

19 September 2013

Mr Ian Rickuss, MP  
Chair  
Agriculture, Resources and Environment Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

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Dear Chair

**Protection of Prime Agricultural Land and Other Land from Coal Seam Gas Mining Bill 2013**

Thank you for the opportunity to provide comments into the inquiry into the *Protection of Prime Agricultural Land and Other Land from Coal Seam Gas Mining Bill 2013* (the Bill).

The Queensland Resources Council (QRC) is the peak representative organisation of the Queensland minerals and energy sector. QRC's membership encompasses minerals and energy exploration, production, and processing companies, and associated service companies. The QRC works on behalf of members to ensure Queensland's resources are developed profitably and competitively, in a socially and environmentally sustainable way.

As the Committee is aware, the issues around how to identify, define, conserve and foster the development of Queensland's best agricultural lands are not new. Nor are concerns over the potential consequences of resource activities into new areas.

Attached is a formal position on highly productive agricultural land, adopted by the QRC Board in 2009, which predates the development of the *Strategic Cropping Land Act 2011* (SCL Act) or the proposed *Protection of Prime Agricultural Land and Other Land from Coal Seam Gas Mining Bill 2013*. QRC submits that this formal industry position from 2009 anticipates many of the concerns identified in this 2013 Bill, and proposes alternative approaches to addressing them.

Since the beginning of the debate over strategic cropping land (SCL), QRC has consistently advocated a direct assessment of the cropping potential of the land as a standard part of the existing environmental impact statement (EIS) process. Broadening the EIS process provides an objective mechanism to assess and manage a resource project's potential impact on soil and agricultural *growth*. More importantly, it creates a process for assessing the net impacts on agricultural production, both positive and negative, which provides a framework for resource projects to make a tangible contribution to the long-term growth of agriculture.

In the absence of this approach, this Bill and the SCL framework (along with potential unintended consequences of the statutory regional planning process), can have the perverse outcome of protecting inputs for no productive outcome. This would deny opportunities to improve other potentially productive land through the local investment potential of co-existing resource projects, and, in the worst case, see a degradation of agricultural production through stranded land assets.

Currently this Bill, and the SCL framework on which it relies, has more of the hallmarks of an anti-growth environmental protection policy, rather than as an integral part of the Government's four pillars growth strategy. Without reform, the risk of legacy impacts includes missing opportunities to improve agricultural production.

QRC acknowledges the legitimacy of the continuing community concern with ensuring that the State's very best cropping land remains productive. QRC considers that the best policy response is based on leveraging opportunities for sustained agricultural growth from resource projects rather than simply protecting one agricultural input without reference to a broader opportunity to improve agriculture. It is QRC's view that both this proposed Bill, and the strategic cropping framework on which it is premised, seem to be exclusively about defending the agricultural status quo from resource development.

The Bill seems to be founded on the assumption that CSG activities and "Prime Agricultural Land" are incompatible and mutually exclusive. This assumption does not stand up to scrutiny, with many good examples of coal seam gas activities not only working around an existing family agri-business, but also making a positive contribution towards ongoing viability of that business. Examples include:

- the case studies prepared by the Department of State Development, Infrastructure and Planning – see <http://www.dsdip.qld.gov.au/economic-development/benefits-of-the-resource-sector.html>
- the brief documentaries prepared by APLNG project at <http://origintogether.com/videos-and-factsheets/origin-videos/>
- the AgForward program delivered by AgForce is designed to provide landholders with "*the tools to ensure the best outcome for your property from CSG negotiations*" [http://www.agforward.org.au/index.php?tgtPage=industry&page\\_id=92](http://www.agforward.org.au/index.php?tgtPage=industry&page_id=92)
- APPEA have presented a really good case study of coexistence in <http://www.appea.com.au/2012/10/csg-a-farmers-story/>
- The ABC has profiled Peter Thomson's story <http://www.abc.net.au/site-archive/rural/news/content/201209/s3584408.htm>

The major innovation proposed in this Bill would be to circumvent the need for any assessment or inconvenient ground-truthing of the productivity or soil properties of "Prime Agricultural Land", by enforcing an absolute exclusion of any CSG activities from the potential strategic cropping land (SCL) on the SCL trigger maps. This exclusion would also require any existing tenures to be relinquished (section 13 (2)) and the land promptly restored to the condition before the activity started (section 13(3)(a)). Finally, the Bill proposes that even where "Prime Agricultural Land" has been verified as not being SCL, CSG activity is still excluded (section 8(4)(b)).

The very broad definition of CSG activity in section seven and the retrospective application of the Bill (section 13 (2)), would mean that the Bill could have dramatic implications for existing activities, infrastructure and operations. For example an existing gas pipeline which has been transporting gas from the Cooper Basin to Brisbane is able to move natural gas, shale gas, syn-

gas and a host of other fuel sources, but if coal seam gas was to be introduced to the pipeline, then section 7(g) could be triggered and the Bill could arguably define that as CSG activity and require that the pipeline be immediately decommissioned and the land restored. Given the disruption and excavation involved in disinterring a major gas trunk line, it is hard to see how the Bill delivers on the purpose of protecting prime agricultural land.

QRC suggests that the Bill misconstrues the use of the strategic cropping land trigger maps. These maps were developed as an assessment tool, to narrow the scope of where an expensive validation process should be deployed. The strategic cropping land trigger map methodology does not purport to describe Queensland's prime agricultural land, but rather to *generously* encircle those areas within which Queensland's best cropping land will be found.

The Bill's very narrow sectoral focus on excluding coal seam gas is not explained. It seems odd that the Bill would apparently allow an open cut tin mine or an underground uranium mine on "Prime Agricultural Land", but not even a hint of coal seam gas activity. Indeed, the definition of coal seam gas activity goes as far as to prohibit the production of incidental coal seam gas from coal mining activities, (section 7 (e)) but is silent on the merits or otherwise of the coal mining activity.

Despite a close reading of the Bill, the explanatory notes and the speech, QRC doesn't understand why it seems to adopt a deliberately myopic view of "Prime Agricultural Land" by focussing only on the South East corner of Queensland. The Bill's focus on a single geographic area, rather than evidence-based policy, falls short of a best practice approach to legislation.

QRC is also confused why the Bill seeks to extend the coverage of the Strategic Cropping Land Act to CSG in the Darling Downs, but not extend similarly sweeping new protections from CSG in Central Queensland. The Bill seems to adopt a deliberately myopic view of "Prime Agricultural Land", setting the scene for further policy confusion in relation to other areas of the state co-existing with CSG activity

Significantly, since the Bill was introduced in June 2013, the Government has initiated a comprehensive review of the Strategic Cropping Land Act, with a view to better integrating those processes with the new generation of regional plans. QRC understands that the regional plan for the Darling Downs will be enacted by the end of the year. This regional plan will encompass the area described in the Bill. In the light of these two major reforms for the system of managing the interactions between agricultural and resource land use, QRC respectfully submits that the objectives of this Bill are now potentially redundant, and that the Committee set aside the Bill until the New Year, when it's purposes can be revisited in the light of the latest regulatory developments.

If you have any questions about any aspect of this submission, please contact Andrew Barger Director Resources Policy on 3316 2502 or [andrewb@qrc.org.au](mailto:andrewb@qrc.org.au)

Yours sincerely



Greg Lane  
A/Chief Executive

**Attachment One:**

**QRC position on highly productive agricultural land**

Working together for a shared future

QRC is a non-government industry organisation which represents the interests of companies involved in exploration, mining, minerals processing, gas and energy production in Queensland.

**Aim:**

To set out industry's views on the misconception that the resource industry is incompatible with agriculture and that this land use 'conflict' requires some urgent response.

**Background:**

Much of Queensland's historical experience with resource exploration has been on land used for broad-acre grazing. Remediation of this country has been relatively straightforward and the exploration activities on this land have generally had little or no impact on landholders. The majority of landholders have had positive experiences of exploration activity on their farms.

The expansion of exploration tenures, particularly coal seam gas, into the more intensively farmed land of the Darling Downs and Surat Basin has triggered a wave of calls for "protection" and "resource moratoriums". Special interest groups, often with a geographical focus, have been established to promote the exclusion of resource exploration from certain highly productive agricultural areas. Reflecting local community concern, local governments have also been drawn into the debate.

QRC accepts that neither the resource industry nor the State Government have been sufficiently responsive to addressing community concerns. The industry has been slow to change its mode of operation to suit closely settled country. Government agencies, particularly Queensland Mines & Energy, have not been resourced to explain the rigour of their approval processes. As a result, there is a dearth of simple, accessible information for landholders. In this information vacuum, landholders have equated preliminary resource exploration with large-scale production.

The reality is that resource exploration is compatible with highly productive agricultural activities. Queensland is not 'overrun' by exploration – although it's easy to generate this impression because the total exploration acreage can be double and triple counted for overlapping tenures for mining, gas, geothermal and carbon storage exploration areas. In the entire history of resource extraction in Queensland, operations have covered about 1,700 square kilometres or 0.1 per cent of the State.

**Policy responses:**

What is required is a properly resourced public and transparent process of gathering information. Such an evaluation process should openly gather all relevant information, identify land qualities and make a case-by-case assessment of a project's prospects. This public evaluation process is what Queensland already has in an environmental impact statement (EIS) process. Recent approval processes have involved thousands of pages of detailed analysis.

By contrast, a moratorium on "mining" of so-called prime agricultural land is not in the State's best interests. It rules out the chance of finding resources, and the possible development of new technologies, which may allow the resources to be recovered in a way that minimises disturbance on the landholder's operations. A moratorium also rules out the opportunity for land owners interested in selling their property – often at a premium to previous market value.

Public interest decisions should benefit the many, not the few. Legislative processes should either apply objective criteria or clearly reflect the state's broad interests i.e. for the people of Queensland. The consequences of any public interest decisions should not enrich a few at the expense of the people of the state.

### **QRC position:**

The resource sector's perspective on these issues is that resource exploration is:

- *Low impact* - most exploration has very little impact on landholders. Exploration can be as little as collecting rock samples with a hammer or flying over the land with high tech remote sensing equipment.
- *Exploration is not extraction.* The granting of exploration tenure does not mean that full resource operations are inevitable on that country; in fact, around 1 in 1,000 exploration projects proceeds into production.
- *Exploration is a broad-acre activity.* The goal of exploration is to eliminate country from consideration and focus on promising prospects for more intensive examination. In sifting the "wheat from chaff", the explorer starts with a broad focus and rapidly zooms in on the interesting prospects.
- *The rules are different for resources.* Regulations are quite a different for resources – the rules for the resources sector are much, much stricter. As mining is a very concentrated land use, it's highly visible and high impact. As a result, the industry is very heavily regulated.
- *Rigorous monitoring.* Every aspect of a mining and petroleum operation is regulated and monitored. Queensland resource operations must comply with up to 120 separate Acts and regulations.
- *The public gets a say.* The development of a company's environmental operating requirements – the environmental authority – involves substantial public consultation and appeal processes.
- *Make good* - resource activity is governed by strict make good provisions – any damage must be repaired, offset or compensated. In the case of production, these compensation arrangements must be agreed before the tenure can be granted.
- *Common interests* - The interests of agriculture and resources are aligned. Both sectors need certainty to invest. This certainty can only come from objective scientific information about base level environmental characteristics (including agricultural productivity).
- *Identifying 'premium' cropping land* – The resources sector has no problem with the identification through State Government planning instruments of premium cropping land. If certain areas of land are highly productive for agriculture, this makes them less attractive to mining. This land should still be explored, but any identified resources must be sufficiently extraordinary, to more than offset the value of the land and the cost of achieving approvals (including the rehabilitation of the land to its former agricultural use, justifying land use for mining both in commercial terms and in the greater public interest
- *A rigorous planning system* using objective, scientifically based criteria, which identifies this highly-productive land should provide much of the base level information up-front.

### **In conclusion:**

A comprehensive regional planning process is needed in the Surat Basin and Darling Downs. Such a planning process would gather objective definitions of land productivity and values. As part of this process, sensitive areas (accessible and high quality aquifers, deep top soil, improved or levelled ground) can be identified and with this information exploration programs can be better informed about local sensitivities. This information would also be useful for informing the complex environmental approval processes which allows each potential resource operation to be assessed on its merits.

Queensland Resources Council

**Endorsed by the QRC Board on 19 November 2009**