

Mr. Lloyd T. J. Russell

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Committee Secretary
State Development, Natural Resources and Agricultural Industry Development Committee
Parliament House
George Street
Brisbane Qld 4000

RE: Vegetation Management and Other Legislation Amendment Bill 2018

This submission is lodged in my capacities of private business consultant, specialist family business adviser, 4th generation agriculture family business member and Board Director. It is not my intention to focus on the finer technical aspects of the Vegetation Management and Other Legislation Amendment Bill 2018 (the Bill) but rather to highlight the experienced impact this Bill is having and will have on regional Queensland. These impacts will be highlighted across six specific areas;

1. Impacts on the Government's own strategic imperatives for agriculture
2. Impacts on Queensland as a destination for off-shore investment into agriculture
3. Impacts on Queensland's competitive advantage as a food and fibre producer especially our reputation within the higher market understanding of food security and provenance
4. Impacts on the family businesses with specific focus on the next generations
5. This submission will address some significant ecological misinformation / myths in relation to the current drive towards a monoculture of aged trees
6. Finally, there are two specific areas that have adverse impacts under the safety and privacy legislation

Area One – *Impacts on the Government's own strategic imperatives for agriculture*

Globally, food supply and security are considered to be the most challenging risks. The Queensland government subscribes to this premise.

The Queensland government's 2017 agriculture policy "*Driving Queensland Agriculture and Rural Jobs Growth*" states a desire to grow the agriculture sector and "*to work alongside primary producers to prepare for the future challenges and opportunities*". In addition, the Queensland government's 2017 Discussion Paper titled "*Agriculture and Food Research, Development and Extension – 10 year roadmap*" clearly states a drive to increase production, facilitate innovation and open up more areas for agriculture production.

The Bill as it stands is certainly at odds with these production and productivity growth strategies and it raises the question as to the government's expectations of return on investment relating to research and development expenditure. Critically, the Bill is at odds with the Queensland government's strategic commitment to the development of Northern Australia.

Recommendation one:

It is recommended the Queensland government retain the current Vegetation Management legislation until it can clearly demonstrate it has aligned all of their strategic imperatives and policies relating to Agriculture, Mining and Resources, Northern Australia Development, Rural Jobs Growth and Regional Infrastructure Development with this Amendment Bill

Area two – Impacts on Queensland as a destination for off-shore investment into agriculture

Queensland has yet to achieve its real potential as a destination for off-shore investment into agriculture. Recent reports from KPMG and other large Accounting Firms puts the State in second last position and only ahead of the ACT. This is a completely unacceptable outcome as it is hampering innovation, agriculture development and the ability to pursue new business models focused on shortening the post farm gate supply chain.

It is incomprehensible that a State generating almost 30% of the total Australian agricultural production and with the infrastructure that is located closest to our major export destinations is not attracting this investment.

From personal experience I have been dealing with three (3) very large Private Family Offices in China for nearly four (4) years in the development of disruptive and innovative business models based on family business values and corporate sophistication. When working with Chinese private investors the process is long, relationship building focused and requires extremely deep due diligence that incorporates a robust risk management analysis.

Immediately upon the pre-election announcement of this Vegetation Management policy the investors placed a hold on all investment processes. Now the Bill has been published, all interest has ceased with a clear request to investigate investment into Western Australia and the Northern Territory.

Due to significant legal constraints I am not at liberty to divulge detail however it is suffice to say this investment was in excess of \$200m AUD.

Recommendation two:

It is recommended the Queensland government retain the current Vegetation Management legislation and the government undertake a thorough assessment of the new risks this Amendment Bill is injecting into regional areas with specific focus on the adverse impacts on off-shore investment especially into agriculture.

Area three – Impacts on Queensland's competitive advantage as a food and fibre producer especially our reputation within the higher market understanding of food security and provenance

Global knowledge of food security and provenance has long surpassed volumes produced under the clean green banner and far too many of Australia's and Queensland's competitors can match and surpass these narrow descriptors. Our northern markets, especially China, Japan, South Korea and other Asian countries, have for years, incorporated State policy stability, biosecurity, product integrity, food safety and traceability, environmental management, work health and safety and critically family business relationships into the equation.

94.6% of all regional primary production and rural community businesses are family businesses with the vast majority being 3rd generation or longer in tenure. This is a unique bundle to have within any market as it promotes innovation and business to business relationships.

The proposed amendment Bill, as it is currently written increases the risk of;

- ✓ production instability by reducing ability to manage the ecosystem sustainably while increasing production
- ✓ adverse biosecurity events caused by the creation of mono-culture aged tree / heavy tree population areas that reduce biodiversity and facilitate increases in feral pest and noxious plant occurrences
- ✓ sovereign State policy instability as it swings from being commercially practical focused towards being only environmentally driven
- ✓ increased costs into production when we are already a premium priced product

Recommendation three:

It is recommended the Queensland government retain the current Vegetation Management legislation and the government undertake a thorough assessment of the new risks this Amendment Bill is injecting into regional areas with specific focus on the adverse impacts on Queensland's ability to maintain and enhance its competitive advantage through production reputation with specific focus on the broader market understanding of food security and provenance.

Area four – Impacts on the family businesses with specific focus on the next generations

As stated above, Queensland agriculture and regional business is predominantly, over many generations, family owned and operated. This has resulted in these businesses being innovative, agile and flexible to market signals. It is these family business that are driving the development and use of technology throughout agriculture.

Critical to a sustainable business is to understand the chronological flow of sustainability as it was initially developed some 40 years ago (Economic, Financial, Social and Environmental) and how this is deeply understood by past, current and future stewards that their land is their most important asset.

The incoming generation of agricultural and regional businesses have a thorough understanding of the drivers of their respective businesses. In addition, they are acutely aware of the key areas that cause margin squeeze. This generation is financially savvy, highly educated, technically advanced and well networked therefore they are assessing their businesses and natural assets, in combination, to produce outputs in higher volumes, of better quality and with more empirical data.

As with any business, there are areas within your control and influence while there are other aspects of the business that are not. This proposed amendment Bill places a raft of uncontrollable risks within the business namely;

- ✗ unauthorised and unsupervised entry into a dangerous work environment
- ✗ third party interference into legitimate business operations
- ✗ legislated barriers to biosecurity management and eco-systems management
- ✗ reduced benefits from technology utilisation

This along with the harsh business environment of agriculture places significant barriers in the path of the successful transfer of businesses over to the next generation. Critically, this has an ongoing adverse impact on regional communities and services making regional development more unattractive.

Food and fibre production is the platform for regional development therefore anything that adversely impacts of the ability to innovate, expand and increase profitability of this production has a multiplier effect across local communities, regions and the State.

Recommendation four:

It is recommended the Queensland government retain the current Vegetation Management legislation and the government undertake a thorough assessment of the impacts on family business with specific focus on the multiplier effect as stated above.

Area five – This submission will address some significant ecological misinformation / myths in relation to the current drive towards a monoculture of aged trees

The Vegetation Management and Other Legislation Amendment Bill 2018 has a very strong leaning towards trees being the fundamental component of environmental protection. The Bill also states this as being the best way to manage the ecosystem.

This must be challenged due to the long standing scientifically proven understanding that diversity throughout the ecosystem is critical to sustaining the balance between nature and the production of food and fibre. Soils for Life along with the Biodynamics Association UK have significant research supporting the premise that vegetation and flora diversity leads to fauna diversity and achieves ecosystem sustainability.

It is well-known scientific fact that a diversity of flora (trees of all maturity status, grasses and native plants) provides the housing and food sources for a wider range of native fauna (birds, reptiles, insects and other animals). These native species compete with feral and noxious species effectively controlling them. However the diversity of these native species reduce if the diversity their food and shelter sources is reduced.

The Bill clearly indicates a preference for the creation of significant areas of tree mono-culture therefore it must be pointed out that this paradigm leads to;

- reduction of flora and fauna diversity including the inability to house, feed and increase this diversity
- reduced organic matter entering the natural ecosystem and breaking down to improve it
- mono-culture ecosystems facilitate the growth and proliferation of feral animals and noxious plants due to the reduction of natural flora and fauna competitors
- the acceleration of the reduction of native flora and fauna species
- the acceleration of the increase of feral animal and noxious plant species

Recommendation five:

It is recommended the Queensland government retain the current Vegetation Management legislation and the government undertake thorough research into the adverse impacts of the creation of mono-culture areas on the environment, ecosystem, production systems and the broader economy.

Area six – Finally, there are two specific areas that have adverse impacts under the safety and privacy legislation

This area explicitly focuses on the “rights to entry” clauses as they impose significant risks to the person entering the property and to the people owning and working on the property. In addition, the ongoing amalgamation of agricultural businesses has resulted in significant “idle” infrastructure on “satellite” properties.

The Stock and Rural Crime Investigation Squad along with the Major and Organised Crime Squad (Rural) have continually informed rural producers of the increase usage of these idle assets (houses and sheds) as infrastructure for criminal activity.

The Bill provides the opportunity for external people to enter the property without notice and to inspect all areas of the property with the exception of the principle residence. These clauses create work health and safety (WH&S) risks for the person entering the property along with the persons owning and operating the property. This must contravene the Work Health and Safety Act 2011 as it creates a range of risks. To name a few;

- ▶ The person entering may come in contact with dangerous goods that they are ignorant to therefore causing themselves harm
- ▶ The agriculture working environment is harsh and has inherent dangers therefore an unauthorised and unannounced person may place themselves at risk of a workplace incident that may cause harm to person or property
- ▶ A person that is unqualified and / or inexperienced in animal behaviour may expose themselves to significant danger.
- ▶ The person entering may come in contact with other unknown and unauthorised occupants of infrastructure / idle assets resulting in this person being exposed to significant danger

In addition to the WH&S risks there are significant issues that may well cause the breaching of the Privacy Act. An agriculture business has significant infrastructure assets other than the residential building. These can and regularly do include workers accommodation, machinery sheds, dangerous goods and other secured areas, grain storage facilities, livestock handling facilities, water storages and other infrastructure. All of this is built on private property and is part of running a commercial business.

For an unauthorised person to gain access to this infrastructure would potentially place this person in conflict by accessing commercially sensitive information. This is unacceptable to this person and to the business.

Recommendation six:

All clauses relating to right of entry to be scrapped completely and replaced with clauses that are safe, practical and commercially viable

Recommendation seven:

While the Bill does not explicitly note anything about surveillance by close proximity physical methods (i.e. binoculars etc), by technical methods (i.e. standalone cameras or infrared cameras) or by remote controlled methods (i.e. drones) it is now accepted that these methods are frequently utilised. It is therefore recommended these methods be explicitly excluded from the Bill.

Conclusion:

This submission does not attempt to assess the Bill from a physical production perspective or a professional scientific perspective. It is however assessed from a deep understanding of the agricultural system as it incorporates the complexities and integration of multiple systems being;

1. *The **Eco-System** which consists of the environment (water, soil, air flora and fauna)*
2. *The **Production system** which consists of all elements directly to the production activities of the enterprise*
3. *The **Business system** which consists of all business elements including the decision making capacity within the enterprise*
4. *The **Family system** through which everything operates and is managed including the leadership and guidance of tangible and intangible factors associated with such a complex system*

All progressive agricultural producers know and understand that they are custodians of their family businesses and stewards of the land on which they produce food and fibre. They also subscribe to sustainable land use practices on a self-regulated basis.

I commend this submission and associated recommendations to the Committee and can be contacted on [REDACTED] as required.



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