

9 October 2014

The Research Director
Agriculture, Resources and Environment Committee
Parliament House
BRISBANE QLD 4000

By email: AREC@parliament.qld.gov.au

Dear Sir/Madam

CANEGROWERS Submission to the Agriculture Resources and Environment Committee of the Queensland Parliament

Thank you for the opportunity to make this submission on the Water Reform and Other Legislation Amendment Bill 2014 (WROLA Bill).

Water management is a major issue for Queensland's sugarcane industry. This is particularly the case in the Mareeba-Dimbula, Burdekin, Proserpine, Mackay, Bundaberg-Isis and Maryborough production areas where irrigation water is a major input. CANEGROWERS welcomes modernisation of the regulatory framework surrounding use of Queensland's water resources, the streamlining of information flows and improvement of business processes within the Department of Natural Resources and Mines.

It is important that implementation of water reforms balances economic, environmental and social outcomes. Now that substantial progress has been made implementing the first generation water resource plans there is a need to simplify and streamline the water planning process. CANEGROWERS supports the submission made by QFF and stresses the need for care to be taken to ensure that changes to *Water Act 2000* to implement best practice principles and reduce the regulatory burden do not reduce the transparency, certainty and accountability of the existing statutory framework in this legislation. Changes to the Water Act must also not undermine the progress made in water planning statewide and in particular the provisions for environmental flows and the security of water entitlements.

This submission reinforces key issues raised in the QFF submission:

- a. The revised definition of the purpose of the Act covers the key issues which water planning must address.
- b. It is important that the proposed changes to the water planning framework maintain an effective planning and management framework.
 - However, if there are significant issues the Government needs to address in a plan review, it is important that adequate notification is provided. This will ensure interested parties can make submissions and key stakeholders are well informed and able to actively participate in the plan review.

- c. The changes to replace resource operations plans should provide the flexibility needed to respond to plan implementation issues in different catchments.
 - The proposed changes will save time and it is understood that the conditions of existing resource operations plans will continue to apply through transition provisions in the Bill.
- d. Implementation of Water Development Options must take into account opportunities that already are available under a water plan.
 - For example, strategic water reserves and the water trading market for high priority and medium priority water available in all areas where resource operations plans have been implemented.
 - Consideration must also be given to the constraints on water availability that may exist to ensure the water available for use is fully allocated.
- e. Care will need to be taken with ten year plan reviews to ensure that matters of significance arising from the implementation of a water plan are addressed as part of a well-managed plan review and the conduct of appropriate consultation.
- f. Care is needed in managing growth in stock and domestic use given the changes proposed in the Bill regarding domestic use limits.
 - This is particularly case within irrigation distribution schemes due to the costs of servicing increasing numbers of these small use customers,
- g. The proposed changes to water licences and allocations should help simplify and streamline all processes dealing with these entitlements, particularly the processes for dealings with licences and allocations.
- h. These changes in regard to distribution licences (DOL) should address concerns being raised that water trades can occur without buyers of allocations being adequately informed particularly about conditions of supply by DOL holders.
- i. Implementation of proposals for surrender of water allocations must be carefully managed where it is possible that significant numbers of customers could seek to surrender their allocations particularly where opportunities to trade water are very limited. Similar issues may arise with existing provisions regarding the cancellation and forfeiture of allocations in schemes.
- j. A number of implementation issues need to be clarified in regard to the implementation of these manuals including conditions that will apply for the preparation of manuals for DOL holders and procedures for DOL holders to make submissions to the chief executive in regard to the approval of an operations plan.
- k. It is important that where the deregulation of watercourses and conversion of water licences takes full account of the likely impact of the changes on downstream water users in the catchment.

In addition to these points CANEGROWERS has concerns about:


- a. How the development of the proposed Water Entitlement Notices, Operations Manual and Water Management Protocols will be coordinated given some responsibilities will be retained within the department and others will be devolved to the water provider in the context of the DOL.

- b. The possible surrender of water entitlements under certain circumstances and the potential financial impact of surrender on other entitlement holders in a scheme.
- While the Bill provides for the government to meet the associated costs of surrender, many of these costs are ongoing. It is likely with the passage of time pressure will mount to have the additional annual charges borne by other remaining irrigators, thus reducing their viability and further threatening the viability of the scheme.

CANEGROWERS does not propose at this stage to make comments on proposed changes regarding managing the take of groundwater for mining and petroleum and gas projects.

CANEGROWERS supports the issues raised in the QFF submission regarding the amendments to the River Improvement Trust Act 1940, changes proposed for Referrals Panels and Water authorities and issues with dealing with compliance.

Yours faithfully

A large black rectangular redaction box covers the signature area. A faint blue scribble is visible above the top edge of the redaction.

Brendan Stewart
CHIEF EXECUTIVE OFFICER