

Mineral and Energy Resources and Other Legislation Amendment Bill 2024

Submission No: 35
Submitted by: South West Queensland Regional Organisation of Councils (SWQRO)
Publication: Making the submission and your name public
Attachments: See attachment
Submitter Comments:

10 May 2024

Committee Secretary
Clean Economy Jobs, Resources and Transport Committee
Parliament House
George Street
Brisbane Qld 4000

cejrtc@parliament.qld.gov.au

Dear Committee

SWQROC Submission to Mineral and Energy Resources and Other Legislation Amendment Bill 2024

The six councils that constitute South West Queensland (Balonne, Bulloo, Maranoa, Murweh, Paroo and Quilpie) have a particular interest in the Mineral and Energy Resources and Other Legislation Amendment Bill 2024 (the Bill) given its primary objective to enhance the State's coexistence framework.

This interest stems from the fact that the South West Queensland region has one of the highest uptakes of carbon farming compared with other parts of Australia – refer to Appendix 1 Map. As an individual example, approximately 36 per cent of the Paroo Shire Council is covered by some form of carbon farming practice.

Actively pursuing the sequestration or avoidance of carbon release, through transferring carbon into terrestrial sinks or updating management practices to avoid or mitigate the release of carbon, is referred to in Australia as 'carbon farming'. Carbon farming involves land sector activities and covers activities such as changing land management to increase sequestration of carbon in soils, reforestation, regenerating native forests, protecting native forest at risk of clearing, avoiding hot wildfires in northern Australia, regeneration and native regrowth and livestock-specific practices.

The rise in carbon farming projects is being incentivised through the Australian Government's purchasing of Australian Carbon Credit Units (ACCUs) under its Emissions Reduction Fund (ERF), and at the State level, the Queensland Government's Land Restoration Fund.

The introduction of carbon farming in South West Queensland represents a significant change to the region both in how landholders derive their income and also in how the region views its prosperity, both economically and socially.

As a relatively new industry, the benefits / co-benefits and disbenefits of carbon farming have not been widely researched or documented – especially from a **social value perspective, cumulative or coexistence sense**.

Potential economic benefits identified by previous studies include increases in landholder income, diversification of income sources, increased availability of capital to invest in farm infrastructure and improvement, ability to hire labour, and flow-on effects for surrounding towns and communities. Potential social benefits include improved mental health and community resilience, innovative community initiatives and networks, enhanced community development and cultural connection to land for Indigenous communities and enhanced potential for inter-generational farm management and succession on agricultural properties. Potential ecological benefits of carbon farming include increased biodiversity, increased habitat provision, improved soil health, structure and water

holding capacity, management of erosion and salinity and improved water quality. The potential for income to be reinvested into regenerative farming practices and improved farm efficiency also has potential sustainability benefits for farm resilience in the long term¹.

However, a range of potential 'disbenefits' have also been identified from carbon farming that could pose threats to coexistence objectives and the future expansion of the industry. These disbenefits include perceived risks of increases in invasive native scrub or woody weeds which have the potential to reduce land use flexibility due to long-term land management commitments and may be perceived as decreasing land value. Further disbenefits may include a perceived risk of fire and pest occurrence caused by landholders shifting from pastoralism to carbon farming and moving off site (absenteeism) and social divisions which may also occur with an increasing gap between those who have eligible land for carbon farming and those who do not².

The South West Queensland experience has highlighted a number of co-existence issues related to carbon farming, which, in aggregate is resulting in some unintended social impacts - especially where entire properties are dedicated to carbon farming at the expense of other agricultural practices. These include:

- De-population as owners (their families) and employees are no longer needed to tend to stock and maintain pastoral capacity. This has flow on effects in terms of community participation in schools (declining enrolments equals less teachers) and sporting clubs etc.
- Less spending stimulus in the business community and localised supply chains as on property operational expenditure and capital improvements are minimised.
- Increased risks associated with the spread of feral weeds and pests as landscape priorities change especially compared to the adjacent grazing fraternity.
- Increased risks associated with fire management practices (or lack thereof), especially in collaboration with the adjacent grazing fraternity.
- Eroded neighbourly cooperation, especially where livestock has been removed noting the two concerns above.
- Coordination challenges between property owners where joint or multi-party campaigns for pest management (e.g., wild dog baiting) and landscape infrastructure (e.g., cluster fencing) is the preferred approach.

To validate these concerns, as well as understand the benefits and co benefits of carbon farming, SWQROC commissioned a study into the 'Impacts of Carbon Farming on South West Queensland Communities'. This study validated that "rapid uptake of carbon farming in small communities has created some tensions".

Likewise, a 2023 study by Southern Queensland Landscapes on carbon farming highlights that "carbon schemes have social impacts on regional communities including rewarding the wrong people and vacant homesteads".

Given the desire by both Federal and State Governments to support the growth of the carbon farming industry, it is presumed other communities across Queensland will likewise experience, at some point in the future, some of the disbenefits and/or coexistence challenges associated with carbon farming practices.

For these reasons, Paroo Shire Council submitted a motion to the LGAQ 2023 Annual Conference calling for the State Government to:

¹ Baumber Alex, Waters Cathy, Cross Rebecca, Metternicht Graciela, Simpson Marja (2020) Carbon farming for resilient rangelands: people, paddocks and policy. *The Rangeland Journal* 42, 293-307.

² Baumber Alex, Waters Cathy, Cross Rebecca, Metternicht Graciela, Simpson Marja (2020) Carbon farming for resilient rangelands: people, paddocks and policy. *The Rangeland Journal* 42, 293-307.

1. Establish a dedicated, independent and statutory Carbon Farming and Renewable Energy Projects Commission; or
2. Extend the legislative functions of the current Queensland Gasfields Commission to cover the development and growth of Queensland’s carbon farming and renewable energy industries.

Noting the above, it is extremely disappointing to see that the Bill completely fails to recognise carbon farming as an emerging industry which has, and is likely to continue to lead to co-existence challenges within some Queensland communities.

This seems counter intuitive to the coexistence and sustainable communities objectives described in the Queensland Resources Industry Development Plan (QRIDP), which was the catalyst for reviewing the State’s coexistence institutions.

It is also disappointing that the co-existence issues related to carbon farming highlighted in SWQROC’s previous submission to the Department of Resources *Review of Coexistence institutions and CSG-induced subsidence management framework* in December 2023 has clearly carried no weight in shaping the content of this Bill as it relates to the establishment and the functions of Coexistence Queensland and its broader remit across the entire resource and renewable energy sectors.

In particular, SWQROC notes that in Clause 31 Amendment of sch 1 (Dictionary)

(2) Schedule 1 - renewable energy industry means the industry involved in the carrying out in Queensland of the following activities— (a) generating electricity from a renewable energy source; (b) transmitting or supplying electricity generated from a renewable energy source; (c) storing energy generated from a renewable energy source.

renewable energy source means a source of renewable energy other than a source prescribed by regulation. Examples of sources of renewable energy— solar, wind, biomass, geothermal, hydropower.

Appreciating that ‘carbon farming’ does not fit within the definition of a ‘source of renewable energy’, SWQROC urges the Committee to consider the inclusion of carbon farming under the remit of Co-existence Queensland; and as a consequence, make the necessary amendments to the Bill to accommodate this emerging industry sector.

Acknowledging our concerns about the complete omission of carbon farming, with respect to Clause 16, Section 7— Coexistence Queensland’s functions, SWQROC does support the functions as described in (a) to (i). With that said, SWQROC does strongly support the submissions from the Local Government Association of Queensland (LGAQ) and Western Downs Regional Council, both which highlight concerns about the removal of Coexistence Queensland’s regulatory functions and oversight role.

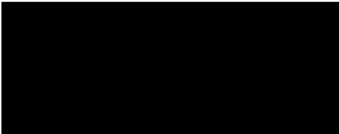
Likewise, SWQROC supports the point made in the submission by the Queensland Renewable Energy Council that “It will be important Coexistence Queensland is adequately funded and resourced so as to be able to expand its focus to the renewable energy sector and ensure it is effective in the role it is now being asked to perform”.

In summary, SWQROC welcomes the Government's move to create Coexistence Queensland as a mechanism to ensure coexistence outcomes are serving the communities of Queensland and catering effectively for both existing and emerging industries.

As a predominately agriculturally based region, SWQROC shares these goals and believes emerging industries such as carbon farming must be able to co-exist with the agricultural industry and support broader regional development goals such as workforce participation, population retention and growth as well as community cohesion.

It is for these reasons that SWQROC is calling for the remit of Coexistence Queensland to be broadened not just to cater for the renewable energy industry, but to also cater for Queensland's growing carbon farming industry.

Yours sincerely



Simone Talbot
Executive Officer
SWQROC

APPENDIX 1: MAP HIGHLIGHTING AUSTRALIAN CARBON CREDIT UNITS ACROSS SOUTH WEST QUEENSLAND AND DARLING DOWNS COUNCIL AREAS AS AT FEBRUARY 2023

