



Australian Cane Farmers Association Limited
ABN: 68 009 657 765
GPO Box 608 Brisbane Qld 4001
P: 07 3839 1900 | F: 07 3839 1911 | E: info@acfa.com.au

15 March 2019

Committee Secretary
Innovation, Tourism Development and Environment Committee
Parliament House
George Street
Brisbane Qld 4000
Email: itdec@parliament.qld.gov.au

Dear Secretary

Submission response to the *Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Bill 2019*.

The Australian Cane Farmers Association (ACFA) makes the following submission.

We look forward to working with the Queensland Government on matters relating to this bill.

Yours sincerely

Stephen Ryan
General Manager



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SUBMISSION

Enable objectives for reduced nutrient and sediment contaminant loads to be set for catchments flowing into the Great Barrier Reef

A cap system is open to policy risk of future Governments lowering the capped limits. This poses a risk to business certainty for farms, mills and their communities.

If, after the minimum standard is fully implemented, and if the water quality targets aren't achieved, what guarantee will agriculture have that there will be no further tightening of catchment load limits and no negative impact on farm business profits and business values?

Enable minimum practice standards to be improved and set, targeting nutrient and sediment pollution from key agricultural industries that may affect Reef water quality

Regulating Nutrition Management Plans will mean that other incentive programs through the Reef Trust will no longer be supported as the Australian Government doesn't fund the adoption of regulated practices. This, in turn, is cost shifting compliance on to producers and will limit future opportunities for engagement. Discussion among industry organisations indicates that the industry will consider seeking compensation from Government for the implementation of Nutrient Management Plans.

There is a capacity gap. Farmers will need one-on-one assistance to plan and implement whole of farm nutrient management plans. Funding would need to be sufficient and any gaps could lead to growers being unable to meet their obligation.

The cost gap of compliance could be met by Government grants; otherwise farmers would be forced to fund public good activities via their own private debt arrangements. This would increase the financial risk to those businesses.

There is no guarantee that producers will be financially improved or viable after implementing compulsory measures. This is a concern, that at the very least, to meet its objectives, Government should provide further grants where there is a need for capital works, capital purchases, farm management and financial planning. Concessional loans would not be desirable, as farmers, in general (and their bankers) do not wish to increase farm debt.

Provide producers with an alternative pathway for meeting regulatory requirements through accreditation against a recognised BMP (or like) program

The ACFA supports this provision.

The ACFA supports the continuous improvement of Smartcane BMP, based on accepted, replicable research.

The ACFA supports the concept that BMP or other industry-led programs that provide similar water quality outcomes are formally recognised in the Environmental Protection Act 1994 in order to provide operators with the legal ability to meet regulated standards.

Regulation-making power for data collection

The Queensland Government is inserting powers to pre-empt future data requirements for future regulations. This prospective legislation is unclear, speculative and unjustified.

Respondents have an existing obligation to keep records and Government has the power to inspect those records.

The ACFA does not support any potential requirement for farmers to do the statutory unpaid work by submitting data reports and which amounts to something like an 'environmental business activity statement'.

Measures to achieve a 'no net decline' to Reef water quality from new development

The offset system is as yet unclear. It is critical that suitable offsets among the regulated catchments not be disqualified due to geographical distance.

Further comments

Under the *Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Bill 2019*, the Queensland government is regulating what is considered voluntary, industry best practice, such as green cane trash blanketing and methods such as nutrient management plans that are effective in providing positive outcomes to growers and the industry. We are concerned that such action by government will only serve as a disincentive to the voluntary adoption of and the continuing improvement of best practice.

We also argue that the Government is not heeding the valuable lessons and strategies on behaviour change developed through the successful Cane Changer project.

We do not accept that a regulatory approach is the best mechanism to achieve a high standard of environment stewardship in a diverse, complex and climate-exposed ecosystem. Conversely, we argue that Smartcane BMP program is a better approach for growers who are focused on productivity and profitability as well as sustainability.

The loss pathways for DIN are several and are difficult to predict; however our members know that DIN represents dollars and the objective of farmers is to use management

practices which result in the maximum amount of nitrogen entering the sugarcane plant and the minimum amount escaping into the environment; whether it is the atmosphere or water systems. We look to our research organisation Sugar Research Australia to make continued progress in this.

We argue that accredited sustainability programs such as Smartcane BMP and Bonsucro provide the right mix of stewardship and market-led incentive to bring farmers into more sophisticated and finer-scale management practices, including nutrient management.

Due to the age demographic of cane farmers and providing that the economic climate is stable, the next decade and beyond will see a considerable amount of farm consolidation into larger sugarcane enterprises. Recent history indicates that these farms will be better equipped to commit to advanced practices of their own volition.

Cost burdens such as land development, environmental engineering and capital purchases, required to meet the requirements, will have cash flow and profit constraints on farm businesses, at least in the short-term. Where farm businesses are not able to comply, due to financial or skill capacity constraints, Government must be prepared to provide ample assistance to meet these shortfalls, on a non-recourse basis.

A mill and its supplier farmers (a mill area) form a system, which relies on critical mass. Where declining production approaches critical mass, a mill area needs to expand horizontally or vertically. The viability of a grower or a mill area should not fall victim to regulatory constraints, including a lack of opportunity for mitigation or offsets. It is critical that suitable offsets among the regulated catchments not be disqualified due to geographical distance.

To facilitate trust, it would be helpful for water quality data to be more readily available to farmers and their advisors, with assistance available to interpret the data. Continual water monitoring, especially in-stream monitoring, adjacent to farms, would provide a clearer picture of the effect of farms on water quality. This would help to overcome farmers' concerns about the timing of intermittent sampling and the availability of data.

ACFA supports the continuous improvement of decision support tools for farmers to better understand the nutrient, chemical and sediment dynamics of their properties and to assist with planning and management decisions.

ACFA stresses the importance for Government to provide a financial advisory service for farmers to understand the financial implications of practice change.

The practical repercussions of this legislation will flow from the regulations made under its authority and ACFA remains committed to work with Government and industry to achieve the most profitable cane farming outcomes with a minimal loss of nutrients and sediment into the environment.

End: