



Queensland Dairyfarmers' Organisation Limited ACN: 090 629 066

Hon Mr Ian Rickuss MP
 Chair of Agriculture, Resources and Environment Committee
 Parliament House
 George St Brisbane, QLD 4000

9th October 2014

Dear Mr Rickuss

Re: Submission to the Agriculture, Resources and Environment Committee of Queensland Parliament on the Water Reform and Other Legislation Amendment Bill

The Queensland Dairyfarmers' Organisation Ltd (QDO) welcomes the opportunity to lodge the following submission to Queensland Parliament's Agriculture, Resources and Environment Committee on the Water Reform and Other Legislation Amendment Bill.

The QDO is the peak industry organisation representing the interests of dairy farmers in Queensland. The QDO is a member of the Australian Dairy Farmers and the Queensland Farmers Federation (QFF).

The QDO supports the content of QFF's submission and would like to provide additional comments on the Amendment Bill. The QDO generally supports the intent in which the changes to the Water Act 2000 are proposed through the Amendment Bill. We are supportive of the direction that the Government is trying to take in the Act but are concerned about the implementation of the Water Act over time. We believe the changes to the Act leaves the farm sector vulnerable to a future Government or Department administrations reinterpreting the Act without the need for changes to the Act and the necessary industry, community and parliamentary scrutiny changes to the Act involves.

Planning Process

QDO is concerned about the potential unintended consequences that may arise from removing components of the legislative water planning framework. We understand the intent is to streamline processes, but we are very concerned that in doing so, it removes the requirement for industry and community engagement through parliamentary processes with the potential to leave the industry and community isolated in the planning process.

In addition, the proposed changes remove the requirement for notification of a review or development of a water plan. Industry would like an early indication as to whether there are issues that need to be addressed in the plan and ensure adequate consultation occurs with industry. By removing the legislative requirement for this notification process, it leaves industry and the community vulnerable to little or no consultation in the process.

QDO welcomes the provision for the life of a statutory water plan to be extended out to 20 years. The planning framework through a 10 year review period still allows the opportunity for review should a need be identified through on going consultation.

Low Risk Activities

QDO welcomes the provision to authorise the take of water for certain low risk activities including water for hygiene, biosecurity and food safety, without an entitlement. It is prudent that in allowing these authorisations that consultation occur with impacted industries through catchment planning instruments. QDO understands that it may be difficult to have consistency on a state-wide basis for authorisation of specific activities, however it is important that consideration of a certain level of consistency across catchment plans is taken into account to reduce the risk of inequity.

Without some guidelines for consistency across catchments there is a real risk that adjoining catchments could have quite different rules with regard to appropriate volumes for low risk activities and could lead to an individual farming operation spanning two catchments having increased regulatory responsibilities compared to current operations.

One crucial part of the low risk activities is water take for biosecurity and hygiene purposes. The QDO believes that the definition of the Stock and Domestic water under the Water Act can be reviewed to include an authorisation for the take of water for these purposes.

The current Water Act 2000 defines 'stock water' as:

- a) watering stock of a number that would normally be depastured on the land on which the water is, or is to be, used; or
- b) watering travelling stock on a stock route.

The proposed addition to the definition would be:

- c) using water for regulated requirements associated with livestock and food production including:
 - bio-security practices,
 - animal health and welfare,
 - workplace health and safety,
 - hygiene and food safety.

By amending the definition of the Act, this will simplify the process and result in equity across the state, and a reduction in regulatory burden.

Water Course Definition

The QDO welcomes the opportunity for deregulation of certain watercourses where the need for managing the water resource through a licensing framework is low. It is critical that impacted water users have adequate opportunity for review of water course identification maps prior to the finalisation. There may be instances where licence holders on certain streams do not wish for the stream to become deregulated such as in the case where a volumetric limit is introduced which is not reflective of the current take. It is important that any volumetric limits put in place in deregulated streams are adequate to ensure that upper catchments areas that are and have been managing the water resource well, are not excluded from this process just because of volumes.

QDO is also concerned how monitoring of volumetric caps within a stream will be maintained, and who will be responsible for this. QDO does not want to see the burden of monitoring and adherence of volumetric limits to be entirely placed back on water users in a catchment, as this would not result in a reduction of red tape, just a shifting of regulatory burden to the irrigation sector. Particularly as there appears to be no clarity on how volumetric caps will be monitored and enforced.

Conversion of Water Licences

QDO notes that there are many benefits for the conversion of water licences to allocation. However these benefits may not outweigh the drawbacks for some water users. The significant additional costs to water users outlined in the Amendment Bill's explanatory notes and regulatory impact statement (RIS) is one significant concern. In the situation of unsupplemented upper stream catchments which are seasonal, the opportunities which are presented by holding a water allocation instead of licence, such as trading, are going to be minimal in comparison to the additional ongoing costs of an allocation because of issues of stream management and natural characteristics of these water courses.

In the regulatory impact statement it suggests that the potential trades from the prospective 9,500 water licences to be converted could produce an economic benefit of around \$15 million in net present value (NPV) terms, compared with a business regulatory burden of \$4.5 million, which is a third of the benefit. QDO is doubtful that there would be a significant number of the 9,500 converted water licences which will enter into trading, and therefore would question the economic benefit of fast tracking the conversions.

QDO believes that any conversion of water licences to allocation needs to reflect a reasonable historic access and security levels. It is important that thorough industry engagement occurs through the development of

catchment based modelling to ensure that computer based modelling programs are reflective of the current situation on ground. including variation of crop water use between species. Therefore it is important to consider in an implementation approach with the use of historical data, and in the absence of this, the opportunity for data on water use to be obtained over periods of time.

QDO would welcome the opportunity to appear at the committee hearing to discuss in more detail the issues raised in this submission.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Brian A. Tessmann".

Brian Tessmann

President