AGRICULTURE, RESOURCES AND ENVIRONMENT COMMITTEE

Members present:

Mr IP Rickuss MP (Chair)
Mr JN Costigan MP
Mr SV Cox MP
Mr S Knuth MP
Ms MA Maddern MP
Ms J Trad MP

Staff present:

Mr R Hansen (Research Director)
Mr M Gorringe (Principal Research Officer)

PUBLIC HEARING–EXAMINATION OF THE LAND, WATER AND OTHER LEGISLATION AMENDMENT BILL 2013

TRANSCRIPT OF PROCEEDINGS

FRIDAY, 12 APRIL 2013

Brisbane

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Committee met at 10.29 am

CHAIR: Welcome, ladies and gentlemen. I declare this meeting of the Agriculture, Resources and Environment Committee open. I would like to acknowledge the traditional owners of the land on which this meeting is taking place today. I am Ian Rickuss, the member for Lockyer and chair of the committee. The other members of the committee here with me today are: Jackie Trad, the member for South Brisbane and the deputy chair; Jason Costigan, the member for Whitsunday; Sam Cox, the member for Thuringowa; Shane Knuth, the member for Dalrymple; and Anne Maddern, the member for Maryborough. Michael Trout, the member for Barron River, is an apology.

Please note that these proceedings are being broadcast live via the Parliament of Queensland website. The purpose of this meeting is to assist the committee in our examination of the Land, Water and Other Legislation Amendment Bill 2013. The bill was introduced by the Minister for Natural Resources and Mines, Hon. Andrew Cripps, and subsequently referred to the committee on 5 March 2013 for examination, with a reporting deadline of 23 April 2013.

Firstly we will hear from stakeholders who have provided submissions to our work on the bill. At one o'clock we will invite officers of the Department of Natural Resources and Mines to respond to issues raised during the hearing. If anyone wants to stay and listen to their response, they are more than welcome.

Before we start can all phones be switched off or put on silent. I remind everyone that these proceedings are being transcribed and broadcast live via the parliament's website.

As per the program, can we hear from the CEO of SEQ Catchments, Mr Simon Warner. I acknowledge that Simon is a constituent of mine. I have quite a bit to do with SEQ Catchments, and I have been involved with them prior to my coming into parliament. Thank you, Simon, if you would like to begin with an introduction.

McDONALD, Mr Paul, Manager, SEQ Catchments

WARNER, Mr Simon, Chief Executive Officer and Director, SEQ Catchments

Mr Warner: Thank you, Chairman, and thank you, committee, for giving us the opportunity to talk about this amendment bill. I will quickly explain who SEQ Catchments are. We are a community based, not-for-profit organisation which is focused on natural resource management which involves the rehabilitation and maintenance of natural assets within South-East Queensland. We spend quite a lot of time trying to work with the community to get a better understanding of how natural assets impact on their economic, social and environmental wellbeing.

We are owned by two organisations: the SEQ Catchments Members Association, which has 133 member organisations which represent in the order of 50,000 residents of South-East Queensland; and we are also jointly owned by the South East Queensland Council of Mayors, which includes 10 councils which make up the councils in South-East Queensland. In relation to our funding, our funding comes from both government and private sources and we do significant works with industry organisations and with utilities in assisting to meet corporate social responsibility as well as adding value to their business from a range of services associated with better management of natural resources.

One of the reasons we saw fit to make these submissions is that we have been concerned—and it has been brought out in more recent times after the flood in January this year—about the state of the catchments in South-East Queensland and the ongoing nature of the impact of the state of those catchments not just on the environment but also on the economy and the wellbeing of South-East Queensland. We are basically arguing quite strongly within our submission that decisions that are made on a state-wide basis generally will not take into consideration the special nature of South-East Queensland, particularly in relation to the fact that South-East Queensland has around 70 per cent of the population of Queensland but only around 12 per cent of the area. What is also not generally known is the contribution that South-East Queensland makes to agricultural production in Queensland in that South-East Queensland provides in the order of 17 to

20 per cent of the total agricultural production of Queensland but only has a very small area associated with that—12 per cent of the land mass putting out 17 per cent of the agricultural production and having around 2.8 million people.

There is a lot of contestability. We are also suffering in South-East Queensland from what we consider to be peri-urbanism, which is a change in the nature of the land use of many what would normally be considered rural areas. That is happening right across South-East Queensland; it is not specifically associated with any particular local government area. Not only are we concerned about the impact of those rivers and streams particularly in the western catchments of South-East Queensland on water quality and the provision of water to the urban population; but we are also extremely worried about the impact of sediment from those creeks and streams on Moreton Bay. Moreton Bay is an important Ramsar site. It is also very important to the economy of Queensland. Some recent research that we had conducted under *Managing what matters* indicated that the value of the fishing industry, the tourism industry and other industries associated with Moreton Bay is in the order of $5 billion. So, while we talk about the importance of the Great Barrier Reef and protecting the Great Barrier Reef—and we agree with that—sometimes the value of Moreton Bay gets lost in the static and we really need to impress upon you how important it is to ensure that Moreton Bay continues to be protected as best we possibly can.

The key part of the presentation is that we really believe that there are tools contained in the Water Act, particularly the declared catchment areas, that have not been used to their full ability. We think that making changes to the act and maintaining the declared catchment areas within the act could actually provide the framework to achieve some of the outcomes that this government wants to achieve in ensuring better management of the levees, the vegetation and in particular the water quality outcomes for South-East Queensland. The fact that declared catchment areas have not been effectively used to this point in time we think is probably a failure of both the department and previous governments in relation to using what could well be a very effective tool to deal with some of the issues that are associated with particularly the Lockyer and the Bremer River.

We have some concerns in relation to the interplay that is mentioned in the bill between the Vegetation Management Act and changes to the Water Act. We can talk more about that. We do in the submission. Finally, we are extremely relieved—and I got a phone call from the chairman post the delivery of this—as we have for some time been very concerned about levees, particularly in the Lockyer, and the impact that they are having on infrastructure, production and also water quality. The management of those levees, both existing levees—and we are doing quite a lot of work with landholders at the present time in managing those—and future levees, is going to be important in how we actually solve the problems with flooding in places like Laidley and the loss of agricultural land that we are experiencing in the Lockyer. So those are my opening remarks.

CHAIR: Thank you, Simon. I have read your submission. I did note that it says at the start of it, 'South East Queensland's natural assets have been so modified ... the region needs to be viewed and managed differently to the rest of Queensland.' You have highlighted some of that in relation to having a large population base in such a small area of Queensland. Is that why you are saying that the region needs to be 'managed differently'?

Mr Warner: That is just one factor. The other factor that we point out in there is the extreme modification that has been made to the landscape. This is an area that has been under management, if you like, for 150 years. A large number of the practices that were brought into the region and have been undertaken by landholders and by previous policy directions given by government have now proven that we can actually manage those landscapes better. There is very little good quality riparian vegetation in the whole of South-East Queensland, particularly in the areas that we are pointing out, which is the Lockyer and the Bremer, which works on the Fassifern, and in the upper Logan. There is very little intact riparian vegetation already existing.

The other thing is the size of the blocks. If I could refer to our statistics here, the average lot size in South-East Queensland is 2.0487 hectares. If you go to almost any other region in Queensland, that is not the case. So we have very small lot sizes and if, for instance, under the Vegetation Management Act we were to allow for lifting, as is intended to lift, the trigger to five hectares and everybody took advantage of that trigger, there would be little riparian or remnant vegetation left in South-East Queensland when you consider the number of lot sizes and the number of lots.

We think that some 42,800 of those lots which fall into the one- to five-hectare lots have remnant vegetation within them. We have done quite a lot of assessment of the impact of those things in the Vegetation Management Act. One of the concerns we have is the interrelationship

between the changes that are being made here and the changes that are going to be made in the Vegetation Management Act. We would really like some assessment of what the impact of that would be before we actually go ahead and make the changes to those acts. We believe that that can be taken care of if we use the declared catchment areas to provide specific relief from some of those guidelines where and when necessary.

CHAIR: Just on that, somewhere in the back of my mind there is a figure that about 85 per cent of South-East Queensland is privately owned, freehold land. Would I be correct?

Mr Warner: I do not have those figures at hand but it is pretty close to it.

CHAIR: I think it is something like that. Another point you raised about the catchment of water that was highlighted by the catchment management in South-East Queensland is that the water authorities in most other areas such as Melbourne own the vast majority of their own catchments. So that would be a cost incurred by that water authority to manage that catchment area. Would that be right?

Mr Warner: Yes, you are right. There are very few urban conglomerations similar to Brisbane anywhere around the world that rely on the size of the open catchments that SEQ does. Melbourne is a really good example. In the setting up of the water supply schemes to Melbourne, they had that in mind—and Sydney is very much similar. The catchments for the major water supplies to those cities were designed to actually be owned in total by the government and therefore the authority supplying the water. That does not on its own mean that you are not going to have problems with water. We saw issues in Sydney some years ago that led to a commission of inquiry in relation to health problems associated with the Sydney water supply. It did indicate a number of issues which we brought up in this submission and in the recent submission we did to the 30-year water strategy about separating catchment management delivery and the water authority. We think those lessons should be learnt in South-East Queensland.

In particular, in relation to South-East Queensland, it is probably a space for which there is no other example in the world of a highly populated area where so much intensive agricultural activity happens in the catchment. In New York, for instance, they decided not to spend significant amounts of money on highly expensive treatment facilities and actually spent a lot of money in going up into the Catskills, where their water supply comes from, and working with the landholders up there to ensure that the land management activities and the activities that they undertook in those spaces added value to the water supply rather than detracted from the water supply. That is a really good example for us in South-East Queensland.

CHAIR: That was highlighted earlier this year when Brisbane was starting to struggle with water coming out of the Brisbane River because of the sediment loads coming from the Lockyer and the Bremer, and probably a little bit of Upper Brisbane as well.

Mr Warner: Yes. It was reported that we had about three hours of water supply left in Brisbane because of the problems at Mount Crosby with sediment.

CHAIR: That would have been of great assistance, simply by the fact that the number of landholders that manage the catchment really do need assistance from the greater population of Brisbane or the catchment authority of some way to manage that sediment load. Is that what you are saying?

Mr Warner: I think there is a whole range of activities that can be undertaken in the catchments that would add value and provide protection to that. One of them is providing incentives to landholders to manage their land in a more appropriate way. There is no doubt that some of the practices that are necessary to ensure water quality basically will mean less economic value that can be extracted by a landholder, and in that circumstance we are of the view that, because that has been done for the greater good of the community, particularly the large population in Brisbane, incentives would be a good way of ensuring that landholders manage the hill slopes, for instance, under grazing practices in a different way, and we have experience in the reef catchments in relation to providing incentives for landholders to actually do less stocking rates. Also, particularly in South-East Queensland, the fire management of hill slopes adds to the power of water. We saw that particularly in some areas in the Laidley area associated with wildfires that went through that area late last year and contributed to the power of the water that was coming down. So it is a whole-of-catchment approach that you need to take, but just the best practice mechanisms for undertaking horticultural practices requires people to change the machinery they use and the way they manage their farms. That transition would require support.

Ms TRAD: I noticed that in your submission you talk about the extension of the water licences from a maximum of 10 years to 99 years. Could you just go through some of your concerns in relation to that?

Mr Warner: We do not actually have any concerns in relation to that. We did some background research into this, and my colleague here, Paul McDonald, has spent many years working in the department, which has had a number of names over a fair period of time. We were not aware of any circumstance where the renewal of a water licence was refused. It seems to me that there is a lot of paperwork and administration associated with the adjustments to the renewal of water licences. As somebody who actually owns a water licence, I have been through that for no particular purpose. If there was a record of water licences being refused or those sorts of things, we would then think that perhaps that would not be an issue. But just looking at it on the surface of it, we do not see it as being a particular problem.

CHAIR: As a supplementary to that, any changes or any modifications to water licences do get refused—that is, like where you advertise and that sort of thing. They are quite regularly refused; is that right, Paul?

Mr McDonald: Yes. On occasion some of the conditions that are sought to be changed do not get approved, but in the main the actual licence itself always remains intact.

Ms TRAD: Thanks.

Mr COX: Just looking in the submission—and I think these are requests by you—there is a suggestion that a high-level standing committee, including ministers with a regulatory interest, and affected local governments should be established in South-East Queensland to oversee the process and outcomes. Just on that, you were just talking about the whole of the catchment so you would be talking quite a lot of local governments, wouldn't you—anything to do with anything in that catchment? Is that something that you think all local governments would be happy to be part of? Some would want to have more input than others. So that is all local governments, not just particularly the ones that might have the main effect on them?

Mr Warner: We have some experience in that area. Under the previous South East Queensland Regional Plan, it made reference to the South-East Queensland Natural Resource Management Plan. Within the set up of that plan, there was a body called the CEOs Committee. The CEOs Committee had representatives from all the local governments. There were four that were permanent members, but all the local governments could actually send representatives along. They have all shown a very clear interest in the health of the catchments and land use and its impact on catchment management. We are working very closely with all of the local governments. You may be aware that the Healthy Waterways Partnership each year puts out a report card in South-East Queensland and every one of those local governments looks at their scores in those report cards. Unfortunately they have not been terribly complimentary, so they are all doing what they can to improve their scores on that report card, which includes the sorts of things that we are mentioning here.

We were, I would have to say, very disappointed with the previous CEOs Committee and how it got tied down in process and it got tied down in lots of policy and talk. There was a very bold plan put forward called the Future of our Bay, Beaches and Waterways, which is a $600 million plan over 20 years. Of course when that came up, everybody pointed to one another about who was going to pay for it. While we all agreed on what needed to be done and we all know the techniques that are necessary to actually undertake these activities, there has been no consistent funding for the activities that need to be undertaken to do these activities. So what we are basically suggesting is that there should be a cut-down version. The Regional Planning Committee took the suggestions from the previous CEOs Committee up to basically a position of being able to be taken to cabinet. They never actually got to the stage of putting any recommendations as a result of that work. So we are of the view that it is almost a waste of energy and resources to have a CEOs Committee unless there is an investment plan to go with that and that their major task should be on ensuring investment goes into those areas that need that investment.

As an aside to that, one of the things that we do mention in our report is that we are working very closely with Ministers Cripps and Powell in relation to the new offset policy and how environmental offsets, particularly water quality offsets for utilities, can be undertaken. We need—and some of the recommendations relate to that—to be able to secure those investments in repairing areas. Right at the present time the Water Act provides no protection to repairing and investment, and some of these investments are quite large. Last year, for instance, through an offset arrangement with one of the utilities, we invested in repairing health to the tune of some

$500,000, but they did that on the basis that they had an exemption because there is no way that they could actually get security on that investment in repairing health. So that is why we ask, to some extent, that last question in our recommendations about somebody asking the Competition Authority to actually resolve that question—that is, if somebody invested in a natural asset, how does that natural asset get treated in relation to the terms? At the moment if you are a utility or somebody required to do an offset and you invest in a natural asset, you have to do it under operational expenditure. You cannot put it under your capital expenditure, and all of the rules associated with getting approval for that funding are quite different and it makes it harder for those boards, because if they are dealing with a capital asset there are different rules in relation to how they can actually do it. If they are dealing with an operational activity, how they have to report through to their ministers and the bottom line and all of that kind of stuff comes into play in a much different way. So we are asking for us to take an interesting view but a new view on how we actually can get money into those areas that we want rather than asking you for new money.

Mr COX: That is good. Thank you.

CHAIR: I have one last question, because we are starting to run out of time. The declared catchment areas—the DCAs—really have been under-utilised, as have the river trusts. The river trusts, particularly in South-East Queensland anyway, have become very under-utilised. Is there a way we can sort of manage to make those both more effective in the new Land Act?

Mr Warner: We think that there is a real opportunity for river trusts. River trusts have had a chequered career. Particularly in the last government, there were moves to remove river trusts, which we argued against at that point in time, and they are still there, which is great news. We have had a very strong relationship with the two river trusts that exist in South-East Queensland—that is, the Ipswich and the now Scenic Rim river trusts—and have been working with them. We do make recommendations how we can actually improve the value of river trusts particularly in a catchment management sense, and those recommendations are included in our report. We really believe that the combination of the declared catchment area and providing delegating those powers that we talk about in the declared catchment area to a river improvement trust will be a very powerful tool to actually get catchment management really operating in an effective sort of way, because the powers of a river improvement trust can work very effectively in cutting through the multiple interests that exist in relation to it, and they are legitimate interests. They are council interests, they are Department of Natural Resources and Mines interests, they are Department of Energy and Water Supply interests, Department of Environment and Heritage Protection interests and other interests, particularly landholder interests. We think that the river trusts offer opportunity, reconstituted with some finetuning to their purposes and whatever, to actually achieve that. It would mean particularly in South-East Queensland setting up a new river trust, at least one new river trust in the Lockyer.

CHAIR: There being no further questions, thank you very much for that. I note that you have raised some issues about land clearing and that sort of thing. We will take that into consideration when we are discussing our final recommendations. Thanks very much.

Mr Warner: Thanks very much for the opportunity.

HOOBIN, Mr Sean, Freshwater Policy Manager, WWF-Australia

PARRATT, Mr Nigel, Rivers Project Officer, Queensland Conservation Council

CHAIR: Good morning, Sean and Nigel. Would you both like to make an opening statement?

Mr Hoobin: Yes. Thank you for the opportunity to address the committee. Just briefly about WWF, we are obviously a global organisation but we have a significant investment in Queensland. We have 37,000 supporters in Queensland and most of our work focuses on the health of the Great Barrier Reef. The proposed amendments cover a broad range of important natural resource management issues. I have not had the chance to fully look into them, and I regret that because in the last 10 years I have worked a fair bit on these issues to do with developing policy and legislation for declared catchment areas, levies, riverine protection, land and water management plans and water resource plans. Obviously it is critical that the government and this committee have a strong understanding of the impact of these changes. Due to the time constraints, I have chosen to focus on one particular change which we think is particularly significant—the removal of protection of vegetation on watercourses and wetlands under the riverine protection permits of the Water Act. I hope my submission will help the committee get a full understanding of what the potential impacts may be.

Vegetated watercourses provide an array of benefits—flood mitigation, water quality improvements, streambank stability, biodiversity, weed suppression, to name a few. It is hard to find any body of scientific evidence which says that these areas should be cleared. This is exactly, however, what the amendments propose—to remove protection provided by riverine protection permits. I would briefly like to describe what the effect of the legislation will be from our research and then just run through some of the values and services that will be lost. The reason provided for the amendments is to remove duplication with the Vegetation Management Act, and it is true: the amendments will remove duplication where it exists. However, there are extensive areas where there is not duplication and the effect is to merely remove protection.

WWF's submission sets out what we believe the effect of the amendments to be and that is to remove protection from vegetation in watercourses for around 100,000 kilometres of watercourses. Part of our submission provided a map of the areas affected. Obviously, it is a very course scale map. We can, for the mapping tool, go down into particular areas and particular watercourses. The take-home message is that the areas that are going to be opened up to clearing are very large and very significant.

Taking into consideration the foreshadowed VMA amendments, there will be some remaining protection of vegetation and watercourses covering remnant, high-value regrowth on leasehold lands and regrowth in certain reef catchments. So it means that basically the areas exposed will be the Fitzroy catchment, which is the largest catchment for the Great Barrier Reef, the Mary-Burnett catchments, South-East Queensland and MBB catchments. It is unclear why certain areas of the state deserve to have the benefit of protecting watercourses whilst other important areas miss out. Obviously, the members of the committee are spread across these various areas. So in some of your electorates watercourses will be protected. In other areas, the watercourse protection is removed.

We have pulled some of this information together in a very short time frame. So I would assume a much more robust analysis has been undertaken by the department and if this has not happened it really must occur before any amendments get passed. To pass these amendments without even the most basic information on where new laws will have an effect is surely not an option. If this information does exist, it should be made available to the committee and the public so a considered opinion of value of the amendments can be made.

I have one final point on the actual effect of the amendments. The proposal is to allow clearing of vegetation above the ground, not below the ground and keep the excavation and filling provisions. Some might say that this will maintain some level of protection. But what will happen is that some plants may regrow but many will not. Many will take years to return to the level of maturity and that will also provide the opportunity for weeds to take over. So the notion that by leaving roots in the ground you are going to be okay just simply is not the case.

I would like to focus on two important services that are plagued by watercourse vegetation. The first one is flooding. The last few years have emphasised the importance of guarding against flood across Queensland. The government itself has undertaken significant investment to ensure that the community is better protected from floods. So it would be ludicrous to suggest that action should be taken that significantly increases flood risk. However, this is exactly what these

amendments will do. Vegetated waterways reduce downstream flood risk in two ways. They slow the flow of water so people get more chance to be informed of floods coming but they also decrease the flood peak and the flood intensity. There is a significant body of literature which looks at this, assesses it on the ground and models how vegetated waterways and other natural systems can reduce flood risk. I believe government departments have done some work in this area. We also did some work. We got a consultancy done by BMT WBM—a fairly mainstream consulting firm—pulling together all the information about watercourses, wetlands, other vegetation and the role they can play in flood mitigation. So I am happy to provide that to the committee. They did one piece of scenario modelling, which was looking at vegetation in the upper reaches of the Caboolture River and how it could reduce downstream flood risk. The modelling showed a decrease by as much as one metre in the flood peak and a delay of 1.2 hours for the flood peak, and that was a large event—a 100-year event. So for smaller events, it would also have a significant impact.

CHAIR: Can I just interrupt? Can I just get you to ask for that to be tabled?

Mr Hoobin: Yes, sure. Can you please table the report.

CHAIR: Approved? Thank you.

Mr Hoobin: Vegetated waterways not only reduce downstream flood risk; they also have the benefit of protecting land adjacent to rivers. So farmland—or any sort of land—adjacent to rivers is protected from floods as well.

The second key point I would like to raise as far as the role of vegetated watercourses is water quality. Water quality from vegetated waterways is both for our drinking water and for our important assets like the reef and Moreton Bay. They improve water quality—the obvious factor being they simply bind the soil and they stop all the silt being washed down. In South-East Queensland, watercourses are a critical part of the water quality treatment system, as we have been discussing. The SEQ water development guidelines state that no clearing or removal of vegetation or other materials occurs on a watercourse. This is a standard that they are trying for all new development and they are also investing in off-watercourse watering points and revegetation for the express reason of improving drinking water quality. Again, we discussed the recent floods and how they put in peril the drinking water for Brisbane and how the water quality treatment system could not handle amount of basically mud coming down. So we need to revegetate and if we take away vegetation, the situation is going to get worse.

Watercourses with vegetation also protect the Great Barrier Reef and Moreton Bay from pollution. Due to the critical role they play, the Reef Water Quality Protection Plan has targets to project riparian areas and wetlands. If these amendments pass, it will likely mean that the Queensland government will not meet its own riparian targets under the reef plan. It will also mean that increased sediment will be deposited in both the reef and Moreton Bay and targets for pollution reduction will also not be met.

For the modelling, we have done estimates that 60,000 kilometres of watercourse in the Fitzroy catchment will now be able to be cleared. Other reef catchments are considered worthy of having their watercourse vegetation protected, but not the Fitzroy. However, the Fitzroy is the largest reef catchment and contributes the second largest amount of sediment—4.1 million tonnes a year. A significant portion of this comes from watercourses and gully erosion. The government—state, local and federal—have all invested money in fixing up riparian habitats. So it seems crazy to be investing money on the one hand and then allowing clearing on the other. I would like to note the submission from Healthy Waterways. They have a fact sheet on this. It looks at the role of the vegetation in watercourses for both flood mitigation and stopping pollution. It is worth having a look at that. They have much better resources than us.

In summary, changes to legislation should not be taken lightly and should be based on strong evidence. I think, clearly, insufficient evidence has been provided on these changes—what the effect would be and what the impact would be. There is also scant information on the benefits of the proposed amendments, aside from an intent to remove the duplication of approvals. If the aim is purely to remove duplication, that can easily occur by simply moving the Water Act provisions under the VMA and you have a single approval process. The amendments fly in the face of the overwhelming body of scientific evidence of the benefits of protecting vegetation in watercourses. If anything, we should be passing laws and funding works to increase vegetation and riparian areas. I think it is important that, before these amendments are allowed to pass, the department has to come up with some information, A, on the extent and, B, on the impacts of what these changes will be. The law should be passed on an understanding of the science and the benefits for the community, not on simple slogans like removing duplication. Thank you.

CHAIR: Would you like to make a comment?

Mr Parratt: Yes. I will keep my opening comments very short. Essentially, we are very concerned about the proposed amendments to the Water Act in that we do not believe that these amendments meet the purpose of the act. For the committee's benefit, what I would like to do is highlight the key purpose of the Water Act. Section 10 of the act basically says that the purpose of the act is to advance the sustainable management and efficient use of water and other resources by establishing a system for planning allocation and use of water. Under section 10, sustainable management is defined as management and development that—

... allows for the allocation and use of water for the physical, economic and social wellbeing of the people of Queensland and Australia within limits that can be sustained indefinitely; and

(a) protects the biological diversity and health of natural ecosystems; and

(c) contributes to the...economic development of Queensland in accordance with the principles of ecologically sustainable development.

Additional purposes are also—

Protecting water, watercourses, lakes, springs, aquifers, natural ecosystems and other resources from degradation and, if practicable, reversing degradation that has occurred.

Under the act, ecologically sustainable development is defined as—

... decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations.

(a) if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation;

(c) the present generation should ensure the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;

(d) the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making;

(e) recognition of the need to develop a strong, growing and diversified economy that can enhance the capacity for environmental protection;

(f) decisions and actions should provide for broad community involvement on issues affecting them.

These amendments, particularly to the Water Act, contained in the bill we believe fly in the face of the purpose of the act, particularly in the fact that removing the waterway vegetation protection requirements in the act does not comply with the purpose of the act. Basically, what we are very concerned about is that removing those riverine protection permits opens the waterways up for a range environmental issues that could lead to very significant degradation that could cause a wide range of social, economic and environmental issues, both in the short term and long term.

In our submission we highlighted some significant concerns, particularly in regard to regulating levees. As I pointed out in our submission, levees can be of benefit, but if they are not correctly positioned, maintained and built, they can have a range of adverse social, environmental and economic consequences. So essentially, what we have highlighted in our submission is that in order for levees to be regulated, they need to be assessed against very robust assessment criteria and those assessment criteria need to consider, obviously, the environmental, the social and the economic impacts rather than just focusing on one particular aspect.

The justification that has been given to me for extending water licences to 100 years is purely an administrative effect. While there may not be any particular adverse outcome from doing that, it is very much out of step with other priorities that the Queensland government is pushing through at the moment, particularly the 30-year Queensland Plan that is in the process of being developed, the 30-year agricultural strategy, the 30-year water sector strategy and also the 30-year energy strategy. Our concern there is that it is very much out of step with other priorities and initiatives that the government is pushing through. It seems in our mind to make sense to extend the term of the water licences in alignment with these other initiatives that are going through at the moment.

We have some concerns about postponing the expiry of water resource plans. We totally understand that the department needs to prioritise its workload and that some water resource plans may not need to be renewed at the statutory 10-year point, as they are now. What we would like to see put in place there is some really strong criteria that guide that decision of the ministers to extend that water resource plan. We are not averse to it, but we want to make sure that there is full and due consultation with stakeholders in the community and that there is transparency involved in that process rather than it simply being a ministerial discretionary power, if you like.

We have talked about removing the requirement for riverine protection permits. We are very concerned about that, highlighted by the comments of my colleague here and the previous speakers' comments. We have highlighted a bunch of things in there that we think need to be done to address our issues.

The other big issue for us is removing the requirement for licences under the Water Act to interfere with watercourses only for the resources sector. The justification for doing that, in that those sorts of issues get considered under the Environmental Protection Act through the issuing of licence conditions under the environmental authority, we do not believe is adequate. The provisions under the EP Act do not look specifically at issues associated with water resource management. Under the water resource plan for that area, where that waterway is going to be diverted or may be diverted, requiring a licence under the Water Act means that the intent and purpose of the Water Act gets considered in that the environmental flow objectives for that water resource plan area get considered and additionally the water allocation security objectives also get considered.

Removing that requirement to obtain a licence under the Water Act and saying the EP Act is adequate is not quite correct in that the EP Act does not look at those broader water resource management issues. So we think it is a bit of a backward step in that once again the overall objectives and purpose of the Water Act will not be achieved by removing that provision from it.

The other issue that we are very concerned about is removing the requirement for land and water management plans. In our mind it is a very effective tool and, granted, they may not have been utilised effectively up until now, but essentially a land and water management plan addresses issues in regard to potential degradation to land and water resources from the use of water at a property scale. Basically what a land and water management plan does is enters into agreement with that property owner about moving towards better practices at the farm level in order to make sure that those potential degradation issues are avoided. The rationale that the water use plan provisions in the Water Act, section 60 I think it is, will basically address issues that occur at the property level isn't quite true because a water use plan basically gets applied at a broad regional level and a water use plan has never been applied anywhere in Queensland so it is an untried and unproven provision in the act to deal with these particular issues that might apply at a property level.

We are very concerned about just removing these requirements from the act in that we believe it will be removing what could potentially be a very effective tool for both the government to achieve outcomes but also a very effective tool in assisting property owners move towards better practices and get better outcomes, both environmentally and economically for themselves, at that property level. So rather than removing the land and water plan provisions from the act we would like to see those provisions get reviewed and get made more user friendly, if you like, to start achieving better outcomes all round. Once again we think it is a bit of a backward step removing them totally. Those are probably the key issues that I would like to raise and I am happy to answer any questions.

CHAIR: Thank you very much for that, Nigel. Sean, the riverine protection permits are one of the real sticking points you feel for WWF at this point in time.

Mr Hoobin: Indeed. Nigel covered off on some of the other issues and I think there are concerns there, but this was the stand-out provision that we think will have significant impacts on, like I said, flooding and water quality. I didn't actually cover off on the biodiversity aspects which my organisation is very keen on. Wetlands and waterways are a key component of biodiversity and linking habitats. If this was put forward with some decent rationale showing, (a), where it is going to happen and, (b), looking at the cost and the benefits, it might be valid, but there is no information coming from the department and we think, on a quick analysis, it shows there are significant risks in taking this approach.

CHAIR: Don't you feel that there is enough knowledge out there, and that riparian landholders realise they have to start to protect their riverine areas?

Mr Hoobin: I think many are, I think others aren't. I think there is still not necessarily enough understanding about the role of watercourses in floods. A lot of landholders believe that clearing the vegetation will actually improve the flooding situation where in many cases it makes it worse. I don't think just relying on goodwill and people being informed is going to be enough. These are critical assets for the community and they should be protected. Along with education, along with incentives, as was being talked about, landholders should be helped to protect these areas, to rehabilitate them, to change practices if needed. So, a bit of both.

CHAIR: I must admit I have had that argument about clearing. Kinetic energy equals half mass by velocity squared and it goes up logarithmically. It is quite amazing how it actually does work. People will argue the fact that the trees are causing the trouble.

Mr Hoobin: I think part of it is you might actually get some more localised flooding impacts because it does slow the water. So you have to balance that with the downstream impact. Again, if upstream is not densely populated and downstream is, in that case it is probably worth vegetating. If it is the reverse maybe not. It is not one rule for every situation. You have to look at the catchment.

CHAIR: The land and water management plans have not been used. There are none in place. Have we got to put it in legislation just as part of legislation?

Mr Parratt: There are land and water management plans in place. They don't apply equally across the state. Under certain water resource plans there is a requirement, and it is only attached to a property owner that wants to access what is described as new water, so water from the unallocated water bucket. Under some of the water resource plans across the state there is a requirement to do a land and water management plan. Once again, just because they have not been used effectively in the past does not mean that they cannot be tweaked and used more effectively in the future. There has been a lot of discussion, and this is particularly in reef catchments, whether a land and water management plan could be the vehicle to start achieving a lot of reef outcomes in regard to the reef plan and reef risk scheme and all of those sorts of things. So property owners are required to do plans under those programs. Whether they could all be brought together into a one plan sort of approach focused around the land and water management provisions under the Water Act is a question that needs to be asked.

Mr Hoobin: One thing worth mentioning is that Cotton Australia put in place a BMP and there are arrangements under the act that that gives you compliance for land and water management plans. So I think there are ways to streamline it, especially with the government putting forward BMPs for cane and cattle. That will give you cross-compliance. There are options to improve the burden on landholders, I think.

Mrs MADDERN: Just going back to the riverine protection plan and clearing of vegetation, as you know we have just had some pretty significant floods. One of the issues that has been raised with me by people who own land and who care for their land very much is the fact that they have been unable to do some selective clearing out of vegetation within the rivers. What has actually happened in some of these creeks and rivers is it has acted as a dam wall so the vegetation, the rubbish in there, has built up and built up and while it may have slowed downstream flooding initially what has happened is it has gone 'whoomp' and then there has been a big rush downstream and that has caused some significant damage in terms of erosion et cetera. Whereas they maintain if they had the option to selectively clean it out they would have been able to manage the water flows and reduce the erosion. These people are very, very concerned about erosion. It is one of the big issues that keeps coming up. I would be very disappointed if I could see it so locked up that they are not allowed to do anything, because we are going to run into those same issues in the future that we have just run into right now.

Mr Hoobin: I completely agree. I think there are definitely circumstances where there needs to be vegetation clearing. The riverine protection plan requires an application to be made. It is not a prohibition. I think that is a situation that is quite valid that needs to be addressed. I don't think the answer is removing all protection of watercourse vegetation. It is saying let's say that that is a particular purpose that should be allowed under the provisions. It is just sensible. So, yes, I agree.

Mr COSTIGAN: If the minister is given discretion to postpone the expiry of water licences you have warned of perverse and unintended outcomes. I would like you to expand on that. Could you enlighten us, please?

Mr Parratt: Was that water licences?

Ms TRAD: No, that was the water management plans. Deferring them.

Mr Parratt: The WRPs?

Mr COX: The water without entitlements.

Mr COSTIGAN: Clauses 229, 230 and 288.

Mr COX: Postpone the water resource plans.

Mr Parratt: I suppose what we are concerned about there is—the reason water resource plans get reviewed every 10 years is in order to address emerging and arising issues. So, I suppose depending on the political agenda of the day, and if we take climate change as an issue. So we

have been involved in the development of a number of water resource plans across the state over the last five or six years. Two key issues that we are very concerned about is how climate change gets addressed and how water quality gets addressed. So, depending on, I suppose, the political persuasion of the day, if there is not a strong view that that is an issue then maybe those issues will not get addressed. So you could consequently have a water resource plan that could extend for a 20-year period based on the minister of the day's interpretation of what is an emerging issue. So it comes back to having some strong criteria and guidelines in place that basically requires the minister to justify his or her decision to extend that water resource plan. If it is just on an interpretation of what is important and what is not important, then we do not think that is satisfactory, basically.

Ms TRAD: Mr Parratt and Mr Hoobin, thank you for coming along today. My question is to the Queensland Conservation Council, or Queensland Conservation as you are now known. I notice that your submission does not actually address the issue of the removal of future conservation areas from leasehold land and I am just wondering whether or not Queensland Conservation actually has a view on that.

Mr Parratt: We do have a view. Just with the shortness of time we could not possibly digest everything that was in the bill and get those issues out to our membership in order to get informed comments back in. So, due to the shortness of time we have just focused on the amendments to the Water Act. But in regard to that particular question, we are concerned about the removal of that provision. It was put in place basically to enable the government to inform leaseholders at some future point their property may be required to be added to the protected area estate. So, amending that requirement or that provision in the act—

Ms TRAD: Removing it.

Mr Parratt: Removing it, sorry, will now mean that the government, in order to expand the protected area estate, will have to stand in the marketplace in order to expand the protected area. So removing that provision I suppose removes the ability for the government to forewarn property owners or leaseholders that have areas of the state that have got very high biodiversity value. So it really doesn't make any sense to us what the benefit is in removing that provision. Basically all it does is just says to that property owner at some point in the future, whatever that time frame is, your property will be required.

Ms TRAD: Mr Parratt and Mr Hoobin, you both claim you haven't had enough time. How much time were you given in relation to consulting on this bill?

Mr Parratt: Not enough basically. With everything else that is coming through at the moment we are literally swamped with trying to get an understanding of, I suppose, the detail in these various bills that are coming through. For our membership, because most of our member groups operate on a voluntary basis, they really do not have the capacity to read the documentation, let alone form an informed view and then put a submission together within the time frame. It is a significant issue for our sector and I believe others as well that we are literally being swamped with the amount of legislative reform that is going through at the moment and it is deeply concerning for us as a peak body that we are not able to address all of these issues to the depth that we believe is necessary and that is purely based on our lack of capacity given the enormity of the workload coming through.

Mr Hoobin: I think it is actually not just for non-government organisations but it is an issue for the government. These amendments are being put forward with scant information on their impacts. I think if the government and the departments cannot actually put information which supports the amendment it is going to be very hard for organisations like mine to have to go away and map out what the law changes will mean. I think there is so much happening right now that there is a high risk that laws are passed which have bad effects.

Ms TRAD: I understand that there are some provisions in relation to removing water allocation for low-risk activities. Neither of you have commented on that. Is that also an area that you haven't had an opportunity to analyse?

Mr Parratt: I have actually commented in my submission on that. I just didn't get to talk about it.

Ms TRAD: Sorry. I stand corrected.

Mr Parratt: Yes, it is a concern for us in that what those low-risk activities are have not been really clearly defined, and the analysis of the potential impact on environmental values but more importantly on other water users from increasing the volume of water that can be taken for

supposed low-risk activities on a catchment-by-catchment basis we do not think has been adequately undertaken. So there is a big question there as to what is the likely impact on the environment and on other water users of relaxing these provisions or introducing these provisions to take a bit more water and do not worry about it.

Mr Hoobin: I think the main thing is that it does not really matter what the activity is. If you take water, it has an effect on downstream users. So the nature of the activity is irrelevant. It is the timing and the amount of water you take that is the issue.

Ms TRAD: Thank you very much.

Mr COX: I have a question to both of you. You were saying that you have not had much time to look at this legislation and you are being swamped at the moment with a lot of legislation. Would you also agree on the other side of it that there are a lot of organisations—whether it be the Cape York Land Council, whether it be AgForce, whether it be the Pioneer Valley Water Board—who in their submissions have been waiting a long time and too long? On the balance of it, while you may feel you are under pressure and this is being rushed, there are a lot of people from what I read in the submissions who have been waiting years and years for a lot of this. Do you believe that is a true comment, that there is balance in what is happening with this bill—that, while you may feel it is rushed, there are a lot people out there who have been waiting a long time for these changes?

Mr Parratt: I would like to comment on that. It is the length of time between when these bills are released for public consultation and when submissions are due back in. So if we take the Vegetation Management Framework Amendment Bill, that has been out for barely 13 working days from when it was released to when submissions were due in. Now that is a prime example of what I am talking about. It is not the length of time people have been waiting for these opportunities to comment on various pieces of legislation; it is the process that is being utilised at the moment in that everything is very, very compressed and there are a lot of these bills coming through. So, for me in my role with QCC, I need to get a detailed understanding of the content of these bills in order to then relay to our member groups so they can then produce informed comments back in. So 13 days is not enough time for me to digest the bill, form my own views, push that out to our member groups for them to then formulate their views in order to get back to me to put a detailed submission together. It is physically impossible.

CHAIR: Thank you very much, gentlemen, for your comments.

Mr Hoobin: I found a copy of the document put together by the Department of Environment and Heritage Protection on natural assets and their roles. So I thought it might be worthwhile for your information to table that document.

CHAIR: Is it the wish of the committee to have that document tabled? There being no objection, it is so ordered.

Mr Hoobin: Thank you very much for your time.

GRAY, Mr Leigh, Manager, Water Quality Operations, Great Barrier Reef Marine Park Authority

WACHENFELD, Dr David, Acting General Manager, Environment and Sustainability, Great Barrier Reef Marine Park Authority

CHAIR: Good morning, Leigh. How are you?

Mr Gray: Very well thank you. I am here with Dr David Wachenfeld, who is the Acting General Manager, Environment and Sustainability.

Dr Wachenfeld: Good morning, everyone.

CHAIR: Good morning, David. I welcome you to the committee hearing. Could you please say your name before you speak, as it is being transcribed by Hansard and it is also being broadcast. If one of you would like to make an opening address, please go ahead.

Mr Gray: Thank you for the opportunity to make this submission today. Good water quality is a major reason why the Great Barrier Reef is one of the most beautiful, diverse and complex ecosystems in the world. Reefs grow best in waters that have naturally low concentrations of nutrients, being nitrogen and phosphorus, and sediments. Increased use of nutrients, pesticides and a range of chemicals, combined with poor land management practices, has resulted in more of these compounds entering the waterways that discharge to the Great Barrier Reef. The resulting decline in water quality affects corals, seagrasses and other important habitats as well as the marine animals that they support, and we have recently seen examples of this through increased numbers of strandings of turtles and dugongs. This can also have a detrimental impact on industries that are utilising these resources such as tourism and commercial fishing.

River discharges are the single biggest source of nutrients to the inshore areas of the Great Barrier Reef World Heritage area. Over the past 150 years sediment inflow into the Great Barrier Reef has increased between four and 14 times, whilst nutrient loads have also increased between six and 30 times. The *Great Barrier Reef Outlook Report 2009* identified catchment run-off and its associated impacts on water quality as the second most significant pressure on the Great Barrier Reef. The impact of deteriorating water quality on the inshore biodiversity of the Great Barrier Reef Marine Park is expected to be made worse with climate change impacts. Both the Queensland government and the Australian government have recognised this issue and have developed the Reef Water Quality Protection Plan designed to improve the quality of water in the Great Barrier Reef through improved land management practices within the reef catchment.

There are clear aims specified within the reef plan itself—the first one being to halt and reverse the decline in water quality entering the reef by 2013 and to ensure that by 2020 the quality of water entering the reef from adjacent catchments has no detrimental impact on the health and resilience of the Great Barrier Reef. It is also important to note that within reef plan there are specific targets provided with regard to riparian areas within the Great Barrier Reef catchments.

The Great Barrier Reef Marine Park supports the streamlining of regulatory processes. However, in doing so, it is very important that we understand what impact these proposed amendments may have on the ability to meet the joint Australian and Queensland government's Reef Water Quality Protection Plan targets. Some of the provisions proposed for removal actually contributed to the overall objective of halting and reversing the decline in water quality entering the Great Barrier Reef. Therefore it is important to have a clear understanding of what impact the removal of regulations may in fact have on our ability to deliver these outcomes.

I have provided the committee with two diagrams which graphically represent the statements that I have just made. The first one is where we are looking at the red emperor in terms of how the species itself moves from the estuarine areas right out into the offshore outer reef areas. The main purpose of this diagram is to clearly indicate the interconnectivity between what happens on the land and what the eventual outcome is for the health of the Great Barrier Reef. Principle impacts are occurring on the inshore areas—so the coastal or near coastal areas—and they are being directly affected by decisions that we make on the land today.

The second diagram that is presented there is looking more specifically at what the ecological responses to those inputs are. As we have seen with recent flooding, the increase in sediment going into those coastal waters has resulted in the degradation or loss of those seagrass meadows which support our turtle and dugong species. This also has further impacts in terms of coral reefs

and other inshore species. So the second diagram really just gives an indication that, if we have increased sediment coming into those waterways that then lead to the marine park, we are having that direct impact on the habitats that support a wide range of species. Thank you. That is my opening statement.

CHAIR: Do you want to say anything, David?

Dr Wachenfeld: No. I am good. Thank you.

CHAIR: I will ask my colleagues from further north who have a greater understanding of the reef if they have any questions.

Mr COX: You say the catchment run-off is the second largest issue to do with the Great Barrier Reef. Can I ask what the first is?

Mr Gray: The first one is actually actions that are related to climate change—so ocean acidification and increasing water temperatures. There is a range of those components there.

Mr COX: Thank you.

Dr Wachenfeld: I might just add to that that without question climate change is the greatest long-term threat to the Great Barrier Reef but, in terms of immediate issues facing the reef, it is the historical legacy of past land management decisions that have led to degraded water quality, and those are what we are trying to reverse in reef plan. Of course the water quality issues and the climate change issues are closely related. If the system is under stress because of water quality problems, it has less health and resilience in terms of its ability to withstand impacts from climate change as those increase into the future. So the climate change and water quality issues are very closely linked with each other.

Mr COX: Thank you.

CHAIR: There have been a lot of work done by the cane farmers and some of the beef farmers in North Queensland in terms of management. Is that starting to show significant improvement to the run-off into the Great Barrier Reef?

Mr Gray: There is a range of reef plan report cards which are due to come out. The indications at this stage are that, yes, there has been some progress made. Certainly there has been significant adoption by the cane and grazing industries in terms of best management practice and it is predicted that those changes will certainly flow through to water quality improvements. There is through the paddock to reef program, which is a component of reef plan, a range of studies being undertaken to quantify what that means from the paddock scale right through to the marine park.

CHAIR: That is encouraging by the sound of that.

Dr Wachenfeld: I might just add to that that historically, if I go back 10 or 20 years, it is probably not an exaggeration to say there was a sense of antagonism between landholders and others interested in improving water quality in the marine park. But these days there is much more a sense of collaboration and stewardship. In particular, we run a program that we call our reef guardian program. Two of the components of that are reef guardian farmers and reef guardian graziers. This is where we are engaged with industry leaders who are showing exemplary stewardship in their land management and therefore having exemplary stewardship downstream over the Great Barrier Reef, and we try to recognise and bring attention to their efforts by giving them the label of reef guardians' which we hope promotes and encourages best practice in those communities.

Mr COSTIGAN: I have a question to either Dr Wachenfeld or Mr Gray. In terms of the paddock to reef program, do you think it is fair to say given what you have already said that perhaps there has not been enough kudos given to that in the community given the success so far of that program?

Mr Gray: In terms of the paddock to reef program, I think overall one of the issues has been the reporting of it to date in terms of the reef plan report cards. Certainly it has a profile within those communities but I am not sure that it has actually received the profile it should have externally. That is part of the communication plan contained within the Reef Water Quality Protection Plan, and that process is actually being rolled out. So I would hope that that will actually be addressed within the next six to 12 months.

Mr COSTIGAN: I can only speak from my own experience in North Queensland. In Mackay and the Whitsundays there are a lot of people in the community—everyday mums and dads in suburbia—who have heard about it but I daresay there are a lot of people in South-East Queensland who would not have the foggiest.

Mr Gray: The Mackay-Whitsundays area is certainly one of the best examples of how reef plan and the paddock to reef program have been rolled out. Certainly I would have to agree with you that outside of the main cane-growing areas there would be less exposure and knowledge. But certainly that is one of the key components of the communications plan within the Reef Water Quality Protection Plan to be addressed.

Mr COX: Just as a side issue, with regard to run-off we tend to talk more around rivers and creeks to do with agriculture, but is there work being done where we look at what run-off is coming out of the urban areas and cities up and down the coast and not just in agricultural areas, because obviously there has to be huge changes there that have happened over the last 100 or 150 years?

Mr Gray: Certainly there has been a lot of work completed looking at what is the total load and the contributions from all land users within the catchments. The Ross Black Water Quality Improvement Plan was completed under the Australian government's Coastal Catchments Initiative to specifically look at what are the inputs from an urbanised catchment to the waterways that lead to the Great Barrier Reef Marine Park. In doing so, we have actually been able to quantify what the impacts associated with an urban catchment are on the aquatic ecosystems of waterways leading to the marine park and also then compare those to the concentrations and the loads of nutrient sediments and other contaminants that actually come from other land uses within Great Barrier Reef catchments. In doing that assessment really for urbanised areas, you are looking at around about the seven per cent to 7½ per cent of the total load of sediment nutrients and some other contaminants being derived from urbanised catchments as compared to about 80 per cent coming from rural landholdings.

Dr Wachenfeld: I might just add to that. It is that sort of ratio of agricultural to urban inputs to the reef that I think led to the agricultural focus of Reef Plan, but that does not mean that there is no attention at all to urban issues. I mentioned our Reef Guardian Graziers and Farmers, but another important component of our Reef Guardian program is a Reef Guardian Councils program. Every one of the councils that are on the coast of the Great Barrier Reef is signed up to that program. Again, that is about trying to minimise downstream effects on the Great Barrier Reef, maximise sustainability and stewardship and to really draw attention to and applaud the actions in this instance that the councils as managers of land and catchments are undertaking again with that view to contributing to improvements to the Great Barrier Reef. So although the urban areas are a relatively small part of the overall load to the Great Barrier Reef, it is certainly not an issue that we completely ignore as a consequence.

Mr COX: Thank you, gentlemen.

CHAIR: Thank you very much, David and Leigh. It is a bit difficult with these phone hook-ups, but thank you very much for persisting with it. The information we have gleaned from you is very important. Thank you very much.

Mr Gray: Thank you for the time.

Dr Wachenfeld: Thank you.

FINLAYSON, Mr Graeme, Company Secretary and General Counsel, Ergon Energy Corporation Ltd

CHAIR: Good morning, Graeme. Would you like to make an opening statement?

Mr Finlayson: I very much thank you for the opportunity to be here today. We would like to make a very short opening statement just reinforcing some of the major points from our submission and welcome the opportunity to participate and consult on this important reform. Since the new government came into power in March 2012, we have worked hard with them as their government owned corporation looking to reduce both red tape and green tape, and it is very pleasing to see that a number of our comments, like those of other stakeholders, are starting to be reflected in important legislation such as this. We made some comments, for example, about the changes to the proposed amendments to the Water Act which we are very supportive of, as are a number of other stakeholders in our area. We also believe there are some great opportunities in relation to the Acquisition of Land Act reforms that are suggested and some minor tweaks there that we think would benefit network service providers whilst providing balance to the community interest and also speeding up the processes for acquisition and delivery of infrastructure.

More importantly, we think there is an opportunity to address some of the uncertainty around the nature of public utility provider easements, because one of the things that we have noticed in Ergon Energy servicing 97 per cent of the state and particularly a lot of the mining load—the likes of Xstrata and Rio and so forth and linking into the four-pillar economy that we are talking about here—is that they are looking for ways in which they can fast-track their infrastructure. A lot of the old concepts of easements and tenure that go back to the 19th and 20th centuries do not really fit well with today's modern approach to delivery of infrastructure with the types of providers you now have in the port, in the rail sector and also just a lot of the technicalities in terms of what is a public utility provider. We are seeing that if we want to help our customers, particularly the mining customers, leverage some of the reforms we are making to give them greater choice and efficiency in terms of how we deliver infrastructure, that also needs to happen in terms of how they take land as well. So those are the high-level points that we would like to talk to the committee about today and our submission is along those lines.

CHAIR: It is interesting in that I did not realise that you actually looked after 97 per cent. I suppose Energex only looks after three per cent down the bottom end here, does it?

Mr Finlayson: Yes. We do say—although this is going live—that it is the 97 per cent that they do not like. But we very much are across the whole of regional Queensland. We put the lights back on when Yasi came there. We are in remote and rural areas, the islands, Mackay, Dalrymple, the ports and all of that and servicing Birdsville. We have an underwater cable to Magnetic Island and a Solar Cities project there. We are a very diverse company and a very big GOC. The mining load is probably one of the most unique things for us compared to other distribution companies.

CHAIR: I am from the more rural urbanised area of South-East Queensland. There is always a lot of angst about easements and that sort of thing. To relieve some of that angst, has Ergon looked at paying the lease agreements that Telstra pays for easements so it becomes an asset and not a liability when you have an easement to be taken through properties?

Mr Finlayson: We have a variety of mechanisms where we will pay compensation or enter into arrangements through wayleaves. It is a difficult one to come to grips with. We are not like a lot of the utility providers where we will use compulsory acquisition as our first means. We do try to go via agreement, but that does add to time and cost. You would be aware of what we are doing at Warwick and Stanthorpe in terms of trying to engage with the community reference group and talk to the local member about some of the concerns there, and we have similar issues at Point Vernon and Toogoom where there are issues around undergrounding and those sorts of things. But, yes, we do look at those sorts of options that Telstra has as well.

Mr KNUTH: Those two submitters we had before were very opposed to the changes to the Water Act. I note that you had suggested that you were supportive of it. What is the reason why you are supportive of those changes to the Water Act?

Mr Finlayson: We already see that we are required to obtain permits from a number of areas already, so we just see it as another unnecessary requirement given the requirements of the VMA and the SPA as well already exist, and I think you will find that in the submission from Powerlink it is along those sorts of lines. I think Powerlink go into more depth than we do, but a lot of the points

they make in their submission we would adopt as well. It is just pure red tape from our point of view. We do have a holistic approach to managing those tenure issues and managing the environment as a concern. So we are concerned by it, but we just do see it as a piece of red tape or green tape that is best left to history.

Ms TRAD: Mr Finlayson, so you are pretty agnostic about which piece of legislation. We heard from other people this morning that actually removing riparian vegetation from the Vegetation Management Act and retaining it within the Water Act would make better sense. So you are agnostic about which piece of legislation you have to comply with; if it means that red tape is addressed or green tape is addressed by keeping it within the water management act, Ergon would be agnostic about that.

Mr Finlayson: Yes. The mechanism is not a great concern for it. We just see it causes delays and costs. Anything we can do to streamline the approval process and the different types of permits we already need to comply with—anything we can reduce to make life simpler—we would see as an advantage. Again, that is very much along the lines of what Powerlink are saying as well in terms of that area.

Mrs MADDERN: I note that you made some comments there about some issues at Hervey Bay and Toogoom. Can you highlight what the issues are and what this may resolve for you?

Mr Finlayson: Those are not so much issues around the reform; that is more around the community concern of powerlines going through communities and how you address the consultation issues and balancing the rights of undergrounding overhead lines rather than having overhead lines, particularly where they go through from an amenity point of view. But the main opportunities that we see with the new legislation is to clarify the meaning of public utility provider and particularly the opportunity to expand that to be a bit clearer in terms of how mines might be able to access that where they need some infrastructure to support their load but they are not technically classified as being a public utility provider. One of the things that we had noticed recently and saw as maybe an opportunity that would be leveraged were the changes that had been made to the Petroleum and Gas (Production and Safety) Act where there is effectively a deeming of the public utility easement concept and maybe there is an opportunity. I think it is section 437A which was recently introduced to support the CSG industry. We think from our discussions with a number of the big infrastructure players that we have to deal with that that would greatly assist them and us because the mining companies do look to us to be the acquirer of land of first choice because we have extensive powers. The difficulty for us though if it is not for public purposes is that it is very difficult for us to look to acquire that, but they still have a mining investment they need to navigate through and, to date, the policy position seems to have been that unless you are genuinely providing to members of the public or a clear public section you cannot access those provisions of the Land Act. I think you will find that it has been a problem in this particular state for a number of years and decades. Particularly as we are looking to encourage investment into this state, it might be an opportunity to provide some much needed positive competition in that space as well.

Mrs MADDERN: Thank you.

Mr COX: With regard to the introduction of the concept of the multiparcel purpose, can you just explain how you understand that, because obviously that concept is completely new?

Mr Finlayson: Yes. It is not a concept that we are particularly familiar with as well in terms of the multiparcel, because unlike, say, Powerlink, we are not a major acquirer of long-line. The interesting thing that we saw with that was it seemed to be that the bill is on the one hand simplifying the process but as soon as you get an objection to one part of the process the expedited process does not seem to help you much, and that was our concern. So we were talking to Powerlink and they have a similar sort of issue and they make more extensive use of that. We have had a very close look at their submission and would adopt it and suggest that perhaps it might even be extended to include constructing authorities.

Mr COX: So it really does more link more with Powerlink in terms of transmitters—

Mr Finlayson: More for us because of the historical way that Ergon has chosen to acquire land. Because we do not have easements everywhere to begin with, we have had historical wayleaves and our approach has been we do not acquire long corridors. Because we are everywhere in the community, we are there every day, so we want to try to work with the community to deliver an outcome that is acceptable rather than just a very regimented approach. When you are dealing with a transmission corridor, you have to take big swathes of land at once. We are not quite like that, but we certainly see that the multiparcel stuff is going to become a problem for us, particularly as we are trying to acquire easement ahead of growth, and along long corridors.

CHAIR: I have a question, and you referred to Powerlink's submission so I assume you have read it. It also refers to the potential of exemption for taking protected plants. Did you see that at all?

Mr Finlayson: Yes. So we have looked at that particular aspect of it as well. They have gone into more detail around that.

CHAIR: But you do not feel it is going to be a big issue for yourselves?

Mr Finlayson: Clearing of protected plants is always an issue for us. I think the issue for Powerlink again is the volume.

CHAIR: Swathes.

Mr Finlayson: It is the big swathes, yes. Bear in mind Ergon's network covers a lot of the state that is very sparsely populated, so you have a lot of rural SWER lines. We are the largest rural SWER line provider in Australia and possibly in the Southern Hemisphere so you do not have a lot of vegetation out there, whereas where Powerlink needs to go it is a bit of an issue. I think you will have found that the CopperString development was suffering from some of the same environmental problems as well in terms of protected plants.

CHAIR: Good. Thank you very much, Graeme, for that. It was very informative.

Mr Finlayson: Thank you for your time.

JOHNSON, Mr Ian, Water Adviser, Queensland Farmers Federation

MILLER, Mr Dale, Senior Policy Adviser, Agforce Queensland

CHAIR: Good morning, Ian and Dale, thank you for coming along today to make a submission. Just for your own advice, this is being broadcast live as well and Hansard are taking extensive notes. So if you could just state your name before you speak into the microphone. Would one of you like to make an opening statement?

Mr Miller: I would like to thank you for the opportunity to talk to our submission today. AgForce is a peak industry body that represents the majority of broadacre beef, sheep and grains producers in the state. We have about 6,000 members and they obviously have a key role in managing land and water resources within the state. In relation to the water related amendments within the bill, generally AgForce welcomes those as a streamlining of the system for managing agriculturally relevant water resources. They will have a positive impact on our membership in terms of reducing the regulatory burden and cost.

I will just touch on a couple of points from our submission. In terms of the requirement for riverine protection permits to destroy vegetation, the land and water management plans in a declared catchment areas and the removal of those provisions, in terms of these integrated land and water issues AgForce supports these amendments to significantly simplify regulation and place a greater emphasis on landowner self-management of these resources. Agricultural industries are working to implement best management practice programs that encourage sustainable practices and take a voluntary education based approach to these issues. We would certainly endorse a more collaborative approach in preference of greater ownership of these issues. We see within the explanatory notes that a number of these amendments also refer to other areas within the legislation that deal with these issues as well.

In terms of the Land Act amendments, AgForce is broadly supportive of the proposed amendments to the Land Act within the bill, including the removal of the closer settlement provisions, amending when rent is owing, the short term lease extensions, the removal of future conservation areas provisions and landing management agreements for rural leases.

In closing, in regard to the proposed Land Valuation Act amendments, AgForce supports the formal amendment that allows the State Valuation Service flexibility in creating a market survey report and including sales that occur outside of those areas. That is really just endorsing an informal approach that has been happening for a time. Agforce is supportive of the other LVA amendments as outlined in the bill.

CHAIR: Thank you. Very much. Ian, would you like to say anything?

Mr Johnson: No, I do not have any opening comments. I will just take questions.

CHAIR: Thank you very much. Ian, I know you are very experienced with irrigation water and Canegrowers, particularly around South-East Queensland, as part of the Farmers Federation. So I would imagine they would be interested in some of the Great Barrier Reef amendments and that sort of thing. Do you feel that the cancellation of riverine permits is going to create any environmental difficulties for the community as a whole?

Mr Johnson: I do not believe so. We did not make any submission on that matter. I passed that out to our members but did not get any comment back on that to any specific extent. So at this stage we do not believe that that will be a problem.

CHAIR: What about you, Dale?

Mr Miller: Yes, we do not believe there will be a problem with it.

Mr KNUTH: I would just like to follow on with that. We had two witnesses previously who were completely opposed to this. You were talking about flexibility and the green tape in the management of the riverine areas and, likewise, these conservation area provisions. I believe you support these amendments. Can you give the committee an understanding of why you think these are going to be beneficial to you?

Mr Miller: Just in terms of simplification. Bringing the regulations as they relate to vegetation under a single framework rather than spreading it across a number of areas be would beneficial for our members just in terms of being able to understand what the requirements are and being able to comply with them. So really it is about simplification of that. Our understanding is, from the explanatory notes, that those provisions are covered under the Vegetation Management Act and under the Sustainable Planning Act.

CHAIR: How do you feel the cane growers and the cattle farmers are managing that reef run-off water in North Queensland? Is that being managed?

Mr Johnson: It is all part of the federal program for the management. The funding arrangements have been put in place on better practices. All of our member industries, not just cane, are involved in that program. We believe that that is making quite significant gains in terms of the farm run-off of water. I agree also with Dale that we understood that the intent of this legislation was to simplify. There are a number of issues in it that I think we have raised a few little worries about, but we can see the need to compartmentalise bits of legislation. So in that sense we support some of those, because we believe that it is best from our farmers' point of view to have clear, demarked areas of legislation which cover specific aspects.

CHAIR: What about you, Dale?

Mr Miller: Certainly, we would point to the best management practice programs that we are implementing. There has been a pilot study in the Fitzroy catchment, as I understand, and that is looking to be expanded out to the Burdekin in July of this year. Those programs are really aimed at improving land condition and, as a result, flow-through impacts on to water quality. So I think industry is aware of these issues. That is not denying there have been instances in the past where some practices may have had impacts, but we are certainly trying to be proactive in dealing with those going forward.

Mrs MADDERN: I notice in your submission you made some comments about levees, and the difference between levees and ring tanks. Could you expand on that a little bit for us as to how you see that working?

Mr Johnson: It was a major concern to us when the issue was raised as to how the government was going to approach the distinction in what is a levee as opposed to what might be some other form of infrastructure. I can understand that ring tanks, where they are built, can divert water but the very aspect that we raised was where does the buck stop? How are you going to regulate these things in a sense that it means anything? You have major roads, you have other major infrastructure that diverts water. We were happy when the government came back with a definition of levee that reflected very much built for the purposes of diverting water and the argument that all other forms of infrastructure then would be subject to other regulation. So we think that that is a fairly effective definition and should be capable of being implemented going forward from what would have been an absolutely complex issue, which would have impinged on probably the buyback of water in the Lower Balonne because you would be taking water out of ring tanks and requiring them to be dismantled. It would have just made life quite difficult.

Mrs MADDERN: Thank you.

Mr COX: I have two questions. The first one relates to the conversion of petroleum wells. While they will be handed over in terms of any sort of relevant water management, are you concerned or do you have concerns coming from any of your stakeholders that if the landholders take the well over and use it for water that any unforeseen damage or whatever that may have occurred may come out later on and that is after the landholder is now responsible for that well? Does that ever come out?

Mr Miller: We mentioned that in our submission as a concern that we would have. Where the wells are signed over as being compliant with those codes, in if future that is shown not to be the case, that it should, therefore, not come back to the landholder as taking responsibility for overcoming issues that might come from that. So it is definitely an issue for them.

Mr COX: So it is an issue.

Mr Johnson: We just understand that, in terms of the handover, they make comments that they will be properly adjusted and rendered capable of delivering water only. That is our understanding from the wording of the legislation and the way the process is—

Mr COX: So while it might concern you, they are comfortable with it and it has been addressed. There is an unknown there, I guess.

Mr Miller: I think within our submission we also referred to maybe the opportunity of establishing a small committee made up of stakeholders across the range, including the resource companies, landholders, the bore drillers et cetera, to look at implementation issues and trying to deal with those proactively—so trying to come up with a forum whereby all interests are represented and where some of those issues can be addressed as time goes on.

Mr Johnson: The only other thing we raised was to make sure that those boards then come under the water management regime that might be applying in that area. There might be, say around the Condamine, bores that have implications for the management of the water. So when they are converted they would clearly need to come within the water planning framework or whatever that is on that. But you would expect that to happen.

Mr COX: Sure. In regard to the conversion of water authorities to two-tier cooperative structures, do you feel that that is a positive step going forward? Does it give you a bit more autonomy locally? There is a lot of variance across water boards.

Mr Johnson: That is a critical amendment. It is something that we have been working on in the case of the conversion of the Pioneer Valley water board to an independent structure. It was critical that a board of that nature, given its long-term role or position in government, had protection for its assets once it converted to an independent authority. So if the operational side of it had problems, the water assets that were invested in were protected. This change makes that quite clear and it gives the opportunity for the current round where we are looking at the major irrigation channel schemes to convert them to independent management. This option could be one that is picked up by a number of those authorities. So it was critical, but it was needed, because the asset-owning part of the entity under the current legislation was the only one that could hold the operational licence. In effect, that had to be held by the operating entity. That is what this amendment does quite simply. So it is a very necessary amendment and it has been long awaited.

Mr COX: It has. Thanks, Ian.

CHAIR: Would you like to comment on that?

Mr Miller: We understand that there is an opt-in provision within there. So if they choose to go in or not, that is up to that particular body. So we would be happy that.

Mr COX: Thanks. That was going to be a supplementary question.

Ms TRAD: In terms of AgForce's submission, specifically in relation to the future conservation areas you talk about that policy creating enormous angst among landowners in relation to whether or not agreements or contracts would be renewed in the future if high-conservation value areas are declared by the environment department. Could you advise if any contract has been cancelled as a result of high-conservation areas being identified?

Mr Johnson: I would not be sure of that.

CHAIR: Probably Dale is the one who should be—

Mr Miller: Yes. As far as I understand, not, but I would preface that by saying that I am not involved closely in that policy area to be able to give you clear advice on that. We can provide follow-up information from the department as far as that goes. I think the main concern is the uncertainty that goes with that process. For landholders, to manage areas well and improve their natural values could then intuitively increase the risk of those areas then being taken into the conservation estate. We are comfortable with a market based approach and the department standing in the marketplace with others to take that land on board, if that is appropriate.

Ms TRAD: Sure. If the offer is on the table to provide information about whether or not contracts have been cancelled because of this provision in the past, I think that would be really useful for the committee's deliberations. Additionally, I understand the second phase in terms of definitions of levees is a project that has already been commenced by the department. I assume that both of your organisations have been involved in those preliminary discussions; is that right?

Mr Johnson: That's right.

Mr KNUTH: I want to clarify part of your submission here where it says 'Removing the requirement for water licence for associated water'. You state—

The requirement for water licences is seen as no longer valid due to the evolution of the adaptive management framework for petroleum activities since 2004 when Chapter 3 of the Water Act 2000 was enacted. AgForce does not support an adaptive management approach to CSG development and has called for a moratorium on CSG development until the potential impacts in the area of extraction are scientifically understood.

I want to clarify that and why you actually put that your submission.

Mr Miller: I think it is in relation to our preference for a more strongly risk based approach to be taken. There are significant concerns out there amongst our membership about the long-term impacts on aquifers and the potential for that to not necessarily be captured underneath chapter 3 of the Water Act. The interest there is in ensuring that the risks to aquifers are appropriately managed.

In terms of the licences for associated water, we see that licensing as a mechanism by which that water can be incorporated into the broader water planning processes. At the moment within the beneficial use policy companies can operate independently as far as we understand to manage that produced water and we see there is potential there for maybe greater coordination of the use of that beneficial water at a regional level to try to achieve a regional balance.

Mr Johnson: Can I add to that with a case example? This is one of the ones that we have raised that we have supported it on the basis that we are simplifying the legislation. However, it is one we are concerned about. We are talking specifically now about the possible impacts that CSG extraction will have on the Condamine aquifer and we have made submissions to the government in regard to the fact that there is a need for a government management ability in regard to water resource. In other words, that at some point in the future we may need to look at injection or substitution for the Condamine aquifer and that is not something that an EA—an environmental approval—process will handle very well. As Dale says, you can adapt but at the end of the day we believe that government will need to intervene at some point in time to actually get a scheme up and running in respect of the Condamine aquifer that will allow both the injection to the aquifer to maintain the levels and to substitute for it. I suppose what we are saying is we are just signalling that down the track you may need specific regulation to deal with that issue and probably that is the way it needs to go. It is not something of a wider nature, but it is one that we are watching very carefully and we are aware government investigations are going to come out that will provide more advice in regard to this issue of the Condamine aquifer and managing the impacts of CSG water on it.

CHAIR: Any other questions?

Mr COX: Just one quick one. Extending the term of water licences, that is probably nothing you necessarily asked for, it is pretty much a straightforward regulatory process.

Mr Johnson: I would like to add to it because I realise that the submissions aren't in favour of it from the conservation side. We see it quite simply that under the provisions of the National Water Agreement, the water allocations—which are tradable, these aren't the licences—are in perpetuity based on a defined share of the resource. We just see this as rolling that provision over to in situ licences which apply on specific land and that under the water planning process the conditions that are placed on those licences are part of the water plans and will be reviewed with the water plans. We cannot see that there is any detriment to the management of those entitlements because of a longer term right being granted. It is just a simplification of the administrative process yet the management of it will continue under the water resource plans into the future and those water resource plans are now quite significant—95 per cent, 98 per cent of the state. There are still smaller catchments to be done but we don't quite see it as difficult.

Mr KNUTH: I think you mentioned the opportunities there are within those two tiers of opting in or out. I am just trying to get my head around this. Farmers could have the opportunity to take the initiative and take more or less ownership of a water irrigation area that still may have to have a lot of work and a lot of upgrade to. Sometimes there could be a little bit of pressure on them to either take it over or not take it over yet sometimes there may still be water pricing that will be set by the Queensland Competition Authority. This is a good thing. The Queensland Competition Authority sets the water pricing, however they take over this scheme that needs a lot of work so how is this going to be something that they have been excited about being ready to take over?

Mr Johnson: It is a good question. That is the issue with the eight channel schemes, you are quite right. Can we manage the Burdekin channel scheme cost efficiently and not go down the tube with it? Part of the process we are going to go through is to do a proper due diligence of each of those eight channel schemes and work out if they can function as independent stand-alone entities or they have to stay within the government. That is the very purpose and why we are doing it. It extends wider than that. There have been investigations going on for a while, initiated by the previous government, into the category 2 water boards of which Pioneer Valley is one and the Burdekin boards. In that sense the government is not pushing them all into this vein. It is saying if you want to you can look at options to move to independent management and obviously Pioneer is one of the ones that has done that. I think everyone is very aware of just what you are saying: is it going to work? I think it will just help sort out those that can stand on their own two feet and those that cannot. I have got a couple of schemes in South-East Queensland I might want to look at the same option for under Seqwater but we will wait to see if we can do that.

Mr KNUTH: If there are those that don't opt out and all of a sudden they come under the present system, is there a feeling that the government could say well we gave you the opportunity so there is no use you complaining now of the present system that is in place because we gave you this opportunity.

Mr Johnson: Everyone that moves out will not be subject to CQA, everyone that stays in will be subject to QCA. As I understand it, that is the policy that is being implied. It is a national policy under the National Water Initiative. You are quite right that regulated prices would affect those bodies. If you add water quality to that cost, that will add to it. We need to be very careful how we proceed with those reforms. I quite agree with you. We have got the Lockyers that are 50 per cent below cost recovery. There is no way in the world they could stand on their own two feet. We really have to be very careful about how we manage through that process, very careful, because we could end up with a mess.

CHAIR: It is a bit like farmer co-ops. Some of them have worked and some of them haven't. Some of them have good management and some of them haven't.

Mr COSTIGAN: I was just going to ask Mr Miller a question in relation to the forfeiture of interim water allocations. I dare say the guts of that, from your point of view representing your members in the broadacre farm sector, the flexibility, must be music to their ears I would have thought.

Mr Miller: I think that is true. The key element there is that in going through that process they have the opportunity to manage those water resources as efficiently and effectively as possible and I think that gives them the added flexibility to do that, so we would be supportive.

Mr Johnson: It is an important measure. I suppose the best case example is the Danpork licence on the Downs. It is a suspended interim water allocation that has been left. The ROPs left it behind and the government needs to be able to do something with it. It is a cost to SunWater, which they cannot recover, they cannot charge for it, so this will allow the government to transfer an unneeded—an unwanted licence. There is not a lot of water involved, but there are a range of smaller entitlements and this will allow measures to be taken when they are caught outside the progress of the water plans.

CHAIR: Thank you, gentlemen, for making your time available today. We have had a very good meeting this morning, I think. Everyone who has participated has given us vital information. Thank you very much. We will break for lunch now and at 1 o'clock the officers from the Department of Natural Resources will come back in.

Sitting suspended from 12.24 pm to 1.00 pm.