Queensland by declaring a further 8 river basins. All of these were included on the Wilderness Society's original plan and prior to the election the Bligh Government had plans for further declarations

The current extent of declared Wild Rivers across Queensland is approximately 60,546,509 hectares or 34.95% of the State.

AgForce Issues relating to Wild Rivers

The *Wild Rivers Act 2005* represents an inequitable impost upon primary producers and the communities they support. The Act is wide-reaching, placing onerous controls on development in the categories of forestry, vegetation management, overland flow, agriculture and animal husbandry. It adds to the burden of red tape imposed by the Queensland Government by placing further, unnecessary restrictions on primary producers. This is in direct contradiction to the Queensland Government's public commitment to reform existing regulations and the quality of future regulations.

In particular, we believe that the Act:

- Fails to acknowledge Ecologically Sustainable Development (ESD) as part of the Act's purpose. This means social and economic outcomes are ignored for the sake of a purely conservation-based Act;

[2] DERM Website (2012) Online 13.3.12 at http://www.derm.qld.gov.au/wildrivers/
[3] The Wilderness Society (2012) Online 13.3.12 at http://www.wilderness.org.au/images/qld-wild-rivers-map-550.jpg

- Introduces constraints on best practice land management;
- Places restrictions on long-term development and future diversification; and
- Ignores alternative means of achieving best practice environmental outcomes.

AgForce supports the protection of rivers of high conservation value from mass water extractions, large scale irrigation, adverse outcomes from mining and coal seam gas; and adverse outcomes from restricted and prohibited vegetation management. AgForce believes outcomes can be better pursued by placing an emphasis on an industry-led sustainable policy and extension approach – rather than pandering to the needs of stakeholders outside of the Basin whose expertise on appropriate land management options must be questioned.

AgForce:

- Supports and acknowledges a sustainable approach to riverine management, but does not endorse a regulatory-based framework;
- Supports the development of voluntary based incentivised mechanisms for future nominated Wild Rivers as an alternative to legislation; and
- Supports a sustainable management approach that encompasses economic and social values, not just environmental values.

AgForce has been vocal in its criticism of the State Government's introduction of legislation such as the Wild Rivers Act, where the true impact of the legislation on rural business and communities is not considered as a part of the implementation process. While the Act is based on the premise of environmental preservation (rather than conservation):- the impact on pest, weed and landscape management as a whole is not fully taken into consideration.

An alternative solution derived from existing legislation would address conservation objectives in a more efficient manner and provide a visible and transparent process for all stakeholders. A recent study by the Australian National University found that the Wild Rivers Act reverses the burden of proof and associated cost on to the landholder, utilises the precautionary principle and so prevents ecologically sustainable development, precludes a cost benefit analysis, is highly restrictive and costly with the Property Development Plan, neglects inter-generational equity, treats landowners inconsistently and injures the rights to future options.

AgForce believes the PDP is a highly restrictive and unsuitable tool to resolve this issue. Not only must landholders demonstrate that no harm will arise from the proposed development, they must also demonstrate a beneficial impact on conservation values. That is, the proposed PDP amendment must demonstrate that it has positive environmental benefits - not simply an absence of harm. In addition, the timeframe requirements of PDP's are lengthy and expensive to undergo. It involves a requirement for producers to outline the developments proposed to be undertaken over the next 10 years. This is completely at odds with the dynamic nature of the physical and economic systems that producers must respond to on a variable basis in order to sustainably produce food and fibre.

The Act demonstrates an attitude that farming and conservation are not compatible - with future development options heavily restricted. By not considering ESD, the Act is incompatible with other Queensland legislation that recognises conservation can be achieved through sustainable development. Today's grazing systems have changed dramatically to a system where there is (voluntary) active management of the intensity, evenness, duration and spelling of grazing; not to mention controls on the frequency and intensity of fire, weeds and pests. This change has occurred only in the absence of legislation such as the WR Act which would have prohibited or limited such adaptive management.

The Act mandates compliance in a further 13 Acts of Queensland legislation - this produces a legislative framework that is neither understandable nor implementable. Landholders and local authorities have been managing this country responsibly for more than 100 years but now are having all responsibility replaced by prescriptive regulations, written without knowledge of either the country or the activities and management of landholders and local authorities. The Act takes a heavily restrictive broad-brushed approach to land management with no account for differences in ecology and biophysical integrity.

The SPA was intended to simplify the development application process and yet here we have an Act that has implications in 13 other pieces of legislation. How is an applicant, who will more than likely be either a farmer or an Indigenous Trust group, be able to ensure ALL requirements are met under this plethora of legislation? This research burden on rural and indigenous people without access to good legal interpretation is excessive - more regulation, does not necessarily equate to better environmental outcomes.

A WR declaration can have the effect of limiting the construction of fences, dams, management of erosion and other infrastructure needed to alter land use, particularly for properties with a large proportion of their land in a HPA. Additionally, recent experience in the LEB is that drought can be of at least ten years in duration. These adverse seasonal conditions experienced in Queensland have curtailed available capital for property development and as a result current sustainable property plans are in some cases behind schedule.

The issue of ongoing management costs is ignored by WR, which creates a risk of perverse environmental outcomes, such as pest and weed infestation. To retain the environmental values of Queensland's dynamic ecosystems, these areas need to be managed – this is a task commonly undertaken by landholders at their expense for both a public and private benefit.

A 2005 ABARE report on 'Native Vegetation: Cost of Preservation in Australia' found that many farmers undertake management activities that are of both public and private benefit. The Act automatically classes vegetation in a HPA as Category A (vegetation subject to compliance notices, offsets, and voluntary declarations) – these additional native vegetation regulations effectively result in a decline in profitability which in turn increases the risk of leading some farmers to delivering a lower level of pest and weed control or in some cases abandoning the land in HPAs altogether due to these restrictions precluding any further economic benefit. Such outcomes can also lead to increased negative spill over effects on neighbouring properties, thereby exacerbating the problem. The consequences for society is that it will forfeit 'free' environmental benefits flowing from activities that many farmers undertake routinely and, generally more effectively than governments .

While the ABARE study pertained to native vegetation legislation, it has direct parallels to impacts as a result of a Wild Rivers declaration in that the study established the cost of meeting environmental regulations can be an important factor in determining the competitiveness of a product, given that the comparative cost advantages of producers in any one country is small. Therefore, additional costs associated with new regulations can have a critical effect on the continued importance of Queensland's agricultural exports and on its share of the international trade.

An example of this issue in relation to the Wild Rivers regulations is the imposition of the need for landholders to obtain vegetation management permits (e.g. spraying) over a larger area of land. These permits can take up to 6 weeks to obtain and is not best practice management when considered in conjunction with the life cycle of various weeds (e.g. 21

day plant cycle for the treatment of parthenium or identification of mother of millions when flowering).

The treatment of the agricultural versus other industries in the Lake Eyre Basin
The Australian National University study found that the Wild Rivers legislation requires agricultural proponents to have a prohibited activity assessed under a PDP. However, proponents must not only demonstrate no harm will arise from the proposed development, but must demonstrate a beneficial impact on conservation values. Further, any proposal is subject to the consideration of public submissions and ultimately ministerial decision, a process which is lengthy and expensive. For example, a proposed plan has to be submitted with a fee and assessed by an independent panel of scientific experts in hydrology, geomorphology, water quality, riparian function and wildlife movement.

In contrast, other extractive industries such as coal seam gas (CSG) appear to have greater flexibility afforded to them. While the Act and Code require landholders to use a precautionary approach to minimise adverse impacts on known natural values, as well as possible adverse impacts to ecological functions unique to the catchment that are yet to be fully understood - there appears to be a loosening of this precautionary approach in relation to the coal seam gas industry. This is evidenced by the buffer of only 100 metres from a watercourse necessary for the CSG industry.

The duplication of existing legislation

Since its inception in 2005 AgForce has opposed the Act on a number of grounds, not the least of which is the question surrounding the need for further regulation when legislation already exists that can provide the same environmental outcomes. In support of this position, AgForce believes there are other more appropriate and pre-existing regulatory controls to achieve the sustainable use objectives that Wild Rivers should be aimed at achieving. These include the:

- Water Act 2000 (including Water Resource Management Plans)
- Mineral Resources Act 1989
- Petroleum and Gas (Production and Safety) Act
- Environmental Protection Act 1994 and Environmental Protection Regulation 2008
- Nature Conservation Act 1992
- Vegetation Management Act 1999
- Mineral Resources Act
- Fisheries Act 1994
- Forestry Act 1959
- Land Act 1994
- Land Protection (Pest and Stock Route Management) Act 2002
- Sustainable Planning Act 2009 and regulations
- Statutory Regional Planning processes
- Other existing Acts

For example, the Queensland *Nature Conservation Act 1992* delivered specific goals aimed at the protection and conservation of natural values, whilst both *the Integrated Planning Act 1997* and its successor the SPA deliver the management of multiple goals covering a range of values associated with ecological sustainable development.

By examining the purpose, objectives and methodology of both the *Nature Conservation Act 1992* and the SPA, a clear duplication of principles is evidenced by the establishment of the Act in 2005. As a result, unnecessary regulatory complexities have been enforced. Such superfluous regulation should lead to the adoption of Ockham's principle that "entities must

not be multiplied beyond necessity", particularly when the impost on landholders is significant.

The Water Act and the development of Water Resource Plans

Other regulation has been able to marry the requirements for conservation with the ability to meet and expand upon the future needs of communities. For example, under the *Water Act 2000*, when developing a Water Resource Plan (WRP) which sets the sustainable level of water allocation and extraction in a river system, the Minister has a statutory obligation to consider the future water requirements of that system which include cultural, economic, environmental and social values. As part of this process, economic and social assessment reports are included in the plan in conjunction with scientifically based assessments on the capacity of that system. WRPs are therefore developed utilising a triple bottom line approach which is underpinned by a sustainability clause that states that plans cannot be approved unless they are environmentally sustainable.

If the State Government can use scientifically underpinned data to produce WRPs and WMPs under the *Water Act 2000*, why is the principle of ESD ignored under the *Wild Rivers Act* for the sake a of purely-conservation based piece of legislation? The knowledge and information is readily available for the State Government to facilitate sustainable development to meet the economic and social needs of the communities whilst still maintaining a high level of ecological integrity in WR areas.

AgForce's recommendations for improvements

AgForce does not support a regulatory approach to managing these river systems. Instead we support an approach where far greater economic and environmental sustainability can be achieved through voluntary based incentivised mechanisms. The irony of this legislation is that good management practice by rural and Indigenous landholders in the LEB catchment has resulted in targeting these pristine rivers by the government. These landholders are effectively being punished for their good management by having their management rights limited and in some cases take away.

A more appropriate mechanism for better environmental outcomes in these regions would be through incentives and support. This is a more fitting way of encouraging good management than Wild River declarations and its associated regulations. Prescriptive and restrictive regulations are proven to more likely alienate the people who can manage the land and water in question; as well as putting an extra regulatory burden on landholders whose good management practices has led to the declaration in the first place.

There are numerous alternative complementary policy options that can and should have been undertaken by the State Government without resorting to a regulatory approach which is fraught with many difficulties and inefficiencies. By failing to take into account ESD in its purpose, the Act ignores processes whereby the best use of the natural resources is determined by consideration of a number of factors. These factors vary markedly across the landscape and the Act is too generic in the way it regulates to take into account the different ecological systems across Queensland and how they can best be utilised to enhance not only the environment, but the social and economic well-being of those communities that rely on them.

AgForce believes that work should commence immediately to develop and endorse alternative, voluntary and complementary measures that correct the current policy direction and give producers clarity on the public benefit of undertaking actions on-farm that have positive environmental outcomes for the broader community. Failure to act in this area would mean missing a real opportunity to send a positive market signal to the agricultural and

Indigenous sectors. Until such policies are developed, this may potentially create a disincentive for some producers to enhance environmental outcomes and create confusion about how to minimise business exposure to environmental risk.

There is an urgent need to create a framework for negotiated outcomes addressing natural resource management issues. That is, a system that delivers regional solutions in response to regional problems. This framework must be capable of accommodating the full range of issues associated with managing the landscape. It must recognise voluntary activities and provide offsets and individual outcomes. The system must rely on performance based scientific assessment. These objectives can and should be achieved through cooperative voluntary, rather than regulatory, involvement of landholders and allow decision making at the lowest practicable level.

Environmental stewardship programs already exist that broaden established initiatives by introducing alternative methods of securing landholders' commitment. Motivations to participate in programs vary from financial incentives to interest in improving natural resource conditions and thus productivity, to ongoing expansion of sustainable land management principles. Benefits gained include added sustainability, resulting in increased natural resource benefits for the community and supplying added financial benefits to participating landholders. One such case of a successful, voluntary, environmental stewardship programme that is achieving real environmental outcomes is the Nature Refuge Program.

AgForce supports and endorses alternative, voluntary and complementary measures that correct a policy direction of additional legislation. Voluntary measures give famers clarity on the public benefit of undertaking actions on-farm that have positive environmental outcomes for the broader community. AgForce believes such measures must:

- Provide investment certainty and clarity about the ultimate treatment of agriculture;
- Provide positive incentives for adopting greater environmental and biodiversity outcomes and practices, an example of which is the Nature Refuges program;
- Acknowledge previous good land management practice;
- Be based on sound science, but entail a low administrative burden;
- Be governed by a voluntary, partnership approach – not an imposed regime.

With over 80% of Queensland's land mass managed by primary producers, landholders have a crucial role in the future of landscape management. However, AgForce is of the firm belief that any future management mechanisms developed must take into account the current level of positive landscape management being exhibited and include incentivised mechanisms that will allow for not only the protection of conservation outcomes, but also that of productive capacity as well.

Environmental outcomes can be better achieved through the facilitation of voluntary environmental stewardship programmes, rather than through the imposition of yet another layer of restrictive regulation that inhibits the uptake of adaptive management practices.

2.4 Transport

The predominantly regional location of broadacre agricultural production in Queensland means that freight and transportation are important and integral components of agricultural economic development in the state. It is vital to remove or minimise the barriers to the cost- and time-efficient movement of:

1. agricultural inputs to rural and regional areas and associated agricultural enterprises
2. enterprise products to value-adding processing plants, to domestic markets in urban areas and to export markets via port infrastructure

3. rural people for health and quality of life purposes.

Freight, the movement of goods, is affected by land use planning decisions, future production output in different regions (in turn influenced by research developments) and government policies around carbon taxation (affecting cost of fossil fuel-based transportation).

While perhaps not falling into a classic 'red-tape' reduction area, there are significant issues associated with transport that if removed could drive efficiency improvements and therefore productivity. It is for this reason that AgForce has included it in this submission for consideration.

The principal constraints on driving productivity through a more efficient freight sector include:

- restricted use of infrastructure
- encroachment of freight activities
- uncertainty about the capacity for growth
- lack of responsiveness of infrastructure to economic demand.

AgForce's Issues Relating to Transport with Recommendations for Improvement

Restricted use of infrastructure

These include limits on vehicle sizes, configurations and operating hours and the application of different regulations in different jurisdictions, such as at state borders. Inefficiencies result when a truck or truck configuration cannot drive the full distance of a freight journey; this is the 'first and last mile' issue. The next generation of freight vehicles or 'interoperable high productivity vehicles' (long, double stacked trains and B triple or super B double trucks at higher mass limits) offer improvements in freight efficiency but their use is currently restricted. Choice of technology may also act to increase the long term cost and 'lock out' or reduce interoperability, even though local cost benefits may result. The best historical example of this being the use of different rail gauges across the country.

Recommendation: An independent review and public report on impediments to access and followed by economic assessment. A longer term desirable program would include decisions on access and establishment of a 'decision maker' institution regulating imposition of costs on users/beneficiaries, as well as a map of interoperability needs and seamless access for future efficient-vehicle use. This must include communication of enhanced safety outcomes.

Encroachment of freight activities

This refers to urban encroachment and lost opportunities to efficiently use freight corridors. This issue highlights the importance of land use planning under growing populations, and IA considers that a national land freight network strategy will help to highlight freight in planning processes and promote reservation of freight lands or the development of dedicated freight infrastructure.

Recommendation: Publication of an indicative strategy document with major freight routes and hubs and reference to this document by other relevant planning documents.

Uncertainty about the capacity for growth

The identification of future needs for freight is hampered by inadequate freight data which limits the capacity to produce forecasts and future scenarios. The condition of

some rural local roads used for freight, and the asset management and financial position of some local governments, also need exploration. Reliance on government funding is also a source of uncertainty, with the argument for taxpayer support for infrastructure principally used for commercial activities seen as weak and contains the potential for underinvestment.

Recommendation: Develop a strategy that broadly assesses infrastructure capacity supply against predicted demand scenarios that account for important trends in population, industry output, climate change, energy availability etc. Stakeholder engagement is important.

Lack of responsiveness of infrastructure to economic demand

This is seen to occur when infrastructure users and their customers have limited commercial influence over the infrastructure available to them. Improvements in productivity are seen to be limited by an inability of freight interests to secure rewards from infrastructure investments. The Discussion paper points towards increased private investment in infrastructure, either through road use charges or other mechanisms with a financial stake, seen as a way that the market can drive provision decisions. Low freight reliability can occur due to limited infrastructure capacity at peak demand times. Incorporating freight reliability into cost: benefit analyses may become more important for future planning.

Recommendation: Create a road improvement program that enables investment by the freight industry. This is followed by the longer term creation of an Economic Regulator to manage road use pricing to offset investment costs by road owners, and investigation of private use pricing, such as road congestion charges.

3. Best Practice Regulation for Agriculture

AgForce sees that in regards to primary production, Government activities should seek to secure property rights (land, water, vegetation, intellectual, etc) with minimised regulation and requirements for compliance to achieve these goals, and while ensuring appropriate access to and fair hearings with government legislators.

Regulatory burdens impact on primary producers capacity to operate their businesses, the time and energy required for compliance being diverted away from running their enterprises and seeking productivity and profitability improvements. AgForce is not opposed to regulation, provided that it falls in line with the principles of best practice outlined in the Committee paper.

Efforts to reduce regulation

Where such ongoing efforts reduce the regulatory and compliance burden on its members, AgForce is supportive of:

- The Government's commitment to cut regulation by 20% (where the 20% of pages reduced are identified to be those most limiting to business operations)
- Simplification of regulations through requirements for departments to consult with affected stakeholders
- Removal of out-dated or superseded regulations
- Establishment of an Office of Best Practice Regulation with a mandated focus to reduce regulatory burdens
- Inclusion of a legislated requirement for a cost/benefit analysis including a comprehensive Regulatory Impact Statement for new legislation and regulations.

Identified regulatory impacts

Members in western Queensland were requested to identify regulation that placed the greatest burdens on their businesses. The following areas were nominated:

- Vegetation management laws cause a loss of productivity and include impractical guidelines (e.g. fodder harvesting guidelines) and are based on inaccurate maps
- Workplace Health and Safety regulations are often impractical and have onerous reporting requirements
- Regulations limiting the flexibility of and increasing requirements around the baiting of wild dogs and pigs (vertebrate pests) e.g. availability over the counter, preparation etc
- Gun laws relating to firearms for wild dog control including slow process of renewal and administrative problems including loss of provided information.

The reduction in red tape was supported as an important outcome for improved primary production business performance. In terms of methods that members nominated these included streamlining of compliance and reporting forms. One example was simply providing a business' ABN rather than a page of contact details. Self-assessment for low risk activities was seen as an appropriate methodology to achieve policy outcomes.

Ranking of methods of red tape reduction

Committee nominated method	Desirability	Comments
Better policy development - improved communication and consultation with affected businesses and canvass alternatives to legislation	High	Effective consultation avoids impacts before they occur
Regulatory impact assessments - transparent and rigorous regulatory impact assessments	High	Robust cost benefit assessment a must
Tiering – imposing a lower level of requirements on the basis of lower risk, such as exemptions, reduced record-keeping, lighter requirements and simplifying regulatory obligations.	High	Small business does not have the capacity for administration so regulation must be in line with risk. Self-assessment and random auditing appropriate for many low-risk issues
Better regulatory information - Providing better information about obligations and avenue for feedback	High	Regulations must be clear and practical for effective implementation with the capacity for two way flow of information.
Reviews of legislation - across all departments affecting a specific industry and routinely done	High	Basic departmental duty
Benchmarking of regulatory costs - surveys of regulatory costs to inform reform programs	Medium	Data is useful but time required for survey a disincentive
Regulatory reduction targets - for reductions in the net costs to business in a given period.	Medium	Regulation reduced must be that most limiting to business performance not peripheral constraints
Regulatory review office/committee – Office of Best Practice Regulation	Medium	Must be accompanied with SMART performance criteria and not be 'toothless'
Harmonisation - harmonising the stock of like regulations operating across jurisdictions	Medium	Regulation should not be duplicative

Regulatory offsetting arrangements - any new legislation accompanied by repeal of others.	Medium	Repealed legislation must focus on that most limiting to businesses
One-stop shops - Having a single point of access for businesses for all regulatory information	Medium	Reduced time spent in meeting regulations vital for small business
Consolidating original act and subsequent amendments into 1 act	Medium	Basic departmental duty
Cabinet gatekeepers - stricter requirements for proposals including tests for impacts	Low	Basic duty is to avoid unnecessary regulation and will be scrutinised through a rigorous RIS process
Electronic services – lodge paperwork and apply for permits and licenses online	Low	Reporting and compliance should be streamlined but cognisant of IT limitations in rural and remote areas
Common commencement dates -	Low	May add to Government's administrative burden without much benefit assuming good information is available.

Communication models between Departments and primary producers

However there is rising concern about the continued erosion of the delivery of these extension services, particularly in light of recent redundancy packages offered to senior production-oriented Departmental personnel with significant industry experience, and their potential replacement, if at all, with replacement staff without a depth of industry knowledge.

4. Economic Development for Agriculture

Economic development for Queensland's rural and regional areas refers to sustainable improvements in the conduct, growth and organisation of broadacre beef, sheep and grain production to achieve improved income and quality of life for primary producers in those industries.

Sustainable economic development is measured across a range of indicators that capture financial, social and environmental outcomes.

It is our goal that the land supporting our production is maintaining or improving in sustainability and biodiversity indicators. In order to balance economic development and financially viable businesses with environmental protections this requires a flow of information, knowledge and skills development opportunities that enables producers to manage changing circumstances effectively.

5. Conclusions

Red tape burdens are a significant impost on primary production enterprises, in some cases largely unwarranted or ineffective. AgForce is supportive of efforts by the current State Government to reduce unnecessary red tape and is keen to provide further information to the Committee on those regulations that are most onerous or unnecessary to assist in achieving this outcome.

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Subject: AgForce's Submission to the Inquiry into Queensland Agriculture and Resource Industries

Further to our submission to the Queensland Agriculture and Resource Industries Inquiry dated 20 August 2012 AgForce would like to make a supplementary submission. We are keen to further discuss and clarify the following items from the vegetation management framework section of our original submission.

AgForce does not believe that the relevant purposes listed under Section 22A of the *Vegetation Management Act 1999,* should be known as 'development', rather they are activities that are a necessary and integral part of modern farming. These include activities (relevant to production):

- necessary to control non-native plants or declared pests; or
- to ensure public safety; or
- for establishing a necessary fence, firebreak, road or vehicular track, or for constructing necessary built infrastructure (each relevant infrastructure), and the clearing for the relevant infrastructure can not reasonably be avoided or minimised; or
- for fodder harvesting; or
- for thinning; or
- for clearing of encroachment.

The above listed activities are essential for the management of rural land; landholders should not require a permit or approval to be able to carry out these activities under normal circumstances. A hierarchy needs to be developed that allows landholders the ability to go through a simple notification process when utilising these management tools for production, and a Development Approval should only be triggered and required where the activity is considered intense development or within a high classification Regional Ecosystem.

Further to this, where we have used the word 'permit' we are referring to Development Approvals granted as part of the Development Application process.

AgForce would like to reiterate that we recommend, first and foremost, self-assessment of activities to the greatest extent. Where AgForce has made the recommendation to increase the 'permit' or Development Approval timeframe, this would only apply to cases where the activity cannot be self-assessed due to the intensity of the development or the high classification of the Regional Ecosystem.

We hope that you can consider these points with our original submission.