ENVIRONMENT, AGRICULTURE, RESOURCES AND ENERGY COMMITTEE

Members present:

Mrs C.E. Sullivan (Chair)
Mr A.P. Cripps MP
Mr J.M. Dempsey MP
Ms D.E. Farmer MP
Mr P.J. Lawlor MP
Mr A.C. Powell MP

Staff present:

Mr R. Hansen (Research Director)
Ms S. McCallan (Principal Research Officer)
Ms R. Moore (Principal Research Officer)

PUBLIC HEARING ON THE WATER AND OTHER LEGISLATION AMENDMENT BILL

TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, 12 OCTOBER 2011

Brisbane

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Committee met at 9.33 am

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

CHAIR: I declare this meeting of the Environment, Agriculture, Resources and Energy Committee open. I would like to acknowledge the traditional owners on whose land we meet. I welcome everybody who is here, particularly those in the gallery and those listening to the webcast. I am Carryn Sullivan, the state member for Pumicestone and chair of the committee. The other members of the committee here today are the deputy chair and member for Hinchinbrook, Andrew Cripps; the member for Glass House, Andrew Powell; the member for Bulimba, Di Farmer; the member for Southport, Peter Lawlor; and the member for Bundaberg, Jack Dempsey.

The purpose of this meeting is to hear evidence from a number of groups and individuals who provided written submissions to our work on the Water and Other Legislation Amendment Bill. The bill amends the Water Act 2000, the Cape York Peninsula Heritage Act 2007, the River Improvement Trust Act 1940, the Wild Rivers Act 2005, the Water Resource (Gulf) Plan 2007, the Sustainable Planning Regulation 2009 and the Water Regulation 2002. These amendments would establish a single process framework for water planning; simplify economic development approvals for Indigenous communities in Cape York; make it easier for category 2 water authorities to transfer to alternative structures; entrench the wild rivers rangers program in legislation; improve Indigenous consultation on future wild rivers declarations; and allow the Queensland Water Commission to recover government seed funding through a levy on petroleum tenure holders.

On behalf of the committee, I would like to thank everyone who has been following our work and especially those of you who worked on the 14 submissions. We have a lot to get through this morning so we ask everyone today to be succinct. As a matter of courtesy, could we please turn our mobile phones off or put them on silent. The first witness today is Mr Nigel Parratt from the Queensland Conservation Council. Welcome, Nigel. Could you outline the key points in your submission for, say, five minutes and then we would like to ask some questions.

Mr Parratt: Firstly, I would very much like to thank you for the invitation to appear before you today. I would like to give a bit of a background to our organisation and some broad points about the WOLA Bill that we support and issues that we have some concerns about. The Queensland Conservation Council is Queensland's peak environment organisation. We have been established since 1969. Our role is both to act as a peak body for a number of member groups scattered around the state—currently, we have over 60 member groups—and to also act as a campaigning organisation in our own right. Our role basically is to inform the government of the day about key conservation and environmental issues and to, I suppose, bring along public support for those issues to deliver improved environmental outcomes.

In relation to the WOLA Bill 2011, as I mentioned, there are a number of aspects of the bill that we are very supportive of. Those include the amendments to the Wild Rivers Act to recognise the wild rivers ranger program and also to improve Indigenous consultation within the wild rivers framework. In regard to the aspects that we are concerned about, the single process, there are some issues there that we are a bit concerned about—more so the erosion of community consultation opportunities within the proposed framework and also the lack of detail that has been provided to us on how some of the criteria in regard to the ministerial discretion aspects of the proposed process are going to be delivered. I will leave it there and I will answer any of your questions.

CHAIR: Thank you very much, Nigel. I will open it up to questions and we will start with Mr Cripps.

Mr CRIPPS: Mr Parratt, in relation to your concerns about the amendments to the Wild Rivers Act in relation to the proposal to have a truncated or shortened process where the process can be concurrently held—

Mr Parratt: Are you referring to the wild rivers amendment?

Mr CRIPPS: Yes. The wild rivers. The ministerial discretion—

Mr Parratt: I think what you are referring to is the single process for water resource plans and resource operation plans. That has nothing to do with the wild rivers amendments.

Mr CRIPPS: You mentioned the Water Act, did you not?

Mr Parratt: I did. I mentioned both the wild rivers—and there were aspects about that that we are very supportive of—and the single process under the Water Act, which is what you are referring to and there are some concerns there.

Mr CRIPPS: The Water Act, yes. Is it just in relation to the ministerial discretion to undertake a concurrent process, or is it undertaking a concurrent process in any circumstances?

Mr Parratt: In relation to water resource planning and resource operation planning? Can you elaborate a bit on what the other circumstances or situations are that you are referring to, because I am unclear about that?

Mr CRIPPS: If the community reference panels are established and there is general agreement amongst all stakeholders that the process ought to be concurrent with a view to achieving the objects of the amendment in the bill to provide for a more efficient process for the allocation of water resources in that WRP and the ROP—if that is a desirable goal for all stakeholders involved—why is that not an agreeable amendment?

Mr Parratt: It depends on the circumstances that are inherent within that particular water resource plan. As for the framework of developing the water resource plan alongside the resource operation plan, we do not have any problem with that. There are a lot of efficiencies to be gained there, certainly.

What we are more concerned about is the ministerial discretion that is attached to whether the water resource plan review and replacement process goes through the proposed long-form process or short-form process. For example, with a water resource plan that is coming up for its 10-year statutory review, if there are a range of emergent or new issues that are evident and the minister decides to go down the short-form process, that could be perceived in the public's eye, and certainly from our side of the fence, as trying to obscure those emergent issues. If I can give an example of a water resource plan that is currently fairly contentious—the Mary Basin WRP, for example—the 150 gigalitre strategic reserve that is currently identified in that plan is contentious. The fact that the water resource plan does not provide adequately for estuary flows—as in end-of-system flows—is contentious. There are a range of other issues within that water resource plan that have been identified, certainly from us and other groups that are involved with that.

For example, if the minister decided when that plan comes up for its statutory 10-year review in 2016 that it would go down the short-form process, that process cuts out a number of opportunities for community engagement and to provide feedback on what those emergent and contentious issues are. So what we are suggesting is that, when it is evident that there are a lot of contentious issues or emergent issues, there has to be almost like a duty of care or obligation to go down the long-form process.

Mr CRIPPS: Just to clarify, it is the Queensland Conservation Council's concern about the ministerial discretion, rather than opposing a concurrent circumstance in every circumstance?

Mr Parratt: Whether you go down the short-form or the long-form process, you will still have that concurrent development of the WRP and the resource operation plan. The way this flow chart is set out in the draft bill, that is what will happen. So what we are concerned about is the criteria which the minister of the day will utilise to make the decision about going either the long-form or the short-form process.

Mr CRIPPS: It is the ministerial discretion that you are expressing concern about.

Mr Parratt: Yes, and that is about the long- or the short-form process. So it is about that decision point and what are the criteria that the minister of the day uses to make that decision.

Ms FARMER: Nigel, thanks for taking the trouble to come in this morning. I was going to ask you one question about the property development plans for Indigenous community use areas, but I want to go on from what you were talking about just then. In terms of alternatives for community engagement, can you clarify exactly what process you would be suggesting for community engagement?

Mr Parratt: Once again, coming back to the issues that are inherent within that water resource plan when it comes up for its statutory 10-year review, what we are suggesting is that there needs to be some sort of additional process put in place where the department, in its preliminary development of work to support the replacement and review of that water resource plan, has to identify whether there are any major issues that are coming to light in that water resource plan area.

Ms FARMER: Sorry if I am labouring the point, but what sort of process? These framework provisions remove the mandatory requirement for the community reference panel so the minister then has greater flexibility. But what processes would you suggest? What alternatives would you suggest would be appropriate, or do you think it has to depend on what is going through?

Mr Parratt: What we think is that if there is a range of serious issues that come to light then we have to go down the long-form process, which then utilises the establishment of a community reference panel to ensure there is good feedback and provision of information at a regional level into that process. If we look at the flow diagram in the explanatory notes in the bill, some of those options are still discretionary or are, as they are described there, a contingent part in the process. So what we would like to see is that, depending on the seriousness of those issues—and there needs to be a process and criteria established to define the level of seriousness, which is currently missing from this process—if it is then decided that there is a range of serious issues that need to be addressed and there is recognised benefit in bringing the community on board, then it has to be mandated that we go down the long-form process, so it is not then a ministerial discretion point. That then avoids politicising the renewal of that water resource plan and maintains openness and transparency.

Ms FARMER: Thank you.

Mr DEMPSEY: Nigel, you mentioned the three concerns: single process, erosion of the community and ministerial discretion. They all seem to be mixed into the single process framework.

Mr Parratt: Yes.

Mr DEMPSEY: Do you have any other concerns in relation to the bill outside of that single process?

Mr Parratt: The other major concern that we have—and I will just refer to my submission—is the amendment to section 814 of the Water Act which basically removes the requirement for a permit under the Water Act to destroy vegetation, excavate or place fill in a watercourse within certain criteria. We are particularly concerned about that, as we feel that it is an erosion and an undermining of the intent and purpose of the Water Act.

If I can just go back to what the act talks about, the purpose of the Water Act is to 'advance sustainable management and efficient use of water and other resources by establishing a system for the planning, allocation and use of water'. That is the intent and purpose of the Water Act. Sustainable management under the act is defined as—

(a) 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

(b) protects the biological diversity and health of natural ecosystems ...

There are a range of other ones. The other big one for us is—

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

So we are particularly concerned about removing the need for a permit to destroy vegetation, excavate or place fill in a watercourse, lake or spring if the activity is part of constructing self-assessable works under the Sustainable Planning Act. Our concern is that those self-assessable codes under the planning act take a very narrow view of that sort of activity. So we are concerned that by removing the need for a permit we are likely to see literally a death by a thousand cuts to waterways because of all of this activity and work that is then permitted under the act without the need for a permit. What we are concerned about there is who is maintaining the overview on the incremental changes to the ecological character of those waterways through this work that is allowed under those self-assessable codes of the Sustainable Planning Act.

When you read the criteria attached to the guidelines that allow that work to occur, it all seems quite insignificant. But if every property owner or if every entity that has access or manages part of a watercourse is allowed to do that sort of work and there is nobody maintaining an oversight or an overview of the consequential impacts from that work, particularly in regard to changes to hydrological flows and regimes and so forth, we are going to see an incremental and gradual but long-term change to the ecological character of those waterways. So that particular amendment in the WOLA Bill we think undermines the intent and purpose of the act. So we would like it struck out.

Ms FARMER: In your submission you recommended that property development plans for development in an Indigenous community use area in a wild river area should incorporate a land and water management plan. Given that the Cape York Peninsula Heritage Act requires a business plan that demonstrates the sustainability of the proposed use and would need to meet the vegetation-clearing codes, why do you consider that a land and water management plan would also be necessary?

Mr Parratt: A land and water management plan under the act requires that either the entity or the person who is seeking new unallocated water for use develop a land and water management plan to ensure that the use of that water does not actually contribute to any downstream ecological degradation. Currently the land and water management plans do not get applied equally across the state. So our intent in suggesting the need for a land and water management plan is that it is just another way that we believe we can ensure there are strong checks and balances and measures put in place to ensure any economic development in a wild river area has to meet a number of criteria.

A land and water management plan is about the impacts from the use of the water that is provided, whereas a property management plan is a lot broader, along with all of those other things under the Vegetation Management Act. This specifically relates to the potential environmental impacts that could occur from the use of that water in those areas. So it is about bringing in existing provisions under the Water Act and hopefully putting together a stronger planning framework in those sensitive wild river areas to ensure no ecological degradation occurs.

CHAIR: Are there any further questions?

Mr POWELL: Just going a bit further from the member for Bulimba's question, then, already under the Wild Rivers Act there is a certain amount of development that will not be approved, and it is the kind of development that would require significant water allocation and therefore, as you are suggesting, potential downstream ecological degradation. Is what you are suggesting completely necessary as another piece of legislation? Wouldn't the Wild Rivers Act already provide the kind of certainty that you are seeking?

Mr Parratt: It is about using existing legislative instruments well. Once again, it comes back to the fact that what is required under the Wild Rivers Act in regard to the property management plans does not necessarily address the potential impacts from the use of the water that is provided under this amendment. So it is about ensuring there are robust frameworks in place that utilise a number of already existing legislative instruments to ensure we do not get any unforeseen environmental outcomes, broadly.

CHAIR: Are there any further questions from the committee? Just to round off, Nigel—and I thank you very much for taking the time to come in this morning—I want to finish on a very positive note. I understand that you are a very positive person.

Mr Parratt: Thank you.

CHAIR: Thank you for giving me that time this morning to chat to you. What do you think are the real strengths in the bill? What do you particularly like about it?

Mr Parratt: Broadly, the amendments to the Wild Rivers Act recognising the wild river rangers program I think is a very positive step forward. Those wild river rangers can provide a whole range of different functions and services other than just being focused on wild river outcomes, particularly in regard to biosecurity issues on the cape. We are very keen to see the wild river rangers program utilised to deliver a range of other services in that part of the state. So we think that is really positive. We would certainly like to see it expanded past the current number.

Also, improving Indigenous consultation in the context of wild river declarations and nominations and declarations is really quite positive. Along with our concerns about the single process, which are quite minor in lots of regards—it is just about tweaking the proposed framework—we think that is going to be a good step forward. But obviously we will have to wait and see and do a test case.

With that, I have quite a bit of experience with water resource planning. So far I have sat on seven community reference panels around the state attached to the development of water resource plans. So I can very much see where the department is coming from in regard to trying to develop efficiencies in the process. Anything that drives efficiency has to be a good thing, as long as it does not compromise the integrity of the process and/or limit openness and transparency in the process. Overall, as I mentioned in my submission, there are not an awful lot of aspects of the bill that we are particularly concerned about from an environmental perspective. It is just about some suggested ways to do things a bit better, I suppose.

CHAIR: Getting the mix right is always difficult.

Mr Parratt: That is right.

CHAIR: Thank you again for your time. We very much appreciate it and we look forward to maybe seeing you again.

Mr Parratt: I am sure you will. Thank you.

BURGESS, Mr Steven John, Catchment Officer, Mary River Catchment Coordination Committee

CHAIR: For the benefit of Hansard, could you state your name and position and if you could outline the key points to your submission in about five minutes and then we would like to ask you some questions.

Mr Burgess: Steven John Burgess. I am a catchment officer with the Mary River Catchment Coordinating Committee. The main points that we addressed in our submission are taken from the perspective of our direct experience with catchment management in the Mary. The MRCCC was an organisation set up in the mid-nineties by the state government as an integrated catchment management organisation. The role of the organisation is to work between different levels of government—local, state and federal—and the industry sectors in the river to make sure we get the best outcomes we can for the river. The object of the organisation is a productive and sustainable catchment. The role is really to work with parties involved in river and water management and keep everyone on the same page. We can take an overview between different regions, between different councils and different legislators to see if we can get sustainable management of the river.

As such we have been involved in the water resource planning process since before the Water Act 2000, because we were involved in the earlier WAMPs before the WRPs and stuff came in. The Mary has been a contentious sort of catchment with water resource planning politically over the last five years or so as well at local, state and federal levels. Our main comments would be on how we can see specific improvements in the consultation process to avoid the sorts of troubles that we have seen in our catchment in the last five years or so.

We have outlined those points in the summary of the submission. We are broadly very supportive of the single process framework. That is a positive, because the WRPs and the ROPs are so intertwined that the process of working on them at the same time as a concurrent process makes a lot of sense. It is more efficient, less confusing and we can see all the issues at once and the interplay between the two documents. We are very supportive of that. We have some fairly specific comments which we made in the submission about the role of community consultation in the new single form process. That handout that I gave out is to illustrate the points. We made four specific points in our submission as to ways we thought we could improve that process. That handout just illustrates where those points come in in the process.

We have a special interest in the operation of the SEQ Water Grid Manager in our catchments so we made some comments about a very small part of the bill where it is talking about making some provisions for the Commonwealth Environmental Water Holder and the SEQ Water Grid Manager in the same paragraph. Those bodies have fundamentally different purposes and completely different impacts on the river and we do not feel that the same amendment suits the purposes of both of those positions. In fact, we think the SEQ Water Grid Manager should have to face the same music as any other consumptive user in the river in terms of timing, place and amount of extractions. We outline the basis of those concerns in our submission.

We would like to echo the QCC's concerns about further reducing the requirements for riverine protection permits in rivers. There have already been amendments to the act in the last year which have substantially reduced the requirements for riverine protection permits and this current amendment in the bill now even further reduces those requirements. We think it is a very short-sighted step and may cause a lot of damage, which will cause a lot of expense and problems in the future. If you make a mistake in a watercourse it can be a longstanding, very expensive mistake for people and governments in the future to fix up. We see the requirement of a riverine protection permit as a way of getting good-quality advice to try to avoid mistakes in the way that people dig around in watercourses. That is an outline of our submissions and I am happy to answer questions.

CHAIR: Thank you very much, Steve.

Mr POWELL: My ears pricked up when you were referring to the amendment to section 46—content of draft water resource plans—and you particularly mentioned the SEQ Water Grid Manager. I am assuming you are talking about the impact on the Baroon Pocket Dam?

Mr Burgess: Not just that. To give you context, the area where it probably impacts most is on consumptive users in the Mary. In the main trunk of the Mary—not counting Tinana Creek and the irrigation schemes on Tinana Creek which mainly supply Maryborough and the lower Mary—there is currently in the order of 100 gigalitres a year of allocated water. Fifty gigalitres of that—half of it—is held as allocations which are available to the South-East Queensland water grid; so about half the allocated water. What is contentious in the current existing water resource plan is a further 150 gigalitres a year of strategic reserve on top of that 50, all earmarked to be accessible by the South-East Queensland water grid. That is fairly contentious. That was created under particular political circumstances. We very strongly feel that that needs to be revised with the best of science and with the fullest procedure when revisiting that figure. When you look at the figures that way you can see why there is downstream concern for the users who are not going to benefit from that extraction of water into the South-East Queensland water grid. The grid manager is an allocation holder in a river where water is tradeable. Allocations to the grid manager need to be tied to a time, a place and an amount the same way as any other consumptive allocation. There are federal limitations in federal law on extraction at certain points from the river under the EPBC act where the grid manager is the only body that can extract from those areas.

Before there are any changes to allow the grid manager to hold new allocations out of the Mary, we would like to see that not occur until the WRP for the Mary has been fully reviewed. The provisions for the Commonwealth Environmental Water Holder are mainly to allow the Queensland section of the Murray-Darling Basin to be able to comply with the National Water Initiative. One of the objectives of the National Water Initiative is to return overallocated systems back to a sustainable level of allocation. The Commonwealth Environmental Water Holder was created to buy up those overallocated entitlements and be able to use them at different areas of the river for the purposes of river management. That is a fundamentally different purpose to the grid manager, who is basically charged with finding the most efficient and most cost-effective way of extracting water from the system and selling it to the retail sections of the grid. We figure they are fundamentally different purposes, fundamentally different impacts and should not be treated in the same sentence.

Mr POWELL: Just to be clear, you are basically saying that the 150 gigalitres that is held in strategic reserve at the moment for the SEQ Water Grid Manager should come under the WRP?

Mr Burgess: It was created in the WRP, but before that water is allocated even the existence of that strategic reserve needs to be fully investigated.

Mr DEMPSEY: What do you think that reserve should be?

Mr Burgess: I do not know. We would like to see some proper science on it. First, it was created under a particular political environment basically to allow a particular piece of infrastructure to go ahead that had a political agenda behind it, in my belief. Now that that political driver is not there, we would like to see that reserve properly investigated with the best of science in conjunction with all the information that came out of the federal assessment of that under the EPBC act so we get alignment between the different legislators.

CHAIR: People here may not necessarily understand the acronyms. Could you say the full name for us, please?

Mr Burgess: It is the Environment Protection and Biodiversity Conservation Act, which is the federal law that was used to stop the Traveston Crossing Dam from going ahead. Under that law there are specific conditions already placed on the operation of the grid, particularly for the extraction of water from the river from existing pump stations in the river, which is part of the federal approval conditions for the northern pipeline interconnector. That project already has federal conditions on it which limit its total take to 18 megalitres a day. Also, the total take into the northern pipeline interconnector from the Mary River is limited to the extent of current existing urban allocations. We believe that that is the way that it should stay until the water resource plan is reviewed in a less political context.

Ms FARMER: I want to talk to you about riverine protection permits. In your submission you raised issues with clause 89 about the relaxation of the requirement to obtain a riverine protection permit for excavating or placing fill in a watercourse. I am just interested why you would consider the self-assessable development codes under the Sustainable Planning Act not to be adequate in addressing riverine protection.

Mr Burgess: There I can speak from direct personal experience in our catchment with people on the ground. In our experience, many people and landholders do not have a very good understanding of the wider picture of the impacts. If you dig a hole in a creek in one place it can, if it is done the wrong way or without thinking about it, have impacts upstream and downstream on the resource security of other landholders and also on the stability of the stream. You could destabilise a piece of stream which could cause a road to collapse upstream of it in five years time if you have not thought about the way you do things. Most developers, landholders and licence holders actually do not have the expertise to make those judgments. It is a very complicated area. We see the riverine protection permit as being a way of at least putting those people in contact with someone who does understand the whole river context up and downstream and who knows about problems that might be around and then can perhaps advise them on another way of doing it. It is a way of trying to get a better outcome and avoiding costly mistakes.

There has already been a considerable relaxation of the requirements to get riverine protection permits in the last amendments to the bill. We strongly feel that was a backward step. We see this further amendment as a further backward step which might have short-term advantages now, say, in the situation after the floods, where you do not want people to have permits to dig out a pump hole or desilt an area. So there are some short-term benefits, but to amend the act and have them as a longstanding arrangement could come back to bite in years to come with unstable areas of creeks and rivers which can be very expensive. It can cost millions of dollars if you destabilise a piece of infrastructure like a bridge or a road. If you change the flow of a stream in a flood event it can be a costly mistake which it is better to avoid.

Mr CRIPPS: I would just like to follow on from the question the member for Bulimba posed to you about the issues you have raised in respect of the proposed relaxation for the requirements to obtain a riverine protection permit. I do not disagree with you in relation to your previous comment that inappropriately undertaking activities in a watercourse can have very significant ramifications. But equally, all not all watercourses are the same and whilst taking a certain course of action in a watercourse could have very significant ramifications, in other types of watercourses not taking action can have very significant ramifications. I suppose what I am asking you is that, instead of relaxing or reducing the number of circumstances in which an applicant needs to secure a riverine protection permit to do something, and

you have pointed out that there were previously amendments that relaxed the requirement for a riverine protection permit and in your opinion this proposed amendment will undertake further relaxation, would it be fair to say that there could be a more efficient process in place for an applicant to apply for a riverine protection permit, have contact with that regulatory instrument, receive the advice that they need about the appropriateness of undertaking that activity, but for the contact with that regulatory instrument not to be such a burdensome and inefficient process that they are not prevented from taking action where they need to and that not taking action results in serious consequences? Equally to your point—where if they did undertake that activity in an exempt circumstance—it could have serious ramifications. I think it is more the contact with the regulatory instrument which they find a terribly bureaucratic process—where it is tied up in red tape and it takes too long. It is not responsiveness enough to the needs of people who may need to take urgent action in a watercourse and that has caused people to lodge complaints about the difficulties of securing a riverine protection permit and then in your opinion we have had this adverse outcome where it has been relaxed in a number of circumstances where they have to get one.

Mr Burgess: I cannot agree more. It is a horrible process, and we have seen some bad results because it has taken too long so people just go in and take action. From our point of view, it might come down to resourcing. DERM staff seem to be underresourced and swamped with trying to get out and do these things and look at them. If someone wanted to do an activity—placing fill or excavating in a waterway—the ideal situation would be that they could immediately get in contact with someone and float the idea with someone who knows that waterway and that stretch of the river who can then say, 'We don't think that's a good idea, but if you did it this way it would be better,' or, 'Sorry, that wouldn't be a good idea,' or, 'No worries with that.' If they could get a quick turnaround and that good-quality advice, that would be a better outcome, whether there was a permit required or not. What is important on the ground is what happens in that creek. We just want people to do the best they possibly can.

Many people do not understand. They are so focused on the problem they are trying to fix in their patch that the long-term consequences upstream and downstream and for 10 years in the future might not be in their thinking. It might be a better public good if they were in the final result.

Ms FARMER: I just want to talk to you some more about the single-process framework. You talked about that in your submission and you also referred to that this morning. It was good to hear that you are very supportive of the single-process framework. You talked a little bit about why you are in favour, and I would be interested to hear more about what aspects of the framework you support. In your submission you also outlined some suggestions for improving public consultation in that framework and I am interested if you could elaborate some more on that as well.

Mr Burgess: That is why I gave that handout of the flow diagram—

Ms FARMER: Thank you. That is excellent.

Mr Burgess:—which will take us through. In our submission we have numbered some changes that we have suggested as Nos 1, 2, 3 and 4. I have numbered those yellow areas on that flow diagram Nos 1, 2, 3 and 4 to show where they fit into that proposed process. The major point we make is that whenever a long-form process is invoked there should be no discretion as to whether a community reference panel is conducted; there must be a community reference panel conducted. That is why we have put that red arrow going down to that. That community reference panel must be kept fully informed of what is going on, even down as far as the second stage—technical assessments. I have another handout here which I probably will not provide as it is past history.

During 2005 in the Traveston process, in the formulation of the water resource plan, while there was a community reference panel, a whole pile of scenarios for dams on the Mary were being modelled as part of those technical assessments. None of those scenarios was discussed with the community reference panel and there is no information available on any of those at all. We strongly feel that, if those scenarios being looked at were open and on the table, all the fuss and bother that resulted from that—you would not have avoided fuss and bother. There would be strong community backlash against it and strong scientific backlash against it, but it would have been had at an earlier stage and before there was a political and financial commitment to hundreds and hundreds of millions of dollars and years of disruption which finally resulted in no net benefit—in fact, a huge cost to the state and to the community—nothing. We could have avoided all of that unnecessary waste and expenditure if we had been prepared to face up to the difficult conversations that would have had to happen at that stage when they were specifically looking at infrastructure there. I believe that the Traveston Crossing proposal would not have even got up if it had been looked at under those circumstances, in the light of knowledge about the federal legislation and local feelings. It would have saved so much heartache and hundreds of millions of dollars. There would have been only the $65,000 cost of keeping a community reference panel engaged. That is nothing compared to the $600 million thrown out the window on that project.

CHAIR: Okay. We might move on. Have you got another question? No further questions from the committee?

Mr CRIPPS: Thank you, Mr Burgess. Thank you very much!

CHAIR: Thank you, Steve, for giving us your time today. We do appreciate it and we wish you well for the rest of the day.

PICKERSGILL, Ms Glenda, President, Save the Mary River Coordinating Group

CHAIR: Welcome, Glenda. Could you outline the key points in your written submission for a few minutes and then we would like to follow up with some questions.

Ms Pickersgill: I have a few handouts here. May I do that first?

CHAIR: Absolutely.

Ms Pickersgill: I thank you for the opportunity to present to the committee. Our group is a community based group that continues to protect the health of the Mary River. It has members with a wide range of professional backgrounds including expertise in particularly the Water Act issues that we are going to discuss.

There are four specific aspects I would like to speak to. The first is to do with community consultation in the proposed single-process framework. We are concerned about effective community consultation following the experience that we have had in the Mary River. In particular, we would recommend that any new legislation must include a very specific compulsory trigger for full public consultation at any time a water resource plan creates a new reserve or changes the size of an existing reserve or at any time that specific allocations are granted from the reserve via a resource operations plan. So it is to ensure that community consultation is thorough and transparent.

The second aspect that our submission addressed is inconsistencies in the water resource plans in providing adequate freshwater flows to the sea. We are concerned that the bill does not address the inconsistencies that we are seeing in water resource plans in providing those freshwater flows. In particular, the Mary Basin Water Resource Plan has no specific objectives written into the text which relate to protecting the health of the estuary. We do have the internationally recognised Ramsar wetlands, the Great Sandy Strait in the World Heritage area of Fraser Island at the mouth of the Mary River. This is in stark contrast to the resource plans of neighbouring catchments—the Burnett, the Norton and the Logan—all of which have specific objectives to protect their estuarine and marine environments. So we recommend that all water resource plans must have specific objectives which relate to protecting estuaries. This is in line with the National Water Initiative, which states that environmental flows to the estuary should be part of the water planning process.

The third aspect from our submission that I would like to speak to is to do with water licences held by the SEQ Water Grid Manager. The bill proposes that the SEQ Water Grid Manager will be able to hold allocations that are not linked to a specific location in the catchment. We recommend that no provisions be written into the Water Act or subordinate legislation or regulation to allow this to happen—to allow the SEQ Water Grid Manager to apply for new water licences without the existing Mary Basin Water Resource Plan and the ROP being reviewed and full impacts of the proposed level of extraction being assessed and tying that to the specific geographical location of the point of extraction. That needs to be looked at and it has to be assessed for impacts on matters of national environmental significance and on security of water users in the Mary River system. I think Steve has outlined specifically the risks associated with interbasin transfer. The people in the catchment will not gain benefits from that.

Lastly, it is to do with the riverine protection permits, and I think that has been quite adequately covered by Steve. However, I would add that in particular the risk is high from operations not being carried out correctly. We already have a river system that is unstable and more degradation is at risk of occurring, particularly to the threatened species. For example, the Mary River turtle relies on sandbanks for the laying of their eggs. If there are changes in the processes—extraction of gravel, for example—that can really impact on those threatened species and recovery of those species.

CHAIR: Thank you very much, Glenda. So you and Steve work fairly well together?

Ms Pickersgill: We have collaboration, yes.

CHAIR: Excellent. I am going to open up for some questions. I will call on the member for Glass House.

Mr POWELL: Thank you for your presentation and for your submission. I appreciate you coming down to parliament today. Are you suggesting that the current Mary River Water Resource Plan does not have an allocation for environmental flow—that is, water to the sea, to the estuary—or that the current allocation for environmental flow is not sufficient?

Ms Pickersgill: It is not sufficient. I would like to draw your attention to the piece of paper that I circulated there where it actually talks from the resource operations plan to the barrages and how they are operated. The barrages are essentially being operated as dams rather than barrages, meaning that there is not consistent flow and particularly through the fishways. The operating levels can be much, much lower than the fishways can operate. So there is this discontinuation that is happening at the barrages and there is no requirement to measure what actual flows go through those barrages.

Mr POWELL: Just to clarify for my own sake, there is an allocation for environmental flow but you are suggesting that, through the operation of that allocation, it is not being achieved?

Ms Pickersgill: That is correct.

Mr POWELL: Thank you.

CHAIR: Glenda, could you define a barrage for the committee and its difference from a dam?

Ms Pickersgill: A barrage is at the bottom end of a river system where it can separate the fresh water from the salt water, and its purpose is to create an opportunity for more fresh water to be extracted. So it stops the tide flowing up. It is a really critical situation between saltwater and freshwater flows there. On all the barrages on the Mary there is no requirement to measure the amount of water that goes past those barrages.

CHAIR: Thank you very much.

Ms FARMER: Glenda, thank you for taking the time to come to speak to us this morning. I wanted to talk to you about the single-process framework. Your submission advocates quite strongly for compulsory public consultation at any time. You made some statements about that this morning. You made some very strong statements about the fact that that public consultation should occur, it seemed to me, regardless of the nature of the changes—so even on minor changes. Is that a correct interpretation of what you are saying? So any planning process to create a reserve or change the size of an existing reserve or provide for significant new allocations from a reserve should be compulsory for any change?

Ms Pickersgill: Yes. In those specific cases, yes, I believe that is quite important because of the lack of scientific basis of the water reserve at the moment. There are some really good positives that can come out of good community consultation where the information is transparent and we have good information. I think that is critical.

Ms FARMER: If there are only minor changes being proposed is there a trigger where you say, 'We do not need a public consultation on this particular proposal because it is only of a minor nature,' or do you consider it should be a blanket application?

Ms Pickersgill: I think there needs to be a very specific compulsory trigger and that would be if there was a change in creating a reserve, changes in the size of the reserve or at any time when there are significant new allocations from the reserve via a resource operations plan. So they would be the compulsory times.

Ms FARMER: So of any nature—major or minor changes?

Ms Pickersgill: Yes.

Mr DEMPSEY: In your submission at No. 4 'No scientific basis for a strategic reserve' it says that scientists have already provided the state government with scientific data that shows the Mary River is already overallocated and water quality programs show where increasingly salinity and dissolved oxygen are outside the EP. What scientific evidence has your group provided to the state government in this regard?

Ms Pickersgill: The environmental flow guidelines are from the water resource plan, and the data was collected from the EIS from the Traveston Crossing Dam so that was extracted via—

CHAIR: If you are going to use acronyms can use please first say the whole word?

Ms Pickersgill: Sorry, environmental impact statement for the Traveston Crossing Dam proposal. So that was the data that was in that assessment. It shows, and that is why I wanted to give you some more information, that during certain times of the year it is outside the environmental flow requirements and during that period, particularly the dry months of the year. The real risk to our ecosystem—a freshwater ecosystem—is low-flow requirements.

CHAIR: Thank you very much, Glenda. I thank you very much on behalf of the committee for coming in this morning. We certainly appreciate the extra handouts that you have given us. We will take a short break and resume shortly.

Ms Pickersgill: Thank you very much for the opportunity.

Proceedings suspended from 10.35 am to 11.08 am

AIRS, Ms Nerida, Water Management Specialist, Stanwell Corporation Ltd

CHAIR: Our next witness is Mrs Nerida Airs from Stanwell Corporation Ltd. Welcome and congratulations on your recent marriage. Now that is on the public record. We had to quickly change your name from Gilbert to Airs.

Ms Airs: Our organisation has recently undergone some change. We have amalgamated with Stanwell Corporation. We were originally Tarong Energy, so we are now one corporation. Both of those entities have had a strong history of participating fully in water resource planning processes. We are very supportive of the proposed streamlined process for the water resource plan and the resource operations plan.

I have seen over the time I was working for the department of natural resources as well as Tarong Power Station very specific examples of where the devil was in the detail for a number of water users in dealing with the water resource plan and then taking the next step to the resource operations plan. So I can give specific examples if anyone wants further details. Streamlining the process—doing both of those planning processes together—would bring some real benefits to water users as they would be able to see directly what the water resource plan means from an operational perspective.

Overall, water allocation is very complicated. Balancing interests is difficult. However, we are concerned about some of the proposed changes to the community reference panel and the community consultation associated with the water resource planning process. Basically, we would submit that it would be worthwhile to canvass the community at the notice-of-intent phase. So when you are kicking off the water resource planning process, be it a combined water resource plan and resource operations plan, or solely the water resource plan, the community is canvassed at that point in time to see whether or not they think there would be benefit in having a community reference panel rather than having the decision made or recommended by people who are not within that community who are not water users, who may not know what the community out there is thinking. That is a change that we would like to propose: rather than saying no to a community reference panel or leaving the decision with people outside the community, actually put it out there and see what the community wants to do.

We have had many positive examples of our participation in community reference panels, specifically the Burnett basin water resource plan, where we have been able to help disseminate and explain the information to community members. We feel it is a very worthwhile process and we would be extremely happy to see that continue particularly throughout the state as more and more issues come to the fore and get discussed. That is the main thrust of our submission.

CHAIR: Thank you very much, Nerida. I will open it up to questions now.

Mr DEMPSEY: From your experience prior to now working at Stanwell, how do you think in a practical sense we could see those improvements being made in relation to consultation and so forth?

Ms Airs: I am not quite sure I understand the question.

Mr DEMPSEY: We have seen other examples in relation to the single-process framework. Where would you see that consultation phase being fitted in?

Ms Airs: It needs to be throughout the entire process. So at the start of the process canvass the views of the community to get the local knowledge. The departmental representatives that generally work on those plans and develop the policies and things that get put forward through them are not generally water users. They are not people who live in the small towns in the local communities and are not necessarily as up to date on all the local issues that water users are facing on a day-to-day basis.

That said, regarding the next step in the process where your modelling is done to assess the impact of extraction and to work out what the environmental flows need to be, it is absolutely critical at that point in the process that the community is not only educated about what those numbers mean but also given the opportunity to have input into the process at that point in time. It is at that point in time that the information is available to see what the impacts of current extraction, future extraction and also environmental flows would be.

Mr DEMPSEY: In addition to that, would you see any particular minimum time frames in relation to that?

Ms Airs: It would vary community to community, in my opinion. Some communities, such as the Burnett, have been going through water resource planning for a number of years; people have been actively participating in that process for about 15 or 16 years. In that particular community they are really well educated, but in others where it is starting off and they might not be as aware of the processes it could take some time. I think it is very important that, to get it right, that time is taken.

Mr DEMPSEY: Does Stanwell Corporation have any other concerns in relation to this?

Ms Airs: No. There are no other concerns as far as anything that affects Stanwell Corporation's interests.

Mr DEMPSEY: What is the volume of water that Stanwell would be involved with?

Ms Airs: In my particular area for Tarong Power Station, our water allocation from Boondoomba Dam is 29,700-odd high-priority megalitres. We also have water contracts with the water grid manager using predominantly purified recycled water from the advanced water treatment plants in Brisbane. We use that to supply predominantly Tarong North Power Station, and there is in excess of 7,000 megalitres a year that we use as well.

Mr DEMPSEY: How much volume of recycled water?

Ms Airs: It is in excess of 7,000 megalitres.

Mr DEMPSEY: Are there any costings at all in relation to those?

Ms Airs: Significant costings.

Mr DEMPSEY: Would you have a ballpark figure?

Ms Airs: It is probably commercial-in-confidence.

Mr DEMPSEY: Okay.

Mr CRIPPS: There has been some very consistent evidence given to the committee by a lot of witnesses today in relation to their concerns that there may be a removal of the requirement for a community reference panel to be appointed to a WRP and ROP single process. It does not seem to matter what type of stakeholder group you are—whether you are a community based stakeholder or a significant commercial entity like the Stanwell Corporation—there has been some very consistent evidence observing the fact that one of the issues we have had with the WRP and ROP processes previously being separate is that you can have very long, drawn-out processes for the establishment of a water resource plan and the allocation of that water resource under an ROP.

Both community based organisations and significant commercial operations can see the value of bringing the community with them through that process, so not only do you try to improve efficiencies in this process by having a concurrent WRP and ROP process but also the community is given an adequate opportunity to express itself during that process. Stanwell can see the value in that opportunity as much as a community based organisation can see the value. Obviously, whilst the bill proposes to achieve efficiencies through the concurrence of those two processes, you want to preserve that community input to ensure there is no significant angst in the community or delays caused by, say, legal challenges or other types of concerns being expressed about that process. I think it is very interesting that, regardless of who the stakeholder is, the community reference panel is very strongly supported.

Ms Airs: Yes. As somebody who has participated as a member of a community reference panel and also on the other side of the coin in coordinating community reference panels in my previous positions, you really cannot place a value on the benefits that you get from them and the discussions that occur that may not necessarily be seen or heard by departmental representatives. Some communities are going to be different; it may not work for some communities. My suggestion is that the community gets given the opportunity to make that decision for themselves as to whether or not it is the right way to go. In a lot of areas there are very well established irrigator groups and those sorts of things as well. However, the balance needs to be there so that your cultural issues and the environmental issues need to be represented, and they may not be best represented by those specific other interest groups.

Mr LAWLOR: In your submission and also this morning you raised a concern regarding the removal of the requirement for the community reference panel. So are you suggesting that the community should be involved at an earlier stage, indeed at the stage of the notice of intent to prepare the plan?

Ms Airs: That is traditionally when the community is canvassed anyway as to whether or not they want to participate on the community reference panel. I guess what I am suggesting is that, instead of making a decision that a community reference panel will not be established for a certain water resource plan area, the time it is announced that the process is going to commence is the point at which people are asked if they would like to see a community reference panel established for the area. They would get to have the input into it at the start, rather than having the decision made for them.

Mr LAWLOR: Essentially, that is basically the existing process, isn't it?

Ms Airs: No. The existing process is that an announcement is made that the planning process is to commence and that a community reference panel will be established. The changes proposed in the bill take that step away for the community reference panel to be announced, for it definitely to happen, and there is a decision-making process there for the minister to decide whether or not a community reference panel should be established.

Mr LAWLOR: Also in your submission you indicated the importance of accommodating flexibility in the Water Act process. Aren't there also benefits to be gained from providing certainty to the community in a more timely manner?

Ms Airs: There are certainly a lot of benefits in making things timely. I am participating on the Burnett community reference panel at the moment, as is Nigel. We have been going through that process for quite a while now, and we have not met for quite a length of time as well. I am not quite sure that the timeliness is being affected by the community reference panel and the community panel's availability. My suggestion would be that in some circumstances it appears to be resourcing issues and the provision of information to the community more than the community reference panel actually affecting the timeliness of the delivery of these plans.

Mr LAWLOR: So that is the timeliness issue, but what about the flexibility as opposed to certainty?

Ms Airs: I was not suggesting any changes to the certainty or the importance of providing certainty to water users, be it from allocation holders to environmental flow. I was certainly not suggesting that. It was more flexibility in the process. As I mentioned before, there are specific groups that are already well placed to perform community consultation, but they may not cover the entire suite of interests that are

actually out there in the community. Having flexibility to go to those groups is a good thing, in my view, rather than being restricted to specifically dealing with the community reference panel. However, I still think there is a very strong role for community reference panels going forward.

Mr LAWLOR: Thank you.

Mr DEMPSEY: Just to extend on what Mr Lawlor said, with these community consulting panels, it is not just a matter of having them there and putting them to the side. You are saying—and I hope I am not putting words in your mouth here, and please stop me anytime—that those community consulting panels actually need to have teeth within the process as well. It just seems to me that giving the ultimate power to the minister through the process can take away from that community consultation. Can you think of any other changes to the framework that would actually give the community consultative panels more importance?

Ms Airs: I am not quite sure how you could implement that in a way that you would be able to make work. In processes like this, there are always going to be differing views and competing interests. As my wise grandfather used to say, water is for fighting over, so it is always challenging to get that balance right as well. I am not quite sure how you could do that.

Mr DEMPSEY: That is my concern. It is all right having a consultative group, but unless you actually listen to them and take those things on board it can be seen to be another tick-off in the process.

Ms Airs: I suppose that is the flip side of anything. Consultation in its purist sense is a good thing, but if the consultation is not listened to and the people's arguments are not listened to and assessed to work out whether or not they can be accommodated then it does not work.

Mr DEMPSEY: My other question is in relation to Stanwell Corporation, Tarong and so forth. Do you have times when you have excess water?

Ms Airs: It depends on what the generation load is so it would depend on what the electricity market is doing.

Mr DEMPSEY: Would Stanwell want to be able to have flexibility, as far as a social licence, to allocate water back to the agricultural sector or other social sectors within the community?

Ms Airs: Not so much as we have thought specifically about anything like that, but the way that we work it—and I am talking specifics about the Tarong Power Station—is that we work in with SunWater, which operates Boondoomba Dam that supplies our water allocation. By leaving our water there and not using our full allocation, that is also deriving a benefit to the local irrigators because a 70,000-megalitre cut-off rule for Boondoomba Dam is in place. So once the dam goes below that level, water is no longer supplied downstream to irrigators. By maintaining the dam above that level, it continues to get supplies down to irrigators. We are prudent with our water use; we do not waste water. Having come through the worst drought we have had in history, I believe that we are very efficient in the way we use water and we do value every drop that we have.

Mr DEMPSEY: What I am getting at also is that you have your excess water, you put it into the dam as such and the government department—whether it be SunWater or whoever—then passes that down to the irrigators. When at any stage do you get any recognition of putting that water back? You have paid a good price for the water and the irrigators are going to be paying for their water down the line, so where does that actual amount of allocation get recognised—whether it be in a trading circumstance or whatever—because every piece of water is in a trading agreement?

Ms Airs: I do not think it really does. We are not actually trading allocations by doing that; we are just basically banking water and leaving water in the dam rather than taking it all of the time. I guess it is a quasi way of sharing the water rather than specifically trading water allocations.

Mr DEMPSEY: So that water always remains the property of Stanwell?

Ms Airs: That water allocation does, yes. The way the legislation is, yes.

Mr DEMPSEY: What I am getting at is: obviously after the droughts and so forth and in those circumstances where you have an excess, has Stanwell ever wanted to have the opportunity to push that water on to other areas of the community for a social benefit?

Ms Airs: Not really. We have in the past provided access to the pipeline for town water supplies. We have also done some temporary trading arrangements during the drought to help out some of the local towns with water supply.

CHAIR: Do you have any more questions on the bill?

Mr DEMPSEY: This can also assist with environmental flows. Does Stanwell ever contribute to that?

Ms Airs: In our local area we release into Meandu Creek Dam, and that does contribute to the environmental flows in the area for Tarong Power Station.

Mr DEMPSEY: Thank you.

CHAIR: Thank you very much, Nerida. We very much appreciate the time that you have taken to come in today. We wish you all the best for the future and we look forward to seeing you again. I think the government has had a huge loss with you going over to private enterprise. All the best.

Ms Airs: Thanks for having me here.

FLETCHER, Ms Kathie, Representing the Chief Executive Officer, Queensland Murray-Darling Committee Inc.

CHAIR: I welcome Ms Kathie Fletcher. You have been here all morning waiting very patiently so you understand the way the process works. I now ask you to give a brief outline of your submission and then we will follow up with some questions.

Ms Fletcher: The Queensland Murray-Darling Committee is a natural resource management organisation. It is a not-for-profit organisation that is run by the community. The area that we cover is the Queensland Murray-Darling Basin, so we have three offices in Toowoomba, Roma and Goondiwindi to deal with the huge area that we work in. In front of you I have given a summary of our submission. Basically, we had similar issues to my friends who have already submitted today. In that submission we made eight recommendations, two of those were to not accept the clauses that were proposed and the other six were giving some more input from our regional perspective as an NRM group.

The issues, once again, were for us the single process in the concurrent development of water resource permits and resource operations plan; the discretionary powers given to the minister; the authorised taking of water without an entitlement; and the destroying of vegetation et cetera permits. We did add another one and that is in regard to all water users being captured within water resource planning.

The big issue in our area is, of course, coal seam gas companies which do not come under water resourcing. I realise that it may be out of your scope but I want to highlight that again for your attention. It is a huge issue in our community—that they do not have to have a water licence. We would love to see that in legislation. Whether it fits in this bill or not, we are trying to get it into water legislation. That is the key point. Those are the key issues.

CHAIR: Thank you very much. I will call on the member for Southport.

Mr LAWLOR: In your submission at paragraph 2.6 you state that clause 9, which allows a person to interfere with overland flow water without a water entitlement, is 'contrary to the intent and purpose of the Water Act'. Can you elaborate on that a little, please?

Ms Fletcher: Yes. The issue there is that the intent of the act that everyone comes under has to have a permit to use water. What we are concerned about is that there is the potential for adverse impacts. Our natural resource management plan has identified that, when you divert water or take surface water, lots of other issues may arise—like slumping, erosion et cetera. So we are recommending that that clause not go through, because we want to see that all that water is accounted for.

Mr LAWLOR: When you are talking about interfering with the overland water flow, are you talking about structures there?

Ms Fletcher: Yes.

Mr LAWLOR: Okay. In your submission you also state that section 20 is being amended without considering the adverse effects of the overland flow. Why is the Sustainable Planning Act not an appropriate mechanism for controlling those adverse effects?

Ms Fletcher: Are we talking about 2.5 again?

Mr LAWLOR: Yes, I believe so. You state that section 20 is being amended without the consideration of the adverse effects. Could that not be controlled, in other words, by the Sustainable Planning Act?

Ms Fletcher: I guess it is capturing it under the same legislation. It is like having a whole lot of different mechanisms in different pieces of legislation. That often leads to confusion and loopholes. We are trying to make sure that all water resourcing comes under the same mechanism and the same legislation so it is clear for everybody that this is where it is captured.

Mr LAWLOR: Okay. So the management of all water in one act is what you are seeking essentially?

Ms Fletcher: Yes, essentially, so a one-stop shop. You know what your rights and your obligations are.

Mr LAWLOR: In your submission at paragraph 2.11 you raise issues with clause 89. Your submission states—

QMDC asserts that the self-assessable codes under the *Sustainable Planning Act* are constricted and lead to either perverse outcomes or unforeseen environmental outcomes which are then not adequately considered under the *Sustainable Planning Regulation 2009* self-assessable development codes.

Can you give us some examples of the perverse outcomes or the unforeseen environmental outcomes you are referring to in relation to self-assessable codes under the Sustainable Planning Act?

Ms Fletcher: Our concern was that, under the self-assessable codes, it relies on a person's integrity and understanding of the vegetation and the role it plays in waterways. I think Steve Burgess covered that quite clearly—that quite often landholders do not have an understanding of, if you do something, the effects downstream or upstream. What we have in our region is that landholders clear vegetation and we have those issues. The other issue is that there is a lot of vegetation being cleared in our region. Our NRM plan says clearly we do not want any net loss. So you might have little pockets here, big pockets there and it is all adding to an incredible net loss of biodiversity and vegetation in our region. We want to see that

stop because the only way that you can monitor the self-assessing is kind of like a year later with satellite mapping that DERM does and that is too late to say, 'Oops, you should not have done that.' That has added to a cumulative impact that is not acceptable in our region. But I think Steve covered that. The same issues that he raised are similar issues to us. Just recently in the *Chronicle* there was a farmer who cleared a whole lot of vegetation in defiance of the laws that are already existing to try to protect and stop that sort of behaviour.

Mr LAWLOR: Clause 89 provides that the destruction of vegetation, excavation or placing of fill in a watercourse, lake or spring is only permitted where it is necessary and unavoidable as a consequence of the construction of self-assessable operational works used to take or interfere with water. How do you think that these impacts can be avoided?

Ms Fletcher: I think it goes back to what Andrew was saying about having a direct relationship with the regulator that is quick and timely. The big issue was during the floods and what has come from that, and having that expertise, that scientific knowledge, that direct relationship with the landholders—somebody who is on the ground who knows the region, who knows the different streams and waterways. The Murray-Darling Basin is full of water, full of different stream orders. It is just phenomenal in terms of the waterways that need managing. The impacts that we have seen with the floods on various levels needs good, scientific based support on the ground from somebody who is easily accessible. It is again a timely issue, but sometimes taking a long time may be more sustainable than a quick technical fix. Peter, I do not think there is a quick answer to that because it is about resourcing. We all know that DERM are completely underresourced for the issues they are having to address in our region. It is an institutional problem that we need more resourcing.

CHAIR: The final question comes from the member for Bundaberg.

Mr DEMPSEY: Could you please extend on recommendation 7 in relation to petroleum tenures holding the right to take underground water?

Ms Fletcher: Under the petroleum and gas act, the coal seam gas companies have an inherent right to take water as part of the extraction of coal seam gas. There is no licence required for that. We see that as an inherent flaw because every other water user in our region has to have a licence to take that water. Those two pieces of legislation do not live together very well, and it is an ongoing issue that gets brought up at every Senate hearing, at every environmental authority application. We are concerned that nobody is taking it on board as a really key issue that needs to be addressed.

Mr DEMPSEY: How in a practical sense would that evolve? With coal seam gas they have to go through about 1,400 recommendations in all different departments in relation to their water and EPA. Would having that water licence be on par with what is already there?

Ms Fletcher: I would like to think so. The regional NRM plan would like to see threshold limits for the water resources in our region. So this is the threshold limit and there are people who have the right to use it, but once you have reached that limit then it is cut off because it is not sustainable for economic, social, environmental purposes. So that is how we would see it—that you set a threshold limit.

Mr DEMPSEY: Where would you find that limit from?

Ms Fletcher: The regional NRM plan has gone a long way. Admittedly, it is out of date, but I recommend having a look at the asset targets that are set in that. As some of my colleagues will know, there are a lot of people in our region, as Nerida alluded to, who are passionate about water. That is the main issue on everyone's lips. There is some really good knowledge there from irrigation, from water culture, from agricultural, from an NRM point of view, from a community environmental view. It is bringing all that science together. There are a lot of reports from that region. It is really about collating that and getting serious about how are we going to sustain the Great Artesian Basin and the Murray-Darling Basin. It requires somebody to make the hard decision—'Let's do it. Let's put the science into operation instead of keep pushing it aside.'

Mr CRIPPS: In relation to the proposed amendment to section 20 of the act, we have been talking previously about the authorised taking of water without an entitlement, the proposed amendment being an authorisation that a person may interfere with overland flow water without the need to hold another authorisation under the act. Do you interpret the proposed amendment of interfering with overland flow without a water entitlement to be the same as an authorised taking of water? Do you interpret interfering with overland flow to be taking of water without an authorisation?

Ms Fletcher: What we are referring to is that, if you take that overland flow without an authorisation, that is an issue for us, and the reason for that is the impacts that that may have, especially in the flood plain.

Mr CRIPPS: Because you were talking earlier about ensuring that any water that is interfered with being accounted for, which I understand particularly in relation to WRPs and ROPs, so you account for the water. But is that the way that you are interpreting the proposed amendment—that interference with an overland flow is equated with or similar to the unauthorised taking of water?

Ms Fletcher: I guess we have probably mixed two issues there and that would be the NRM outcome we are seeking, which may be a little outside that water resourcing—so bringing them both together—but also the effect of taking overland flow and what effect that has on environmental flows as well as social water resources as well. It is kind of intermingled, but I see your point.

Mr CRIPPS: It is difficult because you can take water, you can take overland flow and you can interfere with overland flow.

Ms Fletcher: Yes.

Mr CRIPPS: And it may be different things in different circumstances.

Ms Fletcher: And I guess that is what the NRM plan tries to bring it in holistically, so if you do that is there an adverse impact there and how do we do it best.

CHAIR: Thank you very much, Kathie. We very much appreciate the time taken today.

GALLIGAN, Mr Dan, Chief Executive Officer, Queensland Farmers Federation

JOHNSON, Mr Ian, Water Adviser, Queensland Farmers Federation

CHAIR: I welcome you, gentlemen. If you could outline the key points to your written submission for about five minutes, then we would certainly like to follow up with some questions.

Mr Galligan: I will kick off, if that is okay. Firstly, thank you for providing an opportunity for providing an in-person submission to go along with our written submission, and thanks for your interest in the issue. We are clearly very interested in the issue. I will make what I hope is a very short summary of our submission and then we would prefer to spend most of the time answering questions, if that is okay.

I think the main issue in the bill that we have attempted to focus on is the issue of going to a single process. If I could summarise what we have said, particularly in the submission to this discussion as well as the attachment we provided, which is our submission to the National Water Initiative biennial review last year. In summary, what we are saying about the Queensland water planning process is that it has been given a solid pass mark from our perspective and that is the two-stage process. Really, what we are talking about here is what happens with the second generation plans in terms of moving to a single process.

We think the planning process in Queensland, as we have said in our submission to the NWI, does reflect the flow based regimes that are predominant in the Queensland river systems, and that is a good thing. We think they have been rigorous in terms of the process that has been followed so far. They have been inclusive, and they have been inclusive on the catchment and subcatchment scale. They have used the best science where it is available, and that is also a good thing.

In reflecting upon that pass mark, there are obviously some things that we could do better, and we have tried to highlight those. There are obviously some significant gaps in our understanding and in our progress in planning for groundwater management, and that is an issue. There are gaps in terms of where we could be more transparent in terms of availability of data between both the state and the Commonwealth—to be fair—about water and how it moves. Most of our issues are aligned with the fact that what irrigators are telling us here is that, once we have got a good foundation of knowledge through the planning process that we have followed so far, we need to be building in greater reliability in our existing secure entitlements. That is essentially what we are driving for out of this single-process discussion.

We think more work could be done in terms of allowing for that reliability through capacity-share arrangements and better opportunity for trading. We need to reflect upon the problems in the existing process—that is, that the existing two-stage process has been too slow, it has been expressive and it has been very heavy in terms of resource requirements. There is no doubt about that.

In our assessment, the average time frame for the current process is 5½ years. It has taken up to 10 years to complete water resource planning processes now and there is usually, on average, a gap of two years between the WRP and the ROP. We will take questions on that, but that is a critical question when we think about improving that and whether or not that is a good outcome for the community and the environment—if things are going to take that long or as long and we need a process that does the job as well but efficiently.

As you would see in our submission, we have made a number of comments about the single process, the notification-of-works process and the conversion of category 2 water boards, which we have done a lot of work on. We are happy to take more questions on these. We have also made a fairly detailed discussion about the funding to the QWC in relation to the coal seam gas levy and, finally, the Indigenous water reserves. We are happy to take questions on anything in our submission or anything else you would like to dig into. I will hand it over to you, Chair.

CHAIR: Thanks very much, Dan. I will open it up to questions.

Mr CRIPPS: This question is to Dan or Ian, depending on who would like to respond. Some of the amendments in the bill relate to the proposals under the Webbe-Weller review that a number of class 2 water authorities are to be abolished and replaced with different types of structures. Could you enlighten the committee about the widespread failure of class 2 water authorities to do their job that would justify the Webbe-Weller review making recommendations to change the structure so as to better facilitate outcomes with water resources?

Mr Johnson: I would not say that they have failed. Many of the boards that we are dealing with—predominantly the irrigation boards—were set up to obviously finance the establishment of the board structure. In a lot of cases, those boards have covered those funds and are now operating totally free of debt. A number of them were already pursuing a course of moving to independence, such as the Pioneer Valley Water Board. When Webbe-Weller came along, we could see that the recommendation was in line with moving those boards to a more independent structure, a more efficient structure. All of those irrigation boards are choosing to go that route, even though it is a bit tortuous because you are setting them up to go out into an independent game plan. We are not dealing with the smaller water boards, the Artesian boards. We are dealing with the drainage boards in the north and they will not be suited to go independent. They do need to stay as they are but possibly amalgamate to gain efficiencies with that.

Mr CRIPPS: That is my experience, Ian. I am unaware of any widespread failure on the part of class 2 water authorities so I have been finding it very difficult to understand why the Webbe-Weller report proposed such significant changes to their structure. I thought a number of them were undertaking their work very efficiently and very successfully; that was particularly my local experience with the drainage boards. As a local member, I receive very few complaints about their operation because they often go about their business efficiently and effectively. I have not been able to understand what motivation the Webbe-Weller report had for proposing the change of structure.

Mr Johnson: We are not going that way with the drainage board.

Mr CRIPPS: Do you have any comment to make about the appropriateness of the alternative structures proposed for the class 2 water authorities?

Mr Johnson: This is going to local government?

Mr CRIPPS: Yes.

Mr Johnson: In the sense of the irrigation boards, they have all rejected that option as they believe they will be buried in a bigger bureaucracy than they are now. They are all intent on moving to an independent structure. For various reasons—and I will not go into them now—there are some key areas, such as the Pioneer and the Burdekin boards, which will function better under that type of arrangement. On the smaller boards, the Artesian boards, you would have to argue there is probably more of a public function there where they need to remain, but I have not gone into the detail of any of those.

Mr CRIPPS: Are there any disadvantages with the loss of statutory powers by moving to the alternative structure for any of these class 2 water authorities?

Mr Johnson: Obviously, there are issues coming up in having to move to independence because you have to make sure that everything you put your hand on is well defined. They need to have all of their easements well defined; they have to set up a structure that has a governance structure. Those are all, I suppose, disadvantages but at the end of the day the irrigation boards are saying to us, 'We're at a point now where we believe we can operate more efficiently and effectively'—which is what we did believe Webbe-Weller was shooting for—'in moving out into an independent structure.' Pioneer Valley Water Board would be the key one pushing for that. They are very close to going to a full cooperative structure which they believe will be comparative to major water providers. They are much, much more efficient in delivering water than their bigger brothers, such as SunWater, and that is what is driving them.

Mr CRIPPS: Commercial efficiencies are certainly one thing. How will they recreate their capacity statutory rights of entry to undertake emergency works? Will they be disadvantaged at all without their statutory status to access things like NDRRA funding?

Mr Johnson: I agree with you that the NDRRA funding is critical for those drainage boards. That is why they cannot move out; they have to remain in a public function. The sorts of works that they do on-farm—linking to their drains—again, would be another reason those boards cannot really move to an independent structure. It would be an advantage to them, however, to amalgamate probably more on a catchment basis, which is what is being examined.

In regard to the irrigation boards, the case example for us again is Pioneer Valley Water Board, which has done the hard yards and believes it can effectively function. Their only concern with government at the present time is the need for some amendments to the Water Act to recognise and allow them to do their structure. They are really wanting that issue clarified as soon as possible. So we work off that model and we reckon that, because they are irrigation boards and they are fulfilling NWI functions, they can do the job.

Mr LAWLOR: In your submission you raised issues with clause 63, particularly how the drafting of the clause 'could affect the bores owned by water authorities on properties for the purposes of managing the extraction of water from the Great Artesian Basin'. Could you please provide some recommendations as to how this clause could be improved? Also, could you clarify how you think water authorities may be affected?

CHAIR: Can I add to that. Since we have to write a report for this, we would be more than happy to receive from you even an outline or some wording for that to stop that ambiguity.

Mr Johnson: I am not sure of that one.

CHAIR: It is on the last page of your submission.

Mr Galligan: I will get Ian to discuss that further, but I think that ambiguity issue is something that is taxing people's minds to do exactly as the chair has asked. I think we need to provide some sort of suggested wording that would clear it up, and we are working with AgForce on that. There seems to be broad agreement that it is a bit unclear, but even I have asked the question about what would make it clearer and the best thing we can do is provide that to you in addition.

Mr LAWLOR: There are no thoughts on what could be done to make it clearer at this stage?

Mr Galligan: None have been presented to me yet and I have asked a very similar question. I guess what I am saying is that we are happy to coordinate with the other industry bodies to try to provide that and provide that swiftly. Ian, do you want to add anything?

Mr Johnson: We support what Gus McGowan was raising in regard to this issue with AgForce. We have met with DERM. It is a small wording change in that clause—and DERM agreed that that wording was a bit unclear—so we will clarify that. Once we had those meetings, we just supported AgForce and they were doing the detail on that proposal.

Mr LAWLOR: Thank you. In relation to the single process, in your submission you raised the fact that in the current process for water planning, with successive development of water resource plans and resource operation plans, the gap from completion of a water resource plan to the completion of the resource operation plan has been in the order of two years, and I think you indicated that it might even be a bit longer than that. You said that this delay has necessitated significant added consultation and in some cases angst for farmers. Can you elaborate on those issues and also explain how the single process proposed by the bill might help to alleviate these issues faced by farmers?

Mr Johnson: Obviously, the water resource plan is the strategic plan. It sets the cake in terms of what the environmental water requirements are and what the consumptive water requirements are in bulk. It is then a break from that to the ROP stage, which really goes down to the detail of how the schemes are to operate and how individual entitlements will operate. With farmers, they have gone through the broad process and they have got some understanding of what that is saying but they have not got, 'What does that mean for my property? What does that mean for my entitlement?' The process stops and then two years later along comes DERM and says, 'Now we're going to start this,' and they go, 'Oh.' They then go back over issues, and when they go back over issues they are finding that the detail of the impact on their entitlements may not be what they thought it was going to be when they did the plan.

We are very strong in this argument that the concurrent process will work well. Obviously, it is a process that has actually been used to a certain extent. The Lower Balonne, where it was a very sensitive issue, actually ran a lot of the ROP material in the plan so it gave people an understanding. The same issue came up with Callide with the cut to groundwater. A lot of the irrigators were saying, 'If we're going to lose 50 per cent of our allocations for that scheme, what does that mean for our individual entitlement?' A lot of the angst up in that meeting earlier in the year was all about what will happen when the plan does not go into that detail, when it stays well above that. That is what we were referring to. We believe concurrency will give that coverage.

Mr Galligan: In summary, from an entitlement holders perspective you can have a much better conversation about planning if you can talk about the strategic broad picture issues at the same time as the operational issues. Resetting the bar on the conversation makes it very difficult to get into the detail. In some cases, the detail is what has to be discussed if you are going to get a more robust plan. So we think the planning will be better.

The second thing I would reflect upon is that we need to be building on what we have already done in this area. We want to make sure the planning process builds on the discussions that have happened through the first generation plans. So it makes sense to refine the process.

Mr DEMPSEY: You mentioned you had concerns about implementation and time frames. Would you like to expand on that?

Mr Galligan: Implementation of the ROPS?

Mr DEMPSEY: Yes.

Mr Galligan: What I am alluding to is comparing what happens now with what could happen in future in terms of time frames. It is not meant to be a suggestion that we should be watering down the integrity and the detail of the science that goes into it nor are we suggesting—and I am conscious that others have different views on this so I need to clarify—that the community should be locked out of involving themselves in water resource planning, either. When you look at the gaps between the two stages and the time it takes to even do a WRP let alone a ROP, by the time the ROP is implemented not only have the seasons changed but also our understanding and the science has changed. Essentially, the science and our knowledge is changing faster than our planning processes. Until we can align the planning process to the rate of change of the science then we are going to be always out of kilter. We need to do something better.

We also need to be cognisant of the fact that the plans do come up for review. It is becoming quite complex now that we have some first generation plans up for review while we are still finishing our first generation plans in other areas. As you folk all know more keenly than probably the rest of us, the government has only so much money to run these processes so we need to look at a way that does it efficiently and be aware that things will be reviewed. We need to improve our knowledge when we get time to review those things.

Mr Johnson: The only other issue I would raise relates to specifics. The time it is taking to do the water plans means it is pushing it out of kilter with pricing reforms. In the Lockyer we are still waiting on the groundwater ROP details which will be critical to underpinning pricing changes. When you look at the Burdekin, we obviously want to deal with the rising groundwater problem but we have to wait for the planning stages in that. We have to watch this. We have one set of reforms moving ahead and we are hamstrung because we have not got the base planning done.

Mr DEMPSEY: In relation to concerns about CSG, would you like to expand on that a little bit more.

Mr Galligan: I will probably talk to the elephant in the room. We did not address it in our submission. What we did address was the issue of the levy and I think that is all pretty straightforward. Like a lot of organisations that you probably hear submissions from, we spend a lot more time talking about coal seam gas and mining than we do about farming if you add up the hours. We are having a lot of discussion on this.

We are gaining more confidence the more we understand the work that the Queensland Water Commission will do. Therefore, we need to ensure that it clearly has a sustainable funding base and that that funding base allows us clear enough signals about what risks will be posed to the aquifers and other entitlement holders as a result of the extraction of CSG and the associated water with it. Making sure we have enough lead time to make sure that impact does not occur is the main thing. At the moment, there is a risk through adaptive management that we are waiting for an impact to occur and then trying to fix it afterwards. The nature of the funding model is a good idea.

The elephant in the room that I referred to is the issue of whether or not we should be licensing CSG water. We completely agree with others that it is a huge gap. We do not know how we are going to manage the volume of water that will be extracted associated with the CSG industry. It is so far a huge gap in terms of accounting for it and understanding the volume of it. Where we are at now in terms of working on policy with industry, government and the community is really the policy of how you will manage the water once it arrives and not necessarily about how much is there and how you regulate it.

CHAIR: That is probably a debate for another time.

Mr Galligan: I was simply going to summarise and say that the reason it is not in our submission is really that it is beyond the capacity of this bill, and particularly because the issues of this bill are significant enough that they need to happen, to deal with it in this forum. We do not want to deny the fact that that is the issue; we just do not think this is the mechanism to deal with it.

CHAIR: Thank you very much for your time, gentlemen. We appreciate it. That brings our hearing to a close. Can I thank everyone who appeared today. The draft transcript of the hearing will be available from the parliament's website as soon as it is completed. I hope today's discussions have encouraged everyone here and our listeners online to check the submissions on our website. We look forward to reporting on this bill on Tuesday, 8 November. I now declare this meeting of the Environmental, Agriculture, Resources and Energy Committee closed.

Committee adjourned at 12.05 pm