STATE DEVELOPMENT AND REGIONAL INDUSTRIES COMMITTEE

Members present:
Mr CG Whiting MP—Chair
Mr JJ McDonald MP (virtual)
Mr MJ Hart MP (virtual)
Mr RI Katter MP (virtual)
Mr JR Martin MP
Ms JC Pugh MP

Staff present:
Ms S Galbraith—Committee Secretary
Mr B Smith—Assistant Committee Secretary

PUBLIC HEARING—INQUIRY INTO THE WATER LEGISLATION AMENDMENT BILL 2022

TRANSCRIPT OF PROCEEDINGS

MONDAY, 14 NOVEMBER 2022

Brisbane

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The committee met at 10.00 am.

CHAIR: Good morning. I declare open this public hearing for the committee's inquiry into the Water Legislation Amendment Bill 2022. My name is Chris Whiting. I am the member for Bancroft and chair of the committee. I would like to respectfully acknowledge the traditional custodians of the land on which we meet today and pay our respects to elders past, present and emerging. We are fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander people, whose lands, winds and waters we all share.

With me here today are: Mr Jim McDonald, member for Lockyer and the deputy chair, who is joining by teleconference; Ms Jess Pugh, member for Mount Ommaney, who is substituting for Mr Jim Madden, member for Ipswich West; Mr James Martin, member for Stretton, who is substituting for Mr Tom Smith, member for Bundaberg; and, joining us by videoconference, Mr Michael Hart, member for Burleigh, and Mr Robbie Katter, member for Traeger.

This hearing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the hearing at the discretion of the committee.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and the chair's direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the parliament's website or social media pages. Please turn your mobiles phones off or to silent mode.

BLACKER, Mr Daniel, Acting Inspector-General of Water Compliance, Australian Government (via videoconference)

CHAIR: I now welcome our first witness Mr Daniel Blacker, Acting Inspector-General of Water Compliance, Australian government, who is joining us via videoconference. Good morning and thank you for appearing today. Would you like to make an opening statement before we ask questions?

Mr Blacker: I would. Thank you for the opportunity to address the committee today about our work in water compliance and, in particular, metering in the Murray-Darling Basin. I thank the committee for the opportunity to provide a submission on the Queensland Water Legislation Amendment Bill and note that a formal submission from the Inspector-General of Water Compliance dated 10 November 2022 has been provided to the committee.

I would like to take this opportunity to acknowledge the work of the Queensland Department of Regional Development, Manufacturing and Water, led by the Director-General Graham Fraine and Deputy Director-General Linda Dobe, in support of the Queensland government on this bill.

As this is the first time that the Inspector-General of Water Compliance has appeared before this particular committee, I would like to draw your attention to what the Inspector-General of Water Compliance is all about, and that is building confidence, trust and transparency in compliance with the Murray-Darling Basin Plan. Metering is fundamental to trust in water accounting and compliance. I note that right across the five jurisdictions of the Murray-Darling Basin there is broad support for metering reforms. The expectations are that metering is accurate and has broad coverage and timely collection of usage data.

Beyond the expectations, all jurisdictions in the Murray-Darling Basin have committed to coverage, accuracy and timeliness in the Compliance Compact, which was agreed by first ministers of the Commonwealth, Queensland, New South Wales, Victoria, South Australia and the ACT in 2018. I congratulate the Queensland government on the introduction of this bill to the House, as it seeks to deliver on those commitments. I note, as the Inspector-General of Water Compliance for the Murray-Darling Basin, I have the legislated function of oversight of the performance of both Commonwealth and state agencies in relation to that Compliance Compact.

Thank you for the opportunity to make an opening statement. If it is helpful to the secretariat I would be happy to table a copy of my opening statement via email after this session. I look forward to answering questions from the committee.

CHAIR: Are we happy to table that? It is so tabled. Thank you very much, Mr Blacker. Can you let us know in terms of the broader plan for the Murray-Darling Basin why is metering via telemetry so important to the outcomes of the plan?

Mr Blacker: There are a couple of things I will touch on in the answer: the first is how the plan comes together and the different elements that make up the basin plan and the second is where telemetry particularly fits into water compliance and hence into water management more broadly.

The construct of the basin plan is that there are really three legislative instruments that sit in this space. The first is the Commonwealth Water Act 2007 that sets the broad architecture for a basin plan. The basin plan itself sets up a range of water management instruments, if you like. The key one in there is the water resource plans. Each jurisdiction has to bring forward a water resource plan for how they will manage water in each particular area or catchment of the basin. Queensland has, from memory, six water resource plans accredited by the Commonwealth—some surface water, some groundwater. In that context, those water resource plans point out how Queensland will manage the resources within those areas in compliance with the basin plan requirements.

Then if we skip to water management and water compliance more generally, telemetry plays an important role in a few different areas. If you think about metering from in river, the ability to provide that information to regulators and water management authorities in real time allows them to undertake compliance with a range of different licence conditions. For example, if we go back to 2019-20, the MDBA did an audit of the Warrego-Paroo-Nebine in Queensland. It looked at compliance with individual licence conditions. There are two main ones: the first being annual extraction and the second one being daily extraction. If you want to know if somebody is complying with their daily extraction licence conditions, you want to see extraction data on a daily basis. You also want to know that in real time. If you have potential noncompliance as a regulator, you have the opportunity to act on it in real time during the course of an event.

At the moment we are also looking through an audit of management of overland flow in the Lower Balonne in Queensland. If you think about the flood event, if you think about trying to get real-time information about storages during a flood event, telemetry is absolutely invaluable in being able to do that. It is no big surprise that during an overland flow event it is flooding by nature. That is what is happening in the landscape and it is very difficult to get water compliance officers to a meter to undertake a manual meter read. There is a range of different reasons it is important. I think all jurisdictions recognised that back in 2018—hence, the Compliance Compact which commits to undertaking these reforms.

CHAIR: All other members of the compact, especially the other states, are moving down this track of measurement through telemetry. Am I right in assuming that all of the other states are moving down this track in determining that this is the best method of measurement?

Mr Blacker: It is mixed. I will step through the five jurisdictions. Victoria have a longstanding policy which is risk based in this space. I think at the moment they cover about 75 per cent of their water take through telemetry, and that is increasing. New South Wales have recently introduced a policy—I think it was about two years ago now—to mandate telemetry across New South Wales. They have been actively rolling out telemetry across New South Wales. The ACT are still working on their policy much the same as Queensland has been in recent months. South Australia at the moment do not require telemetry. They have a high level of metering coverage. They have a high level of metering accuracy, but they do not have a policy at this point to require telemetry.

There was an inquiry by the ACCC into water markets which published its findings about 12 to 18 months ago. One of its key recommendations was that South Australia adopt telemetry as a policy. I know in South Australia they have some technical challenges that other jurisdictions do not in this space. They have a meter fleet that predates the ability to bolt on an LID device for telemetry. They are working through some of the practical challenges of a meter fleet that does not have a ready-made technical solution to add telemetry to existing meters, but they have been trialling I think two different solutions to that over the last couple of months.

Mr HART: Daniel, what is the intent of the amalgamation of all this information? Who will have access to it? Is the intent for the water meter owner to have access to their own data or any increased data from all of this?

Mr Blacker: That is probably a question best directed to the Queensland department that will be implementing the detail of this. I can speak to how that has played out in other jurisdictions and how it fits into the basin plan. In other jurisdictions there has been a move to provide data to two key data users, if you like—the first one being regulators to manage the compliance issues. The second one is that that data is incredibly valuable to landholders and allows them to make some informed

decisions about how they manage their properties and businesses as well. There is a lot of value in that. I am not familiar with the proposal from Queensland around who gets direct access to that data—whether landholders do or not. That is probably one for the Queensland department.

There is a really important link to the basin plan which is that on an annual basis each state provides water accounting data up through the Murray-Darling Basin Authority. That informs us, as a compliance agency, about compliance with sustainable diversion limits. That metering data, and having accurate metering data and timely metering data, is incredibly important for us to have confidence in the numbers that are coming through that water accounting and for us to be really clear on what that means for compliance and/or enforcement.

Ms PUGH: My question follows on from the chair's question. In your opening statement you made an observation that I thought was really interesting—that metering was fundamental to trust. Can you expand on why that is, the importance of metering in building trust and accountability? I had not looked at it through that lens before. I think you raise a really good point.

Mr Blacker: One of the functions of the inspector-general is to engage with the Australian community on matters of water management. As you can imagine, since our establishment a year ago, we have been out and about across the basin talking to any number of stakeholders, communities, water users, government agencies. I would say metering is probably one of the handful of issues that comes up in almost every engagement we do. There is inevitably in a system like the Murray-Darling Basin a conversation about trust in upstream and downstream.

The conversation that we have across the basin quite frequently is, 'Yes, but we are held to a higher standard in our jurisdiction than the jurisdiction next door.' Hence, a conversation about fairness is quite frequent in relation to metering. People quite frequently point to inconsistencies in the way metering is done across a number of different jurisdictions as a point of unfairness and a reason for low confidence in water management at a basin scale more generally.

It is a conversation we have quite frequently, but the Compliance Compact provides a way forward on this. For the last four years, all the jurisdictions of the Murray-Darling Basin, including Queensland, have been moving to a more consistent way of doing that. The Australian Standard in the Metrological Assurance Framework provides that consistent way of thinking about it. As we have those conversations across the Murray-Darling Basin, we find people are quite comforted downstream when they understand that there is a move by all jurisdictions to come to a more consistent way of doing this in terms of metering, telemetry and coverage. They are looking with intense interest at the progress of different jurisdictions on that to inform a conversation about trust and confidence in the Murray-Darling Basin and the plan as well.

The last thing I would say on that is that I attended the federal Senate estimates hearing on Friday. There was intense interest from that committee in the Queensland bill and its direction on metering and telemetry.

CHAIR: No pressure on us whatsoever.

Mr Blacker: Indeed.

Mr KATTER: My question is similar to the member for Burleigh's in relation to the data that is captured. I focus more on the river systems up here in the north where we have hardly got any development. From my point of view, we are trying to encourage development. There are not many established schemes or systems where they are drawing water out. Are you talking about river flows—so flow meters downstream—or is it about regulated meters when you are drawing from the river?

Mr Blacker: My understanding of the bill is that it applies to both in-river extractions and also overland flow in relation to the Murray-Darling Basin component of Queensland. We operate in an interesting federated system of water management where at the Commonwealth level we are looking at the trust, confidence, transparency and implementation of the Murray-Darling Basin Plan. That brings us to oversighting state-based systems. In terms of the detailed implementation and how that will practically work on the ground, I would refer that to the Queensland department to answer those detailed questions. From our perspective at a basin level, where we need to get to is a set of water accounts built up based on in-river plus overland flow measurements that give a really accurate picture of take against permitted volumes of take to work out sustainable diversion limit compliance under the Murray-Darling Basin Plan.

Mr KATTER: I misunderstood. So this only applies to the Murray-Darling?

Mr Blacker: The bill sets up a broader framework, but the policy that has been developed by the department has different settings for different regions of Queensland. We are interested in the Murray-Darling Basin component of that. Obviously, the Commonwealth more broadly has an interest in the whole-of-state policy, but for the Inspector-General our remit is Murray-Darling Basin boundaries only.

Mr KATTER: Thank you.

Mr MARTIN: Could you share with the committee some of the problems with measuring overland flow and how you think improved metering will address that?

Mr Blacker: Again, Queensland departments are the frontline agency responsible for managing overland flow, but as you can imagine we have significant conversations around overland flow. It is of particular interest at the moment in New South Wales with reforms and licensing occurring in the Murray-Darling Basin for flood plain harvesting. I know that Queensland is also rolling out its overland flow policies to other valleys in the Murray-Darling Basin catchment, besides that that is already licensed in the Lower Balonne.

It is a particularly interesting issue. It is very difficult to measure overland flow by its nature. I think what most jurisdictions have come to in grappling with this challenge is that on-farm storage is the best place to get a volumetric assessment of the amount of water taken, and there are different ways of doing that. My understanding is this sets up a framework that allows that to occur through policy and management plans for properties within the Murray-Darling Basin catchment of Queensland.

CHAIR: Your submission stated—

... the Inspector-General would welcome assurance that all new and replacement non-urban water meters will be pattern approved, where available, by 1 July 2025, in line with Queensland's commitments under clause 3.2 of the Compact.

Can you expand on what you mean when you said that all of those new and replacement meters will be pattern approved? That is a very specific recommendation, which we appreciate.

Mr Blacker: I am happy to. I will give a bit of broader context. Australian Standard 4747, which is non-urban water metering, is the policy approach of jurisdictions. It was the policy approach committed to by the five jurisdictions in the Murray-Darling Basin through the Compliance Compact. My understanding is the bill does not deal specifically with those accuracy details but it sets up a way of managing that issue going forward. The policy which also sits alongside the bill from the Queensland government and department outlines, if you like, a threshold which is above and below a 600-millimetre diameter pipe. For those meters below 600 millimetres, my understanding is it would require in the Murray-Darling Basin part of Queensland new and replacement meters to be pattern approved and that pattern approval is a reference to that Australian Standard, if you like. It is a process under the Australian Standard for making sure that meters are accurate. That is I think run by the National Measurement Institute.

That process then takes meters which are provided by suppliers, tests them independently and says, 'Yes, that meter is within plus or minus five per cent,' which is the Australian standard for accuracy. That is a validation process for the supply of meters. My understanding is the Queensland policy pursues that for meters under 600 millimetres. For over 600 millimetres, they have also noted that the intention is new and replacement meters, but they have not yet set a time. We are really referencing in our submission the commitment from the Queensland government to implement that for all meters by 2025, so it is still a few years away. We were just looking for that time frame associated with those meters that are over 600 millimetres in diameter and the commitment to have that in place by 2025. It is a policy issue but it is linked to the framework, if you like, that the bill establishes.

CHAIR: That is obviously asking that we make sure we meet those commitments regarding Australian Standard 4747 as we have set.

Mr Blacker: Indeed. I just note that different jurisdictions have approached this issue quite differently. Some are actively replacing meters, as in Queensland. Some have grandfathered meters. Some are pursuing new and replacement meters. There is a range of different approaches to this. Our objective at a Murray-Darling Basin scale is really consistency and delivery of the commitments in the compact.

CHAIR: There being no further questions, I thank you for your time.

BARGER, Mr Andrew, Policy Director, Economics, Queensland Resources Council

CHAIR: Welcome. Thank you for coming. I invite you to make an opening statement, after which members of the committee will have some questions for you.

Mr Barger: I thank the committee for the opportunity to speak. Perhaps unusually for QRC, particularly around water, our submission is very benign. Normally a submission on water policy has a whole swag of suggested amendments and concerns. After rereading our submission this morning, I think the central message from it is probably more of an endorsement of the consultative process that the department has run through in the preparation of the bill. I acknowledge—and it is a strong theme that has come through in some of the other submissions—that the actual preparation of the bill, particularly the time available for the committee to consider submissions and get across what is a complicated piece of legislation, has been very tight. The last stage of this bill process perhaps is out of step with the way the rest of the policy has been developed. Given some of the other stakeholders' concerns around the way the bill sets up heads of power for future legislation, it is perhaps useful for the committee to understand that as a general rule of thumb the department engages well and deeply on these issues. I think there is some confidence—and I should not speak for other stakeholders—the QRC has about the way the department will manage those transition processes rolling forward.

I thank the committee for the opportunity to appear today. I acknowledge the traditional owners on whose land we meet. One of the privileges of living in Queensland is we have two of the oldest living cultures in the world coexisting with us. I would offer my respects to their elders and extend that respect to any First Nations people who are participating in the committee process today.

The other thing I wanted to thank the committee for is that a number of committee members took the time and trouble to come up to Central Queensland recently and go on a mine site visit. Kestrel Coal Resources, a QRC member, was overjoyed to host that, as was Central Highlands Development Corporation. It was a good opportunity for parliamentarians to understand the operational issues around the industry and the complexity and difficulty, particularly for an underground mine, and to see how they are managing the way they use water and as water seeps into the workings how that is removed to make the workplace safe.

It is no secret that the resources industry—and it is always interesting that as QRC we use the phrase very broadly, so encompassing both the exploration members, and you have a submission from AMEC looking very particularly at the junior exploration, through to production in the industry as well as value-adding, refining, smelting, processing and also the coal seam gas members. Using 'resources' in its broadest sense, it is no surprise to any parliamentarians that it is a large industry, it is a large water user and historically the industry's water use and water access has been contested. Like all water stakeholders, we take a great interest when the legislative framework has been tweaked.

Again, going back to what the minister said when he tabled the bill, it is hard to argue with the principle that accurate, reliable, transparent water measurement information is a good thing. If you are confident that you are measuring your water take in a way that is consistent with your neighbours and other people on the same water system then that enables you to be more confident about the impact of that water use. Importantly, I think, it builds a foundation for better water trading and better use of seasonal and temporary transfers so that we do not necessarily have to build more water infrastructure to enable more water use in a way that does damage to those waterways and aquifers.

I will talk a little about consultation. The process has been a good one. This process of developing the measurement metrics has been a slow building head of steam of gradually trying to identify how to improve the compliance and measurement framework in a measured and balanced way. I note that some of the other submissions go into quite detailed specifics around the cost of metering and the challenges of telemetry. We have had a good aeration, I think, of a lot of those issues in the department's processes.

The other thing, and it is more a note of sympathy to the committee, is that the regulatory framework around water is enormously complicated. This is an omnibus bill that adds insertions and corrections and footnotes all over the place. It is a very difficult bit of work to grapple with unless you are sitting in, living and breathing the legislation the whole time. Interestingly, in another first for me, I do not think I have ever heard a federal public servant give evidence at a Queensland parliamentary hearing before. We are going through an interesting process in Queensland where we are starting to see a real focus. There has been a real focus on the Queensland Murray-Darling Basin catchments for a long time but really trying to align those processes, build on the opportunities that we have from looking at what New South Wales has done and take some lessons from that.

The regulatory framework around water has been evolving for a long time. It is a complex beast. It is important to all the water users and you will hear later from stakeholders from environmental flows, whether it is irrigators or whether it is resource tenures using water to keep their operations ticking along. That complexity is something that they manage every day and that is why, when you see an omnibus bill of this complexity drop, everyone's spider senses tingle immediately. They think, 'Hang on!' You can see that in the submissions. There is some anxiety around the changes. I think that is reasonable given the importance of water to their businesses and their communities.

The only other comment that I would make is in reading through the submissions I noted that AgForce and QFF have suggested that perhaps the committee come back and do a five-year review, which sits neatly with the 10-year lifespan of the water plans. I thought that was a good suggestion given that the bill hands some legislative power to regulations that have not been drafted yet and we will be a lot further down that path of understanding the measurement metrics and also our experience of rolling out those meters and applying the standard of measurement. There were no strong points in the QRC submission that I particularly wanted to call out so I am happy to field any questions from the committee.

CHAIR: I agree that generally there are substantial submissions outlining your obligations under the Queensland Water Act. The flowchart in your submission is quite illustrative of how important regulation is in this area. I wanted to speak specifically about your participation in the Water Engagement Forum. It is clear that this has been developed, as was said in the briefings, over three years as a path to get to this point. We have heard that it has worked well. Can you tell us a bit about your experience with the Water Engagement Forum and what the process was of arriving at this point with the consultation from the department?

Mr Barger: I think, in a way, the template for the Water Engagement Forum is set a little by the regulatory framework in that if you are doing a catchment plan in the Lockyer or in the Burdekin then a community engagement group will be formed with all of the stakeholders to work through the issues. That process is a useful way of getting all the issues from the different stakeholders on the table. It is always surprising how much agreement there is around a lot of the key issues. Really, what I think the Water Engagement Forum does is replicate that at a statewide level. It is a standing body. It is quite large, but meets regularly just to work through those issues. For example, when the compliance report was dropped in 2018, the department was briefing us about that. It is a good opportunity and it is a pretty eclectic group. I think when the department gave evidence they tabled a list of the membership.

CHAIR: Yes.

Mr Barger: It is a broadly representative group of peak bodies. I find it a useful way of not just coming to an issue with a particular view—a lot of other departments, when they are developing policy, will come and brief you specifically so you get a very tailored briefing, which is terrific, but it is based on what they think you are interested in or what might be of interest to your membership. The beauty of the Water Engagement Forum is that all the issues are tipped on the table with all the stakeholders there at once. On any given issue, most of us will be interested in most of them. Often the questions from other stakeholders will trigger an interest in the people who perhaps thought they were not interested. It is a brave process, in a way, for the department to run. Often they are sharing confidential information with us and they are relying on people's discretion to honour that sharing of information. They are particularly constrained around the development of legislation, which is why perhaps this bill feels a bit rushed compared to the more leisurely sections of the issues that we will sometimes have around the Water Engagement Forum.

It has almost built a collegiate culture over the years because you are used to sitting around and talking about issues. Often solutions will emerge from those discussions. I can only imagine it takes a lot of time for the department to organise and they get a lot of left-field questions but they have got very good at fielding those. I think it probably serves them well when they then go out to regional consultations because they have already had a practice run of what will catch people's interest, the flavour and the issues that will be of concern. That is a longwinded answer but it is a good process. It is open. I think there is generally a pretty high level of trust in the officials and also the other stakeholders around the table.

Mr HART: Andrew, it is good to talk to you again. I am having a bit of trouble with my internet connection so I might fire a couple of questions at you. Does this particular bill affect your members directly in any way? Secondly, do your members use telemetry as part of their metering system?

Mr Barger: To answer the first question, does it affect members in any particular way: it is hard to have such a diverse bill that does not touch everyone in some way. I guess the industry is generally sitting in the region as a non-urban water user so subject to the new measure standard. The feedback from industry is generally, because the industry is using high-value water, the measurement metrics that they are operating to are a higher standard than the AS 4747 anyway. I think the issue for the industry is more around demonstrating that, while they may not be—and you heard the previous witness talk about pattern approved meters. It may not be one of those meters that sits in that box but that is delivering a level of accuracy and reliability that is at least the equal of that.

There are also some specific minor amendments around chapter 3 of the Environmental Protection Act that deal with the industry's underground water use. There are four, I think, specific clauses that tidy up some technical issues and clarify the way that process runs, mainly for the coal seam gas members. There are some implications of the bill for the industry but I think for the most part the compliance burden falls much more on the agricultural sector.

Your second question about telemetry is a really good one because the industry, like agriculture, tends to be often in fairly remote and regional parts of the state. In many parts of Queensland, telemetry is part of their metering because there is some value in having that real-time measurement. We saw in Central Queensland there was an issue 10 or 15 years ago where, unless the mines were coordinating when they were releasing water, if they did not know what each other was doing they could sort of tangle each other up and get in each other's way. There has been a fair bit of effort towards telemetry and that is part of managing volumes and water quality as close to real time as they can get.

I completely acknowledge all of the comments in the other submissions about that being great if you have a good, strong, stable network, but as we are increasingly working remotely and online and there is more and more use of that precious network increasingly that can be a bit wobbly. I think that is particularly the case for some of the agricultural areas. I think one of the advantages the resources industry has is, because it has a concentrated focus of activity, often they are required to provide mobile coverage for the workers so they will invest in that infrastructure. It is an opportunity that they have to use that. That is a longwinded answer to your second question, but as a general rule of thumb telemetry is part of the industry's metering use wherever they can.

Mr HART: Do you have a standard type meter that you recommend for your industry? Is it a step above the standard that the government is suggesting? How would you like to see the government accept those particular meters if the recommendation is that the standard is applied everywhere? Do you think your members should have to replace their meters if there is a standard that might be lower that applies to this? Do you know how much these meters cost?

Mr Barger: I would not recommend meters to anyone. You do not want to take water advice from me. I am a pencil pusher, not a technical person. I think the issue is not so much around performance standards or reliability; it is more just about whether it is a meter that has been recognised under the standard, particularly for the larger meters. My understanding of the issue is it is more around a process of validation and verification. It is not so much you now have to take out your blue meter and put an orange one in; it is more just making sure that the blue one is performing at least at the standard to match the orange one.

I do not know what the meters cost. I think particularly on mine sites where they quite often have quite complex systems where they are moving water around, where they have environmental authorities that are very strict about where, when and what quality of water can be released, they are quite meticulous with their measurement and management of water. I think a wholesale replacement of pumps and meters and standards would be very expensive, but my understanding is that is not what is proposed. It is more around a performance standard, and plus or minus five per cent is something I think the industry is pretty comfortable with.

Mr HART: Would you have any concerns about who has access to that telemetry data?

Mr Barger: Great question. That is a really interesting one—the data issues. As one of the people who apparently had most of my details published on the dark web thanks to some of my internet providers, the issue of data is a really important one because it has real value in real time, not just to the people collecting it, but in a limited way and in a de-identified way it is also useful to your neighbours in the same catchment. Understanding when other water users are taking water, particularly in an overland flow situation, is really useful. I think there will need to be some care used around how that water is aggregated, identified and made available. Again, the experience of real-time water quality metrics in the Bowen Basin has been really positive. It has been really useful for people to be able to see water quality, in this case, down a supplemented system, so where there

is offtake from a river. To see how water flows are changing in real time has real value for not just the other water users but also people interested in making seasonal trades or seasonal transfers. It is a great question. There is lots of concern about raw data being dumped not in context. If it can be shared in a way that is useful and constructive, there is a lot of value to be extracted from that information that lets you manage your water systems more precisely.

Ms PUGH: I read your submission and I noted that it was fairly uncontroversial, so I do not have any questions about your submission. You spoke about the consultation process quite extensively and I am interested to hear anything you feel comfortable sharing about how you took that information back to your stakeholder groups, how you then managed your consultation process—and obviously some of that will be confidential—and how you managed that process into your membership base. I should flag at this point that my husband is now employed by the resources sector after meeting in my first term while I was on this committee.

CHAIR: You are welcome!

Mr Barger: Thank you for the question. It probably highlights one of the procedural things that has grown up around the Water Engagement Forum that has been very useful is that for vague people like me, they are quite structured with what you get back before and after the meeting. They are very good at saying, 'This is in the secret bucket, not to be shared. Here's a summary that you can share with your members.' They are quite good at differentiating between what is in confidence and for you to think about and elicit feedback from your members about as opposed to what is in the public domain that you can share. That is very helpful because you do not want to be in that situation where you have clicked the wrong attachment and let go of something to a whole group of members and then have to shamefacedly do the ring around and ask them to delete it.

Sometimes it is quite difficult having a sort of an internal ring fence in your head around what is public and what is private. Where you have members who have a particular interest or an exposure to a regulatory issue, it is useful to see if they are alert to that and understand that work is being done. Often it works the other way around. You will have a member saying, 'We're having real trouble in this catchment at the moment because of this particular issue,' and then it will bob up in the WEF and you can go 'I can connect the dots.' The communication flow is often two ways.

Ms PUGH: Having those clear information streams is useful. Did you notice a difference in your processes in consulting with your members as opposed to bills where they do not have that whole-of-stakeholder approach with the working group that you have been part of?

Mr Barger: Definitely. It adds value. When you are providing advice to your members say on a bill, having some insights into what other stakeholders are concerned about, what the direction for reform is and what is the motivation for these changes to be implemented is an important part of informing which bits of this affect us or which bits might affect us. If you can provide some context for your members around, 'This is the issue'—in this case measurement very much being driven at a national level around the Murray-Darling Basin and slowly percolating north through the different catchments—that context is useful. Understanding the feedback from other stakeholders is also useful for your members in terms of how much attention they need to apply to a particular issue.

Ms PUGH: You have also spoken about the broader process of the consultation, bringing all of the different groups together where you may have some significant things in common. However, you also may have some fairly significant disparities. Can you speak to the benefits of getting all of the stakeholders with all of their diverse views in the room at that early stage? It seems like you enjoyed being part of that process. I am keen to hear anything else you wanted to speak about with regard to that whole group not in terms of the things that you discuss but just how that worked generally.

Mr Barger: The advantage of getting a whole lot of policy nerds together in the one room is quite often you will have an issue crop up where there is strong concern from a particular stakeholder around, 'I am not confident this issue is being managed adequately' or 'There is a risk and we need some reforms.' The first port of call is your regulations, legislation change. What is interesting is when you get a multistakeholder forum like that, people will compare notes. There are often bits and pieces of other regulations they have not thought of that apply to their issue, so they may only have a partial view of how it has been regulated. It may well be that the risks they were concerned about are being managed or that they only see some of the regulatory instruments that apply. The big horrendogram at the back of the QRC submission is a good example of that, of all the different processes of review and assessment.

If you are just looking at one particular stage in that flow diagram and expecting that to deliver all the protection you are looking for, you are going to be disappointed. However, if you can zoom out you can get from the other stakeholders a sense of, 'We were worried about that, but that is managed

over here' or 'There is a different head of power under another act that deals with that issue.' Sometimes you can find that that race to come up with bandaid solutions falls away and then at the subsequent meeting you will get a briefing. The department is very good at following up and saying, 'We'll get those guys to come in and talk to you about how they deal with that issue.' You almost get an education of how the regulatory world is applied in an operational sense. You get a sort of gradual upskilling of us as stakeholders I think, which is useful. Rather than just endlessly asking the same dumb questions, we get better at asking slightly more sophisticated questions.

Mr MARTIN: You mentioned water trading in your opening statement and in one of your answers. I think you mentioned that water trading could benefit your members because potentially they would not have to build infrastructure. I was wondering if you could share with the committee some examples of how that might work practically with your members?

Mr Barger: Thank you for the question. It was a bit of a tangential reference. What I was saying is within a water system if you have a better system of measurement and metrics such that it is clear that somebody is not using their water entitlement, that creates an opportunity for that entitlement holder to do some seasonal trades or swaps or perhaps even sell their water entitlement. If the alternative is perhaps having to build a weir or some off-stream storage or pipelines or—insert expensive engineering examples here. If you can avoid that by using trading so that the existing water allocations are being used more cleverly, I think there is a good public value of the measurement in that. I was trying to make the point—and it does not necessarily have to be a resource industry example—that one of the ways you can increase the reliability of water supply in a system is by adding infrastructure. If you have a dam or a weir or something, you can control the flows to match up with when the takes will be occurring downstream. If you can avoid that by better measurement, by allowing people to have a line of sight over who is and is not using their water entitlements, you can share those across the catchment. It makes for a more efficient use of that water.

Mr MARTIN: I know it is not your area, but do you have any information from your counterparts in other states that are a bit more advanced in terms of telemetry?

Mr Barger: I think generally the standard of telemetry across the industry is probably pretty much driven by their corporate collection of data and their management of environmental issues rather than the state regulatory system. No, I do not have much to contribute on that.

Ms PUGH: Following on from a comment you made in your last answer to one of my questions about your workflow chart you commented that following just one step in the process would obviously not achieve the kinds of outcomes you are looking for. That prompts me to ask: was this process, compared to other processes, a significant increase in workload for your organisation or other organisations, or was the work just distributed differently? I am keen to understand if there was an additional impost on your time as an organisation?

Mr Barger: In terms of this specific bill?

Ms PUGH: Yes, and this process around that—being involved in all of those groups instead of just getting your individual briefings and things like that?

Mr Barger: I think it is probably a more productive use of your time. The beauty of having a multistakeholder group like this is there is always a sequencing problem. If you have 30 stakeholders and you are trying to do 30 sequential briefings, if you are doing it alphabetically and I am earlier, the first thing I will do when I get off the phone is ring some of my counterparts from the other groups and say, 'They are coming to talk to you about this. Here is the issue.' It is just much cleaner to do that around the table so we are all hearing the same news at the same time. I think running the process the way it is probably reduces the workload if anything because you are not wasting all this time second-guessing.

Ms PUGH: That is interesting. Thank you for sharing that. It is really good to know. I am cognisant that contributing to policy and legislation would be a significant impost on your time. I am keen to understand how that plays out with this process.

CHAIR: Thank you very much for your time today. We have no questions taken on notice. We will take a quick break.

Proceedings suspended from 10.59 am to 11.06 am.

BREMNER, Mr Kim, Water Policy Spokesperson, AgForce Queensland (via videoconference)

McINTOSH, Ms Sharon, Policy Advisor, Water, Queensland Farmers Federation

MILLER, Dr Dale, General Manager Policy, AgForce Queensland

CHAIR: Welcome. I will ask Dale to give an opening statement, followed by Sharon, and then we will go to some questions.

Dr Miller: Firstly, I would like to thank the committee for the opportunity to make a submission to your inquiry on the bill and appear today to provide our view on those elements of most relevance to our sector and members. By way of introduction, AgForce is the peak organisation representing Queensland's cane, cattle, grain and sheep and wool producers. We generate around $8.4 billion in value of production at the farm gate annually. AgForce's purpose is to advance sustainable agribusiness in over 6,400 farmers, individuals and businesses provide support through membership. Our producers provide high-quality food and fibre, contribute significantly to the social fabric of rural communities and are key stewards of Queensland's natural environment, including our water resources.

Water is an essential natural resource and is vital to farm businesses. AgForce sees potential benefits in improved water use measurement where this supports more sustainable resource use, the protection of rights of access and facilitates water user decision-making and trading opportunities. However, in delivering more information it is essential that the added costs are less than the benefits to be gained by users and the wider community. This is a key consideration for AgForce in the implementing of additional measurement requirements.

The bill largely seeks to establish the heads of power with much of the essential detail to be considered in the subordinate regulation which is yet to be provided. Our written submission references considerations likely more relevant to implementation and the regulation; however, it is these details which will set the balance which will see the success or failure of the framework. Through consultations on the framework AgForce has supported steps to focus requirements and minimise costs on agricultural water users. This includes support for taking a risk-based approach such as focusing on higher use catchments like the Murray-Darling Basin, including volumetric entitlements. Also providing exemptions for low-risk takes such as of low volumes and, importantly, including for livestock and domestic access. Further, also including transitional provisions such as grandfathering of operating meters, having staged introduction across the state and funding support, including for telemetry requirements, and, very importantly, strong engagement and communication directly with affected water users.

Of much of the key detail in the regulation, AgForce is supportive of the committee considering including in the act an initial review, say after five years, to confirm the regulatory settings delivering the balance of benefits for the additional costs imposed; also a reasonableness safeguard to be included on imposed measurement requirements ensuring ongoing proportionality around risk to each resource in each catchment; also considering the level of discretion needed for the chief executive to further regulate measurement requirements and compared to the water users need for certainty; requiring a review of certification and validation requirements following evidence of positive compliance outcomes and towards achieving cost minimisation; and act amendments which must include, from our perspective, clear and robust privacy protections for individual entitlement holders and their water use data to protect their personal and business interests.

In closing, additional measurement can contribute information that will benefit water users and the wider society, with the key being to ensure those benefits are greater than the costs required in doing so. Ongoing monitoring and review steps, ensuring any requirements remain reasonable and in proportion to any risks to the resource, and that water users are strongly engaged in implementation are all essential to achieving this outcome. Thank you again for the opportunity to present to the committee.

CHAIR: Sharon, over to you.

Ms McIntosh: Good morning and thank you, committee, for allowing QFF to make a submission and speak today. In brief, to give you a background of QFF and the reason we have made a submission on this amendment, QFF represents the intensive agricultural sector which represents 20 peak state and national agricultural industry organisations which make a major contribution to the Queensland state and regional economies and employment. This sector, including sugarcane, cotton, horticulture, nursery and garden, uses water to generate world leading, high-quality produce servicing

local and world markets. Maintaining and growing the quality and reach of the sector is dependent on these industries remaining competitive. Water is an all-critical input for the agricultural sector. QFF recognises that water metering is a necessity for the fair and equitable use of a high-value resource and that the efficient management of water use should reduce costs to water users and suppliers and result in sustainable management of the water resource. However, it is also essential that the agricultural sector be able to reasonably comply with any regulatory requirements associated with the management and measurement of water. In particular, the cost of compliance should not result in agricultural businesses becoming unviable.

In May 2022 the government approved the Queensland non-urban water measurement policy in preparation for the Water Legislation Amendment Bill 2022 to bring forward amendments to the Water Act 2000 to establish the regulatory framework to support policy implementation. As such, QFF supports the objectives of the Water Legislation Amendment Bill 2022, but we understand that the primary objective of the bill is to give effect to the Queensland measurement policy for non-urban water measurement. We have had continuous consultation with the Department of Regional Development, Manufacturing and Water since these reports were released. We believe that the resulting policy reflects a majority of the feedback we have received from our members. There continues, however, to be discussions that need to be had around metering standards, verification and telemetry. However, QFF believes the bill has been able to establish a framework for the integration of new policies, but we emphasise that whilst in support of the majority of these amendments, we seek to ensure that they do not adversely impact the agricultural sector.

It is also noted that the proposed legislative amendments to the Water Act 2000, the Water Supply (Safety and Reliability) Act 2008 and the South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 are generally minor and intend to clarify existing provisions. However, minor amendments can potentially lead to adverse impacts on water users if amendments are directed to all water users in the same manner and not on a scheme-by-scheme basis. The consideration of regulatory best practice principles is essential and should the amendment of regulation be necessary it must minimise the burden, financial and administrative, on affected stakeholders. As such, QFF expects to see a rigorous regulatory impact analysis as the next step which considers a range of feasible policy options including self-regulatory, co-regulatory and non-regulatory approaches and an assessment of their benefits and costs on an individual scheme and locational basis.

QFF have a series of policies that we have put in place as part of our submission. They are quite lengthy so I will not read them out one by one, but basically when proposed regulatory changes are likely, a reasonable evaluation of the potential impacts, including economic, social, cultural and environmental, that are likely to impact stakeholders is necessary. QFF understands that the minister is able to seek an exemption from undertaking a RIS under exemption circumstances; however, given the complexity of the diverse range of water needs, water schemes and measurement requirements in Queensland, it would be detrimental and potentially contribute to the decline of agricultural businesses if strict policies were imposed without undertaking a CRIS. We have also noted our support for overland flow measurement in the QMDB; however, we do not support it outside the Queensland Murray-Darling Basin region without further consultation and that needs to be done over a three- to five-year period by seeing how this affects the QMDB first. That is something that QFF strongly supports and ensures that further consultation will be undertaken.

We do accept and support accountability of water in the QMDB and, therefore, under the Water Legislation Amendment Bill division 2 section 217E, the use of measurement devices in this region is supported by QFF. We do have quite a few other notes that we have put in our submission, but I will leave it there. Thank you very much.

CHAIR: I have a question for Dale and then Sharon might want to comment further. Can you explain a bit more about one of the dot points on the second page of the AgForce submission which states—

Support not requiring metering or measurement of non-volumetric authorisations and a required consultation process ...

On the issue of non-volumetric authorisations, is that what we are talking about for stock use and domestic use? Is that specifically what we mean by that?

Dr Miller: I will throw to Kim, who is an expert in this space. Non-volumetric just refers to not having a specified volume, either against the entitlement itself or against a water storage, which enables that water to be captured and used. Stock and domestic water is limited in proportion to the volume of water needed to be taken by stock that are normally grazed or depastured on an area, so it does not have a set volume. There are ways you can calculate and estimate that. There is a

relatively low volume of use across the state. We put that in a low-volume category. The policy makes reference to volumetric authorisations or entitlements under five megalitres also being a low-volume use. Really we are just talking about an authorisation that has a specific volume attached to it.

CHAIR: Kim, do you want to expand on that?

Mr Bremner: In some of the water plans not all of the water take has a water licence or water allocation, so there is a hierarchy in what is given. Some of the overland flow in the Upper Condamine has what is known as an authorisation under the plan, so it has no volumetric limit. It is limited by the infrastructure that existed before 2001 and it cannot be traded. You basically cannot change what was existing in 2001. We do not see there is a need for that to be measured at this stage as there cannot be any increase in the take of water, particularly in the Murray-Darling Basin. That is part of the authorisation. There are other authorisations in the plans as well, and stock and domestic is the other major one.

CHAIR: One of the key points is that it cannot be traded. Is that a right attached to the property itself?

Mr Bremner: It is not even a right as such. Well, it is a right but you do not get a bit of paper for it. It is registered with the department and they are aware that it exists. There is nothing on the water allocation register. There is not a water licence as such. You do not get a piece of paper to say, 'I have a right to take this water.' It is authorised under the plan.

CHAIR: Hence it is low volume. I note in the submission that livestock use is in the order of 0.17 per cent of overland flow. Is that where most of that is sourced from, that non-volumetric entitlement or non-volumetric amount?

Dr Miller: That 0.17 per cent figure relates to incident rainfall and then run-off for the entirety of Queensland, so it is just a small total volume.

Mr Bremner: It is just a compilation we have done. There are 159 million megalitres of water that come out of Queensland every year. We have worked out stock and domestic use based on department figures and the number of stock, and we have come up with a number that is very small.

CHAIR: Sharon, do you have anything to add to that?

Ms McIntosh: No, I think Dale has handled it quite well.

CHAIR: Dale, I am looking for a further explanation on the grandfathering provisions. Kim, you might want to talk about this as well. The general point is that, if the meter is working well or is fit for purpose, it should be allowed to continue for a number of years. Can you explain what you mean by that grandfathering option?

Dr Miller: Effectively, that refers to meters which meet the performance requirements that are expected. If you have a pre-existing meter—which may or may not be patent approved—that is within the accuracy requirements expected under the policy, our view is that it is an additional imposition to force water users who already have a working meter which is performing adequately to transition at this point. Obviously as they get to the point of needing to replace that they will put in a new meter, and they would come under the provisions of the policy.

Mr Bremner: In the Murray-Darling Basin 95 to 98 per cent of the water has been metered since 2005 and most of those would have data loggers but not necessarily connected to telemetry. There is only a very small volume of water in the Upper Condamine that has not been metered, and they are in the process doing that. For a long time we have had reasonable meters that were installed by the government in 2005, and then in 2006 we had to buy them off the government. We would argue that meter reading should be a government function and they are putting it back onto self-meter reads. People in town do not read their own meters; someone independent does that. We think there are some efficiencies going with the government running it as they did previously because of the issues we have in getting spare parts, because our common meters are no longer supported as much as some of the newer ones. It is one of those issues where we think the government should be involved more in the metering.

CHAIR: You have data loggers attached to those and it is land users themselves who monitor it, read it and send that data on; have I got that correct?

Mr Bremner: That is correct. The self-read has been in since 2013 when the Newman government said, 'We'll save you $60 a year by you having to read your own meters.' While that is all very well, I have lots of other things I would rather do than read a meter. It takes time to go around and do that. It is something we do, but why do we have to do it?

CHAIR: I have other questions but I am going to go straight to the member for Lockyer, who is on teleconference at the moment.

Mr McDONALD: Thank you for appearing before the committee today. I am sorry I cannot be there in person. Dale, when you started off you talked about the regulatory formulation. Obviously the devil is in the detail. Do you have an example of a process that has been used in other states for this implementation that would clarify some of the detail you are talking about, what works and what does not work and what we need to avoid?

Dr Miller: We are talking about a framework that will apply across the state. I think we already have a degree of information through the policy itself, which sets some of the key parameters around implementation that will be relevant and gives us a degree of understanding about where the government is looking to take this regulatory process. The challenge is that, until we see what is in the regulation itself, we are taking it on faith that that will be implemented. As we have experienced through that Water Engagement Forum, there is quite a degree of transparency and openness around water policy, which is positive. We do get a reasonable sense of where the trajectory is heading but until we see the detail, in a regulatory sense we are still left a little bit blind as to what the final settings will look like. Obviously that will impact on how practical implementation looks and then how it influences people like Kim in terms of how they implement that.

Mr Bremner: The department has said to us they are learning lessons from what has occurred in New South Wales in terms of their metering callout and how not to do it. They have taken on board our ideas and practicalities of doing it, which is part of the reason we put a grandfathering bit in there. If you tried to replace all of the meters at once it would be practically impossible and very expensive. Manufacturers would have to ramp up and ramp down, so it is a whole issue if you want to upgrade to the latest meters.

Talking about meters, the latest ultrasonic meters are very cost-effective compared to some of the patent approved meters the department down in New South Wales is pushing for irrigators. We would like to see the department consider those more. Some of them are in the process of being patent approved but have not got there yet. We do need time for this implementation to occur.

Mr McDONALD: Kim, we learned from the central Lockyer water resource plan and the implementation of meters that industry and the availability of new meters was ahead of the regulation and some of the restrictions, so I am very mindful of that. In terms of the learnings from New South Wales, is there any formal way that is being captured or is it all being done ad hoc?

Mr Bremner: I believe they have weekly or fortnightly meetings with New South Wales. They have regular catch-ups on what happens and what they do and that sort of thing. I believe that is the case.

Mr McDONALD: It would be good to make sure that was occurring so we can learn lessons from other states. Obviously your forum would be a means to get that information out or test some of those things; would that be right?

Mr Bremner: Yes, the Water Engagement Forum is a very positive forum that we have been engaging in with the department. They give us a heads up on what is happening, what they are thinking about policy, and we give them feedback about what is good and what is bad about it, so it has worked very well for us for a long time.

Mr McDONALD: We will certainly encourage that to continue. You mentioned grandfathering of the meters, which obviously will assist people with cost. As Sharon said, you welcome the sentiment of the regulation—sorry, you did not say that; that is my word—but you do not want to see the cost being borne by farmers. Can you outline some of the potential costs that farmers would have to meet if the government put that imposition on farmers right from the start of meters through to telemetry and what would need to be upgraded in a practical sense, even down to data availability?

Mr Bremner: There are a number of costs right across the board when purchasing meters. Depending on the type of meter you purchase, it can be anything between $2,000 and $30,000 for some of the larger patent approved meters that are being touted at the moment, so you have the cost of that. You then have the cost of installation. With some of the pipes that are already installed it means digging down to those pipes, cutting the pipes and installing the meter, so there is a significant cost there. You are talking about tens of thousands of dollars in some situations.

Talking about the Murray-Darling Basin, most of that data logger is available, but the telemetry is still in the initial stages. They are very cautious about implementing telemetry. I think that is one of the lessons they learned from New South Wales. New South Wales said everyone has to have a telemetry meter, and they found they just could not do it. I have telemetry on my farm for monitoring

my water. The reliability has a long way to go before we can confidently say that it will work in every situation. We are in a reasonable 4G area. It has to be proportionate. You do not need telemetry on every meter. There are other restrictions to stop you from taking too much water, particularly in the unsupplemented areas of the Murray-Darling Basin. It is about access to water. Not this year, but in other years, if the river is not flowing, we are not taking any water. Meter reading every three months or every month in that situation would be a complete waste of time because there is no water to take.

Ms PUGH: My question is a follow-up on the member for Lockyer's. You just outlined the compliant meters can cost anywhere between $2,000 and $30,000. What would a meter that complies but is not necessarily a top-of-the-line model cost? Obviously, when you are purchasing lots of things there can be a significant disparity. We could be talking about the difference between a Toyota that will do the job versus a Lexus that has all the bells and whistles but which you might not necessarily need. Could you give us an outline or drill down a bit more into what the baseline is that people actually need without all of the bells and whistles necessarily?

Mr Bremner: I actually believe that we can get the cost of meters down to a couple of thousand dollars. I am talking about the bigger meters. It is more the mechanical meters; they are less than $1,000. That is for sizes from 100 millimetres up to maybe 400 millimetres in pump size. Those mechanical ones are well-known, they are well used. I am not sure of the patent approved, but I guess most of them would be patent approved because they are easy to test at the manufacturer's place. Once you get up over 600 millimetres, that is where it becomes problematic and the costs go through the roof because not many manufacturers are prepared to patent approve such a big pump because it is an expensive process to do that. We are having issues with the mechanical ones that are over 600 millimetres in that the cost of those is significant, whereas a cheaper electronic one, for example, using ultrasonics, could bring that cost down to less than $5,000, including installation and data logger and possibly telemetry. It is a matter of matching the requirements to the needs. One-size-all does not fit.

That is one of the issues they found in New South Wales and they still continue to push it that we have to have the Rolls-Royce of meters to make sure that everyone is doing the right thing, whereas in Queensland we have a self-limiting factor on how we can take water. We still need a meter, although I have had discussions with people that all we need is a time-off, time-on arrangement instead of a meter because our pumps pump a set amount of water each day. Taking from the day of installation, 10 years down the track they are pumping less water because they wear out. When they are originally installed, they are pumping at their maximum which meets their licence requirements or the water allocations. Over time, we are actually taking less water, but it is the same amount of water per hour or per day, so you cannot take more than what you are entitled to unless you are starting below your own starting threshold.

Just to explain unsupplemented water, we have a starting threshold—the river has to be at a certain height before we are allowed to start the pumps. Once the river is above that, we can pump for as long as we can until the storages are full, if the river maintains that height above the threshold. Once it drops down below that threshold, we are to cease pumping. Every farmer has a different level at which they are allowed to start. Historically, when the licences were issued, they allowed for a stock and domestic flow to allow for livestock to be watered on the river. We now call that an environmental flow, but it is the same water. If we cannot actually take any more water per day than we are legally required to physically, then the only measurement required is that we are meeting the threshold.

Ms PUGH: My follow-up question is in regards to the submission from AgForce about the faulty measurement devices and measurement systems and the regulation that would create an offence for faulty devices, and the imposition of a 30 business day period for repair or replacement or what have you. Obviously you support the inclusion in your submission of time-extension provisions where a reasonable excuse applies, and you acknowledge that may well be addressed in the regulation. I am interested in what practical steps you think could be implemented to support that in a way which ensures that it is a reasonable excuse, if that makes sense. For example, providing an order form or something of that nature to say, 'I have placed the order. I have been told it is a 60-day wait, but I have placed the order. I am doing my best.' I am interested if you had any more detail or thought you wanted to provide on that?

Mr Bremner: We have always argued that the 30 days is not sufficient for getting a meter repaired. My own personal example was that it took nearly six months to get parts for one meter some time ago, so having the extensions there is essential. In terms of having a piece of paper to approve, there are not a lot of meters that are faulty. I do not believe the extra requirements are necessary. It is generally just a phone call to the department to say, 'I am waiting on my parts. There has been a history of it.' Under this thing, I assume it would be a more formal process where you probably would

have to prove that your meter is faulty to get that extension—not to prove it is faulty, rather to prove that you are waiting on parts for that particular meter. Given COVID, supply chain issues and that sort of thing, the 30 days is very hard in a regional setting.

Ms PUGH: Absolutely. I wanted to get some ideas and some clarity around how that might work in practice to support those sorts of extensions. Thank you.

Mr HART: My question is to both groups. Around the use of regulation to set the details in this particular bill, how long have you been talking to the government about the regulation as such? Has the government given you any time frame as to when the regulation may be visible to you? Are you expecting the government to take feedback before the regulation is tabled?

Mr Bremner: Dale, do you know the implementation times? Is it three to five years? I am just not sure of that detail.

Dr Miller: In terms of access to the regulations, through the Water Engagement Forum, we have already been provided a table with some indicative settings within the regulation. We had an opportunity to provide some feedback on that. We do not know, as far as I am aware, what the department has done with that information in terms of making adjustments to what firstly had been proposed. One of the strengths of the Water Engagement Forum is that there is that level of trust that some ideas can be put out there by the department which may not end up being what is finally implemented, but they get that input from stakeholders on those issues of practicality et cetera, and then adjust. I would probably defer to Sharon if she has an answer in terms of time frames. I think it is reasonably soon, but I cannot recall exactly.

Ms McIntosh: My understanding is early 2023, and it has been quite a fast process since the amendments have been released. As Dale acknowledged, and Andrew has also, the transparency on the Water Engagement Forum is quite good, and we do work quite effectively in developing what each industry wants in their policy. Yes, I am pretty sure it is early next year.

Mr Bremner: Part of the problem is that a lot of the meters and implementation is at a national level, and particularly in the Murray-Darling Basin, so that we have time frames through the Murray-Darling Basin metering compact that the Queensland government signed. There are time frames in that that require it to happen, I think, by 2025, to have a lot of work done. The department has been pushing back on that time limit, but for the reasons that we have outlined, it will be done in that time. Certainly, the Murray-Darling Basin Authority and that national push is what is driving a lot of that in the Murray-Darling Basin, and Queensland does not have a lot of say. They need to govern for the rest of the state as the Murray-Darling Basin only makes up 12 per cent of the state. If we have different rules in the rest of the state that are more flexible, that are more farmer-friendly, if that is the right word, then I think we should go down that track. With regard to the Murray-Darling Basin we just have to put up with what we get from the nationals.

Mr HART: With regard to AgForce's question about not metering water for stock and domestic purposes, can you explain to the committee how that would work? If water is being taken through a meter, would that be a set allowance of some sort?

Dr Miller: Currently the department does have calculation figures in relation to setting approximate volumes for livestock use when putting in water storages on properties. They can estimate what a reasonable size storage is for a particular land area. On the domestic side, there are limits to standard household use. It is not a great take, but then there are limits to the garden size as well. There are, in a sense, some requirements around that. I think practically, the cost and the difficulty of putting meters on livestock take, wherever that might occur within the state, be it a natural water course or a dam or through bore water, would be quite problematic, certainly from an implementation perspective for a producer, but also from an administrative perspective for government and the costs required in doing that effectively. I know the Office of Groundwater Impact Assessment has gone through a process and identified a methodology to estimate livestock use. It is another tool that is available in looking at that. My understanding is that it is a reasonably robust process. Again, the risk of livestock take to overall compliance is very low. To put all that cost and effort into measuring something, it is quite a small contribution to the total take and, in our view, is not justified.

Mr HART: We are not talking about putting a meter on a cow drinking in a river, though, are we?

Mr Bremner: You have to look at what other states are doing. In Victoria, they do that; they measure all of the stock and domestic water use in Victoria. They are talking about doing it in New South Wales. There is a push by the Murray-Darling Basin Authority that they would like to measure stock and domestic use in Queensland. That is why we have emphasised in this submission that we

do not believe that Queensland needs to meter stock and domestic. To quote a department guy, he said, 'If we were to do it properly, we would need a department the size of Queensland Health to do it.'

Mr HART: I would hate to see that happen. What about the use of data or access to data, assuming that a lot of meters are using telemetry; do you have any concerns about who has access to that data?

Mr Bremner: Yes, we do. We have emphasised that privacy, particularly at an individual level, is paramount, particularly when they are releasing results, not so much when they are collecting the data through the telemetry, but when they are aggregating the results to say, 'This much water has been used in the river.' If there is only one user in that portion of the river, then we would see that as a breach of privacy and they should be somehow managing it on a larger aggregate scale. We do not believe that individual licence holders or allocation holders should be identified in any of the release of public information about their water allocation.

Mr KATTER: To tease out some of the issues the member for Burleigh just raised, my deep concern is always with how the data is used. I think the Flinders system was calibrated at 6.7 megalitres as the average annual flow. There are only two flow metres as I understand it. It is down to 3.8 now—the same river and the flow metres. Do you have concerns with how that data is used in a policy way? I guess that can work both ways. Would you like to elaborate on that?

Mr Bremner: A comment I would like to make is that when water allocations are handed out, either through conversion of water licences to water allocations or as a fresh allocation, they are all based on computer models. They do not actually go out there and measure the water and say, 'You can have this much water.' It is all based on computer models. They are as good as the data that is put into them. Frankly, in Queensland we do not have enough river gauges in any of the systems to make accurate computer model allocations. That has been an ongoing argument I have had with people for 20 years. We do not have enough information to ensure that is correct. The computer models are very good at comparing an allocation against another allocation in terms of performance. Although the number that we are given as an allocation is definitely wrong, it is the best that they have at the moment.

Mr KATTER: Are you confident that, say as an organisation like AgForce, you will have access to that and be at the table for those discussions if it is used? I know it is often invoked, say with fishing quotas, where they say, 'Look, we will take your data, but you cannot get any of that back or get any visibility because that is going to breach privacy.' How will that play out for you in this space?

Mr Bremner: One of the reasons we went down this water reform process of diverting licences to allocations is that they gave us the equivalent to land title as a water allocation on the water allocation register. There are only two ways they can change that amount of allocation water—that is, during a plan they can reduce or increase the amount, if they wish. If they reduce it, they have to pay compensation if that is taken during a plan. At the end of each 10-year plan the government has the option of reducing allocations. It has to be across the board and there is no compensation available. We have certainty in each 10-year plan, but not so much certainty in between plans. That is the way the system works at the moment. Yes, I share your concerns about using the data against us, particularly when we start talking about climate change and that sort of thing. There is a limit in the Murray-Darling Basin to three per cent reduction due to climate change. It does not apply outside the Murray-Darling Basin in Queensland.

Mr KATTER: A similar thing is said about Flinders: reduction due to climate change on the annual flows.

Mr Bremner: That would be a Queensland government decision not a national one like the Murray-Darling Basin is covered under.

Dr Miller: In our submission we did highlight the need to make sure that, if there is telemetry data for example going into the department, the water user also has equivalent access to the information going in to help them with water management, business decisions et cetera. One of the challenges in terms of getting publicly available information down to the individual irrigator perspective is, if they are in a trading space, for somebody to know how much of their entitlement they have used and how desperate they are for further water is a disadvantage. We want to make sure that they are still competing on a level playing field in that regard.

Ms McIntosh: In regard to Dale and Kim's support for privacy, we just wanted to add to that. We believe that all data collection by government should be subject to robust and agreed data protection principles, including those of lawfulness, purpose, limitation and data minimisation. One of our members has also added to that. In regards to some data, it could or should be made public in

regard to a water harvesting event. The information could be available in regard to particular sites that they can legally pump and that these sites are pumping, but that details on volumes and account balances are commercial-in-confidence. We do support privacy, but there are areas where we would support it being made available.

CHAIR: It is an interesting balancing act, isn't it, with regards data.

Mr MARTIN: We heard from submitters about water usage being contested. Would you be able to share any examples you had from your members of those disputes and if you think that improved real-time metering could potentially reduce those disputes?

Ms McIntosh: Yes, definitely. I do have some notes here in regard to real-time access. Irrigators do require real-time access—obviously mainly for compliance issues—but this enables some data to be made public which we are also supportive of partially, but mostly that should remain private. It is obviously paramount to have that, especially in the Queensland Murray-Darling Basin, and also in terms of the implications of overland flow being made compliant for our irrigators.

CHAIR: Excellent. I thank you Kim, Dale and Sharon. We do not have any follow-up questions for you. Thank you very much. We will take a quick break.

Proceedings suspended from 11.52 am to 12.01 pm.

SHANNON, Mr John, Executive Officer, Border Rivers Food & Fibre (via videoconference)

CHAIR: I welcome from Border Rivers Food & Fibre Mr John Shannon, Executive Officer. Thank you very much for joining us today. I invite you to make an opening statement and then we will have some questions for you.

Mr Shannon: Border Rivers Food & Fibre represent irrigators in the border rivers which centres on Goondiwindi, but we have members as far down the system as Mungindi and as far up the system as Stanthorpe. What makes us an interesting peak industry body is that we represent members on both sides of the river in both New South Wales and Queensland. With that background, the first thing I would like to say is that we certainly support the aims and objectives of the amendment to the act. I think it is a good place to be heading both for industry and for the environment and the community. We are in full support of where we are looking to land with all of this.

That being said, Border Rivers Food & Fibre is not a member of the Water Engagement Forum that we have heard so much about already today. With the very short time frame between the bill landing on the 1st and submissions being closed and the hearing today, I am not across anything like the detail that I would like to be. However, I can still offer you some general observations perhaps influenced by our experience in New South Wales, bearing in mind that I understand that this bill seeks to provide a framework and a lot of the detail will fall out of the regulations that are still in the process of being developed. I would be very pleased to commence engaging with the Queensland government on the regulations above and beyond the process that we are talking about today.

My initial observation is in looking at the implementation schedule for the policy. I think it is ambitious, notwithstanding the fact that one of the previous speakers said that there are intergovernmental agreements in the MDBA situation that mandate when the implementation schedule will occur. However, the experience in New South Wales is that there are distinctly not enough meters in existence. There are not enough DQPs, designated qualified persons, available. Currently we have a flood situation where it is physically impossible to access pump sites to install the metering that is required.

When I look at the implementation schedule, I think the Queensland government would be wise to enable as much flexibility around that as is possible to do so. In terms of meters, there is a backlog of some months before we can get things done in New South Wales, and that is before we begin to add additional demand from Queensland into the mix as well.

We have spoken a lot about telemetry today. Again, I can make some broad observations. I understand that the department has undertaken a trial of some 40 sites where this has all worked. However, the experience in New South Wales is that, by nature of being remote, telemetry indications in the systems are not always there to enable broad coverage of an entire area. Anything within the bill that enables exemptions based on sensible things would be most welcome.

With telemetry, there needs to be some flexibility particularly as it relates to the border rivers and our sorts of production systems. Telemetry is obviously going to work very well when you are pumping groundwater or if you are dealing with the system in the southern part of the basin more typically where we are dealing with pipes. In the border rivers, we are dealing with a natural river system. To put this in some perspective, if I am an irrigator in, say, Mungindi, and I order my water out of Glenlyon Dam, it will turn up in about three weeks—'about' is the right word. The water may turn up two or three or a few days before or it may turn up a few days late.

The fear is that telemetry may be overzealously used by regulators who seek to prosecute people on the basis of their take on any particular day where physically the water is not there or it is not there yet or it has potentially already gone passed. The New South Wales experience is that we need to allow flexibility in the system so that we can amend water orders so that people can still deal with the vagaries of what is a natural system.

I think it is also important that the department develop a backup alternative to telemetry in the case where telecommunication systems or other systems fail, particularly when we are dealing with things like overland flow where we have an event that will occur relatively quickly and subside relatively quickly. If the system is not available for whatever reason and there is no backup, irrigators will lose their opportunity to take their entitlement.

Another observation on overland flow in general would be that I am pleased to see that the Queensland approach appears to have in place individual plans that can be tailored to particular circumstances. The situation in New South Wales is that we have only two ways: a point of take or a storage measurement process. Both of those options have problems. It is only now that New South Wales is beginning a dialogue with irrigators around coming up with potential alternative methods. If

that is foreshadowed in the Queensland situation, that will put you far ahead. As it currently exists in New South Wales, a large proportion of irrigators while in the middle of a current flood event are not taking floodplain harvesting water because they cannot abide by the measurement requirements.

Going to some of the comments earlier, I would say that an independent review nominated at a particular time in the future would be useful along with any continuous improvement that the department can make. Also going to the way that we learn things from New South Wales, whilst it is pleasing to think that Queensland public servants may be consulting with New South Wales public servants, I would not necessarily think that New South Wales public servants are always in a position to best lead other public servants in the paths of righteousness. That is my introductory statement.

CHAIR: That is an interesting way to put it. One of the themes that we are seeing emerge today is that everyone seems to be agreeing with the general thrust of where we are going but what is being talked about is the practical implementation of that, whether it be lack of equipment or parts, qualified installers or people to maintain this infrastructure. Kim talked about the lack of river based meters, I think it was, and add to that the sheer scale of what we need to do in Queensland. I think the words 'practical implementation' is crucial to the success of this. You would probably agree that having our regulations reflect that need for flexibility and that need to account for all of those different factors in the practical implementation is going to be a crucial part of that, recognising difficulties in practical implementation in the regulations. Would I be right in saying that?

Mr Shannon: That is 100 per cent right. It just compounds the problem when we have independent regulators look at a system where it is practically impossible for irrigators to be compliant despite their best wishes. The number that gets picked up in headlines is that there is such and such a percentage of noncompliance. It is unhelpful if that is the focus, rather than people trying to comply. If we have mechanisms that enable flexibility, that will improve the ability for industry to deal with their situation and the consequent public image of the industry.

Mr HART: John, a lot of consultation or workings of this legislation have been done by the water forum. Why is your group not part of the water forum?

Mr Shannon: I would ask exactly the same question. I do not know where to find an application form to join such a forum. It would make a lot of sense to be at the table to contribute, having had practical experience with what has happened in another jurisdiction. We will continue to deal with public servants on a one-on-one basis if we are not members of the forum itself.

Mr HART: We might take that up for you, John. Given that you have all this experience in New South Wales, it seems you would be a valuable asset to the forum. In your submission you talked about there being a straightforward exemption process if, for instance, somebody is told they have to have telemetry but there is no internet connection in that particular area. Is that happening in New South Wales? What is the situation?

Mr Shannon: There is a form which has a long form number that I cannot recall. Whilst there is a form that enables the minister to make an exemption, this is not straightforward and could be made easier in the Queensland situation.

Mr HART: We might look at that as a possible recommendation.

Mr McDONALD: John, I apologise. The internet is patchy where I am. Thank you for the contribution you have made. I do not know whether you heard my questions to the group earlier. Could you share with the committee some of the learnings you have had from New South Wales? I think it is vital that we embed a process in the development of the regulations so we do not make the same mistakes.

Mr Shannon: For sure. I would probably run through the headline learnings around the implementation schedule, problems with telemetry and the situation with overland flow. A lot of what we are dealing with in New South Wales also goes to some of the technical requirements so they will fall out of the regs and probably are not as relevant today. Also, just problems with things like the New South Wales electronic data acquisition service. Some of this really technical detail is probably outside the remit of the discussion today around the overall framework bill. Certainly I can see big problems with what in New South Wales is called floodplain harvesting, which means overland flow in Queensland, and the situation there, which, I think I have said, the Queensland government has foreshadowed some flexibility as being really important. You just have to make sure that there is flexibility enabled as much as possible in every realm of all of this.

Ms PUGH: I noted in your submission that you talk about the overland flow measurement, which is called floodplain harvesting in New South Wales. You note that in New South Wales you have some concerns around that. The Queensland approach, you said in your submission, enables

individual measurements and you feel that that is sensible. Could you expand a little on that? This is obviously an opportunity to take some learnings from the New South Wales experience. I am keen to hear you expand on that a little more. What, in particular, do you think are the benefits of that approach?

Mr Shannon: In New South Wales we have two measurement mechanisms. It is called point of take, which involves meters on all of your pipes and pumps. Then you have what is called a storage measurement, which looks at what storage you have in your dams and working it from that. Those are the two mechanisms that we have. The problem with point of take is the expense of having a meter on every pipe and pump. One of the last speakers talked about some of the huge dollar values associated particularly with larger volume meters that can occur. If you have multiple intakes and various things and the works associated with all of that, it can be astronomically expensive.

If you cannot do that the other option is the storage measurement. You look at how much water you have in your dam and measuring it that way. The difficulty with that method is that it assumes that you will not irrigate at the same time as you are taking floodplain harvesting. It is like all of the water goes into the storage and that is the end of it and then you use it after you have stopped taking. In reality, if you are a cotton grower then you have your fields surrounded by a levee so you can keep the flood out. Bear in mind that you might have a flood on for two months. Your crop is not going to live for two months if it has had no water in the meantime. That is basically it: you need to be able to irrigate at the same time as you are in a flood event and the current New South Wales provisions do not allow for that.

I guess we are at the very beginning of discussions with the New South Wales government around how you can come up with an alternate measurement process that still gives us the accurate result that we all want. I think where the Queensland legislation is proposing to go is that you can have an individual measurement plan done in consultation with a DQP, a designated qualified person. I do not have the answer to what that is going to be. We are still looking at those solutions at the very early stages now. That is the summary of what the problem is with the New South Wales system and I think the intention of the Queensland legislation is to try to fix it.

Ms PUGH: I am wondering what the consultation process in New South Wales involved seeing, as you have had the opportunity to potentially participate in both. Do they have a similar body set up as the Queensland consultation has involved?

Mr Shannon: There has not been a formal consultation process as I understand Queensland has with the Water Engagement Forum, notwithstanding the fact that it seems to have a limited membership. I think the problem with New South Wales is that, whilst formerly we may have been raising issues around their measurement policy for some years, we have not had them actively seek a resolution to those problems in all of the time since. Here we are, in the middle of a flood event, and people are not able to take their entitlement because of deficiencies in the measurement process. There are none so blind as those who will not see.

CHAIR: That is probably a good point to finish on. John, thank you very much for your time. We really appreciate your input.

POZZEBON, Mr Denis, Deputy Chairman, Kalamia Cane Growers (via videoconference)

CHAIR: I now welcome Denis Pozzebon from Kalamia Cane Growers. Denis, thank you very much for joining us today and adding to this inquiry into the Water Legislation Amendment Bill. We have your submission and we have read through it. Do you want to make an opening statement and then we will have some questions for you?

Mr Pozzebon: Good afternoon, everybody. As you can see, I have just been put into this this afternoon. I will see if I can help you and answer your questions from the Kalamia organisation. The Kalamia organisation feels that your proposed metering of bores could be—how can I say—more of a hindrance to growers. We have about 150 to 160 growers in our region and in our organisation with about 1.6 million tonne of cane. Most of them have bores already. They have had those bores since the area was started. There are a lot of old farms and old farmers. That is my opening comment. As I said, I have been pushed in here this afternoon so hopefully I can answer your questions.

CHAIR: Denis, we have focused nearly entirely on the Murray-Darling Basin and it is very clear what the obligations are for the broader national agreements that we are meeting through this. Clearly for the Kalamia Cane Growers, up Ayr way, you are interested in the potential impact of this bill and its powers beyond the scope of what we are doing for the Murray-Darling Basin; is what a fair summation of your position?

Mr Pozzebon: That is why we were definitely concerned not only for our region but also for the broader region in Queensland. Yes, we are concerned about our bores and the metering of the bores.

CHAIR: Can you explain, in terms of measuring water in your operations, how you guys do it?

Mr Pozzebon: We have what we call the Lower Burdekin Water Board and Sunwater controls the BRIA area. The Lower Burdekin Water Board is the old scheme here that started in 1970, I believe. Basically, it covers the delta area, which is the delta soils where there is an aquifer. That is what our growers rely on and basically it is bores. The way that the Lower Burdekin Water Board maintains their aquifer is through natural channels that are running through the delta. They pump in from the Sunwater Burdekin River, so they know how much water is being pumped into these natural channels. They also know how much growers are taking out of the channels. There are open border licences from the Lower Burdekin Water Board. The BRIA have Sunwater, which is the same. They have channels and they have meters on their channels. With that, the Lower Burdekin Water Board has monitoring stations. I believe there are 50 monitoring stations in the 35,000 hectares in the Lower Burdekin, in the delta soils. They do monitor the aquifer and they do know how much water is coming in from the river in a wet season and they do know how much water is being taken out once they start measuring that aquifer. That is generally how we run here. That is just the basics of the Lower Burdekin Water Board and Sunwater is the government base, so they have meters on their channel water.

CHAIR: Are the meters measured via telemetry or are the meters read at a variety of times?

Mr Pozzebon: I do believe in Sunwater they are read. I am not 100 per cent sure with Sunwater, but in the Lower Burdekin water region, where I am, they do get read every month to two months, depending on the season. In the wet season they will not get read as much but they do have a meter man who comes around and measures the meters on the channel waters.

Mr HART: Denis, in your submission you say you are concerned about the requirement for duly qualified people to install water meters. What happens in your farming situation at the moment with regard to installing pumps and water meters?

Mr Pozzebon: At the moment, when we apply for a bore—a brand new bore, we are talking about—the borer will apply for a licence to put that bore in. There is no requirement to put a meter on that bore at the moment. Can you just ask the question again?

Mr HART: Who fits the pump and the water meter?

Mr Pozzebon: The pumps are being put in by the people who sell the pumps. As I said, there are no meters on those bores at the moment in the delta area. Then again, there is the ruling where it has to be 10 before and two after, so if you do want to put a meter on it has to have that distance before the meter and after the meter. They will have to follow the regulations, but at the moment there are virtually no licensed suppliers in the Burdekin that I know of.

Mr HART: Are the pump suppliers licensed plumbers?

Mr Pozzebon: They are virtually just retail salespeople who supply poly pipe and fittings. They virtually just put our pumps back into our lines (inaudible). I do believe there are a couple of qualified installers who do not live in the Burdekin; they do have to travel down from Townsville.

Mr HART: You also raise concerns about this possibly being a yearly renewal situation. Can you expand on that?

Mr Pozzebon: We do not know if it is going to be a yearly renewal or monthly. We are not sure whether or not that is the case.

Mr HART: Is your concern then that these bores and pumps and possibly meters are already in place but you will have to go through the whole process of getting them approved again?

Mr Pozzebon: That is right. I do believe that is what the manager was saying. The manager actually wrote this.

Mr MARTIN: Thank you, Denis. I wondered if you could expand a little for the committee on your experience from your members about compliance and how that works. I am assuming it is meter readers who enter properties to read the meters? Do you have to meet them and escort them on site or are they allowed to turn up on site whenever they want and do you think that that would be improved if those meters were telemetry meters?

Mr Pozzebon: Our Lower Burdekin Water Board has a standard where we have to make sure that the meter is in a safe environment so that there is no grass. They come on board every two to three months and we know approximately when they will be coming. They know the area and they virtually just do it when they have to do it. We have to ensure that the area is safe and maintained for the meter reader to be there.

Mr MARTIN: Do you think if it was a telemetry situation that over time there would be a saving to the work that you would have to do making that area safe by removing grass and that sort of thing?

Mr Pozzebon: Telemetry could be a problem because there are a number of pumps here that are diesel so we have no power to these pumps. That could be an issue. I think we did raise that. I am not sure that we did raise it, but it was brought up. Being a diesel pump there is no electricity because a lot of these pumps are far out so that could be an extra cost for growers as well if we had to supply power to these pumps. In terms of the safety issue and telemetry, it could be a good thing. They still need to be maintained and calibrated. You still need to maintain a safe environment around your pumps anyway if you have workers on your property.

CHAIR: There being no further questions, Denis, thank you very much for your time today. We appreciate it. We will let you get back to work.

Mr Pozzebon: Thanks very much. I hope I answered your questions.

PARRATT, Mr Nigel, Water Policy Officer, Queensland Conservation Council

CHAIR: Welcome. We will ask you to make an opening statement. After that we will have some questions for you.

Mr Parratt: Thank you. Established in 1969, Queensland Conservation Council is Queensland's peak environmental organisation representing the interests of over 50 member groups across the state. QCC's main objectives are protecting nature, enhancing outcomes for threatened species, addressing climate change and ensuring that Queensland's natural resources are sustainably managed, particularly water. In regard to the bill, from an environmental perspective the bill itself is either benign or potentially beneficial. I will point to two particular parts of the bill that we think will be particularly beneficial for the environment. The first one is the proposed amendments to the Water Act which would implement a new framework for better measurement of non-urban water take. As the old adage goes, you cannot really manage what you do not measure. We are very supportive of this framework to better manage the take of non-urban water and as a result we are anticipating that we will see some very defined improved environmental outcomes as a result of that. The other aspect to that particular part of the bill is by better measuring the take of the state's water resources, that will then increase accountability and transparency which is then going to provide better confidence with the public that the state's water resources are being managed appropriately.

The other part of the bill that I want to point to in regard to potential improved environmental outcomes are the proposed amendments to chapter 3 of the Water Act. Even though they are minor in nature, it will give the Department of Environment and Science improved ability to ensure that the management of impacts on groundwater from mining and coal seam gas are better managed. I would like to take this opportunity to raise, and apologies for not raising this in my submission, that this is the first particular point in time that chapter 3 of the Water Act has been reviewed in any shape since it was first introduced in the early 2000s. What we are particularly concerned about in regard to chapter 3 is that from when it was first introduced way back in the early 2000s there has been a huge amount of improved knowledge around the impacts to groundwater from coal seam gas particularly and we are concerned that chapter 3, in its current shape, if you like, is not particularly fit for purpose. We have been calling for a branch review of chapter 3 to ensure that it is still fit for purpose and is also addressing emerging issues, particularly things like land subsidence that has now been demonstrated to be occurring as a result of the take of coal seam gas.

The other thing that we are particularly concerned about with the current version of chapter 3 is its suitability to manage impacts to groundwater from mining. The committee may be aware that a number of years ago there was an amendment to the Water Act in the various resources acts which basically brought the management of impacts to groundwater from mining under chapter 3 of the Water Act. Once again, because we have not had a review of chapter 3 of the Water Act we do not know whether the current provisions are fit for purpose to manage impacts to groundwater from coal seam gas, let alone managing impacts to groundwater that occur from mining activities. We would be very much supportive of the committee looking into that a bit deeper.

In regard to the other proposed amendments in the bill, in particular to the South-East Queensland Water (Distribution and Restructuring) Act and the Water Supply (Safety and Reliability) Act, as I mentioned earlier, they are very benign from an environmental point of view so there are no particular concerns there at all. I am happy to answer any questions.

CHAIR: I will start with a broad question, and we have not touched on this in what we have talked about so far. We are living in a time where there is climate variability due to climate change. In a nutshell, we either have too much water or not enough for years. That makes it even more imperative that we get our water measurement system absolutely right; would I be right in saying that?

Mr Parratt: Correct, absolutely. Following up from a comment that Kim made earlier about the need to install more gauging stations in river systems across Queensland, Kim's statement is absolutely right: there is an absolute paucity of gauging stations across the state. If we are looking to better manage or measure the take of water for particular purposes, in this case it is non-urban water take, I would be suggesting that to get a much better comprehensive understanding of water availability we need to put more gauging stations in.

Coming back to some amendments that were made to the Water Act a couple of years ago, and one in particular, the minister who is responsible for developing water plans is now specifically required to consider the impacts of climate change on the future availability of water over the forward life of a water plan. That is a fairly significant step in trying to get a better understanding of the impacts of climate change on future availability of water. There are two water plans currently under review where that is being implemented. That is the Mary Basin water plan and also the Burdekin Basin

water plan which has not actually started its review process but it is scheduled to. Those two water plans are literally the first cabs off the rank in regard to how that particular provision in the Water Act is going to be implemented.

CHAIR: It is a question that does weigh on our minds.

Mr HART: I was listening intently to that submission and I seem to remember that there were a number of changes to water regulation in 2014 around the water reform bill and I think the regional planning interests bill. I am not sure that this whole situation has not been looked at. Maybe you might want to go back and have a look at that. That is probably my only comment.

CHAIR: Did you want to comment on that?

Mr Parratt: Are you asking me to go back and have a look at that process?

Mr HART: Yes, I think so. You mentioned there had been no changes to water policy since early 2000. I was on this committee in 2015 and I think we made some quite dramatic changes to coal seam gas and water and so I think those things have actually been looked at in the past. I wanted to correct that statement. I would invite you to go back and have a look at it.

Mr Parratt: From my recollection, the major change to chapter 3 of the Water Act was transitioning mining across under chapter 3. There was certainly a lot of work done to chapter 3 then, but going back to my point, because the provisions in chapter 3 have never really been reviewed we do not know how effective they are in managing impacts to groundwater from coal seam gas, let alone impacts to groundwater from mining that has now been brought across under that framework.

Mr HART: Who should have access to the data if there is going to be telemetry?

Mr Parratt: This is for irrigators' water take?

Mr HART: If we are going to have real-time telemetry on water offtakes, how far does your association feel the data should be spread? Should it just be the water owner, the farmer, or should it be with the department or should it be accessible to a lot of other people?

Mr Parratt: I think in the interests of transparency it should be made publicly available. In what form I suppose needs to be decided and taking on board the right to respect people's privacy—that is paramount. Certainly, whatever data is collected at whatever scale should be made publicly available.

Ms PUGH: James and I are sitting in on the committee, but I remember you from our earlier dealings on a committee many years ago. My question would be around the consultation process for this bill. We have heard from submitters today about the process involving feedback from different stakeholders at a much earlier stage than you might otherwise see in a traditional style of consultation process. Is there any light that you could shed on the consultation process? Obviously your statement is quite benign in terms of being generally supportive of the bill. With that said and getting generally positive feedback from such a wide variety of stakeholders, I am very interested in the process that got us to this point.

Mr Parratt: The Queensland Conservation Council is a member of the Water Engagement Forum, and we have been for quite some time. We have been consulted on the content of the bill and the intent and purpose of it. Going back to when all this first started a couple of years ago, QCC has been very much engaged by the department in every step of that process. We are very satisfied with our level of engagement and consultation regarding this bill.

Ms PUGH: The stakeholder group is diverse. While I am sure there are things you can agree on, there is also quite significant disparity in some of your perspectives. How is that useful to you as a stakeholder to be able to go through that process together rather than—

Mr Parratt: Being individually consulted?

Ms PUGH: Yes.

Mr Parratt: For me personally I find it useful to be part of the Water Engagement Forum and being exposed to other stakeholders' views. The side conversations that happen at the Water Engagement Forum are invaluable. In a lot of cases, the various stakeholders in different sectors represented I would not say have exactly the same views on certain issues but have similar views. For me personally it is always rather encouraging talking to the farmers and to the miners. We all have the same intent in regard to outcomes, and that is better management of the state's water resources not only for the environment but also for water users. From my perspective, the Water Engagement Forum is absolutely invaluable to hear what the department is planning in regard to changes to legislation or regulations or various programs that they are thinking about introducing and also to have the ability to provide feedback at that level without being formally consulted in a submission type process.

Ms PUGH: Some stakeholders are keen to see the detail of the regulations before they provide their full throated support for those regulations. Although you have not yet seen the regulations, do you feel you will have the opportunity as a board to consider and contribute to what those regulations might ultimately look like? Is that part of the process?

Mr Parratt: The regulations have been discussed at the Water Engagement Forum. Personally I am aware of the scope of what is likely to occur or what the changes to the regulations are likely to be. It is the same all the time with these sorts of processes. We do not see the detail of what is in the regulations until the bill goes through and then the regulations get released. It is not only limited to this particular issue; it is across the board. We do not get to see the detail in regulations until they have been released.

CHAIR: Thank you very much, Nigel, for contributing today. We appreciate your time.

WILSON, Mr Ben, Private capacity

WISKAR, Mr David, General Manager, City and Regional Futures, Integrated Solutions, Urban Utilities

CHAIR: I now welcome from Urban Utilities Mr David Wiskar and Mr Ben Wilson is appearing in an individual capacity today. We will have two opening statements and then we will go to questions. David, welcome back. Do you want to start with an opening statement?

Mr Wiskar: I will. I will keep it at a summary level. The way it will work is that Ben's statement aligns and provides some more detail about one of the proposals that is in our set of proposals.

Firstly, Urban Utilities is the largest water utility in Queensland. We service about 1.6 million customers in the Greater Brisbane area. We would like to congratulate the committee and the department on the bill. Obviously the bill is largely, as you have been discussing, about metering of rural water take. The bill also makes some important modernisations of some of the acts that are relevant to our work. We felt that it was worthy to bring some matters to your attention. Obviously any time something goes through parliament there is a lot of effort put in. We believe that if we are able to provide this input then that process of investment of time by you, departmental people and everybody else will be maximised.

I think everyone is aware that there is a lot of growth coming for the South-East Queensland corner as we head towards the Olympics. Most of the matters that we are going to raise are to do with how we as an infrastructure manager manage that urban growth. Many of the things we are proposing are simple streamlining effects that will help knock some delays off for people who are building future infrastructure in our area.

We have six things that we would like to recommend to the committee. I am going to run through them at a high level. Then my colleague, Ben, will talk about one of those in a little more technical depth. The first point that we make is that in the bill there are a number of simplifications that have occurred where we are no longer providing hard copies of material. Within the department's realm, the department has removed that burden. In our legislation I think one has been missed—our Water Netserv Plan, which is a plan we provide to show developers what infrastructure is going to be required to provide water and sewerage services. We would like to, and in fact do, provide that via the web. What we are seeking from this bill is similar to other changes that have been recommended in the bill—that we no longer have to provide hard copies of that plan.

There is a second duplicative process—infrastructure charging notices. We are required by legislation to publish a register of those infrastructure charging notices. All of the details of that register are then duplicated in a second process where we publish the actual infrastructure charging notices. Feedback we get from our developer partners is that that is confusing. What we would like to do is have the register which has all of the information available. It is easy for people to search rather than having to publish the notices separately.

I am now going to talk a little about our Water Netserv Plan. Our Netserv Plan is essentially a blueprint of future infrastructure requirements that allows developments to occur. It is very similar if you think about a local government planning scheme which outlines what roads and other things are available. This outlines what is going to be necessary for future community development. The Netserv Plan gives water and sewerage infrastructure information in much the same way as the town plan does. We are required under the act to continually update that and keep people informed, which is as you expect. As we make significant changes, we are required under the act to consult with people about that. That is entirely appropriate.

What we would like to do is suggest to you that there are three certain instances that we believe should be administrative changes rather than needing to go through that consultative process. The first example of that is where we have just clarified or explained a term and there is no change in meaning. At the moment if we make a change like that we have to go through a consultative process and that seems burdensome to us. As the plan service connection area is extended, the act currently combines a mandatory service area map and the connection area map in Netserv. What that means for us is that when we have routine growth we are going to require a minor amendment which will require consultation. We are of the mind that that normal growth that occurs and that mapping process be an administrative amendment. That will make it simpler for us.

In a similar way, we have an annual update where we move from future connection areas to where people have been connected—an example would be when the suburb grows. We are looking for that to be again an administrative amendment. It is normal practice and it is not going to change anything for anybody.

The fourth point that we would like to raise is around the definition of 'business days'. What we would like to do with regard to business days is exclude the days between Christmas and New Year, similar to what is done in the Planning Act and also in the security of payments legislation. We are looking for simplicity there.

Ben is now going to talk to the more complex examples that we have which are points 5 and 6. I will introduce those and then hand over to Ben. We have a mapping requirement where our connection area and service area have two different maps. They have been combined presumably for efficiency. Ben's going to explain what problems that creates for us.

The second thing is that we have a situation where people are using water as part of fire testing. So that we can encourage wise water use, we are looking to be able to charge bulk water charges for that water. I will hand over to Ben to explain those last two points in more detail.

Mr Wilson: I thank the committee and the honourable members for the opportunity to present today. To talk to David's point 5, again, it is somewhat of an administrative amendment that we are proposing here. We believe that the intent of the act that basically regulates South-East Queensland retailers was aiming to create some efficiencies by creating a single connection area and service area map. We are a special case in terms of the rest of Queensland that normally would publish that separately as water service providers.

We have found that administratively it is quite difficult to try to represent both the connection area, which is our next 10 to 15 years of post-council development, and our service area map in the one document. It can be quite confusing for developers who are using that to inform in terms of where they can go through certain connection processes versus the intent to then also show our regulator the extent of our service area. Again, that is a small administrative amendment that could be done to greatly improve it and make it more efficient and consistent for the publishing of that information in South-East Queensland.

With regard to point 6, I will try to keep my introduction brief. I am currently employed by Urban Utilities principally in the areas of long-term water supply planning. I also provide support through policy and standards implementation. My professional career has been lucky enough to be focused on long-term water efficiency and water sustainability and to provide water at the most economic cost to both Queensland and South-East Queensland. The proposal we have here is what we believe is a relatively straightforward proposal to promote water sustainability through what is probably a relatively small legislative amendment to the Water Supply (Safety and Reliability) Act, specifically section 144.

Again, I come from this in terms of assisting governments usually. My background is in compiling the first South-East Queensland regional water supply strategy and providing urban water balances to the state, assisting the various incarnations of the department of water, at some point assisting water industry compliance with respect to Queensland water supply, and providing drought management and alternative water supply programs. I was also the lead author on the Brisbane City Council's urban water loss management strategy, which was part of our local drought response that targeted water efficiency to reduce water wastage by 22,000 million litres per year across South-East Queensland.

It is with that backdrop that we stumbled across a potential water efficiency back in 2005 that we had to deal with in a hurry because the drought sprung up on us in Brisbane. It was brought to our attention by the building and firefighting industry that there was a considerable amount of water being used within the urban setting for mandated testing that needs to happen in building firefighting systems.

Whilst we note that the committee's focus is on the non-urban water sector, we would also note there is the potential for a window of opportunity to also improve an element of water efficiency in the urban water sector as well. One of the barriers we could not solve at the time, and I guess we were just waiting until we got to the review of the relevant acts, was that back in 2000 when the original Water Act was drafted, it was prohibited for water service providers to make a charge for water used for firefighting purposes inside firefighting systems. At that time, if we put it in context, Queensland was only just beginning in the non-urban sector its catchment water resource plans, beginning to think about metering water entitlements to a greater degree and beginning to look at the issue of uncapped bores and their depletion of aquifers. Similarly in the urban sector, water was relatively low cost to deliver and supply at the time that the act was drafted, around about $400 per million litres. If we come forward to 2022, the view of water in terms of its economic cost and its value to us I think has substantially changed. In the urban water sector, for instance, the cost to treat and distribute that water has now grown by 10 times from when the act was drafted. Not only that, the building mix in

South-East Queensland has substantially changed with now a bias towards medium- and high-density housing and each of those under the Building Act are required to install their own private firefighting systems and each are required to take a battery of water using tests through the year.

Whilst the committee has so far focused on non-urban water improvements, the submission suggests there is also an opportunity to improve our water sustainability in the urban sector without a real substantial effort to amend the wording in the act. The core issue is, and I will try to skip through these, the prohibition on basically setting a charge for that water used. It is against modern-day water sustainability principles where you are trying to set a cost signal to promote efficient use of that water. It also has meant that it has created a hole in our water accounting framework in that if the water service providers could not make a charge for that water then there was no incentive for them to install water metering on those. So that is a segment of the water use in South-East Queensland that is largely unmetered.

Also administratively there is an issue with the way section 144 is written in that it is virtually impossible for water service providers to legally be in full compliance with the act, and I will discuss that in a little bit more detail. I guess to give some idea of the value of the water that we are talking about, best estimates, and unfortunately we do not have full records of this, are that there are around about 10,000 private firefighting systems in existence that need testing every year in Brisbane and Ipswich alone. Under the Building Act, which requires annual testing of the water supply and for testing pumps—that they run and operate—based on a sample that we took from 300 properties, there is around about 2,000 million litres per year of drinking water that is used in those areas. That is adding to the cost of water supply of up to $10 million per year in the urban water sector. This is increasing year on year because of what we noted before in terms of the tendency towards housing types that require more and more of these systems.

Separately, in terms of administrative constraints, the act prohibits charging for water use for firefighting purposes. However, the majority of our buildings have only one metering installation to meter both domestic and fire so it is impossible for a water service provider to determine what water was used for firefighting purposes and what was not. In terms of knowing where the firefighting systems were, water service providers and the building authorities work as two separate regulated entities, it is not necessarily that the information is transferred from one authority to the other. The water service providers do not know with 100 per cent degree of certainty whether they are servicing a building firefighting system or not. So, the submission recommendation was basically to look to modernise this part of the legislation. Again the submission suggested that changing one sentence may actually fully modernise this part of the act and that would similarly promote better urban water efficiency and also better urban water accountability.

CHAIR: Thank you for that, Ben. David, you have some targeted suggestions. With Netserv versus the area service, the point you are making is they serve two different purposes. You combine them and that makes it harder to use either of those or both; would that be correct?

Mr Wiskar: There were two sets of thoughts going on when people were drafting them, and both valid. It would just be helpful to us for those things to be separate rather than together in terms of the administration of the Netserv plan.

CHAIR: Certainly to the point about the infrastructure charges, they are already published?

Mr Wiskar: That is right. Let us assume you have done a splitter block out there at Rothwell, you will be charged some infrastructure charges and we will publish that as part of a register. What we are also currently required to do is publish the actual notice that we send to you as the person who did that splitter block, to use that as an example or if somebody is building a new subdivision similarly. All that we are saying is that carrying two pieces of information, this is essentially like your notice. We are not adding any value by publishing both and what we are finding is customers are getting confused about where to go for the information. I think if we are able to use a register, we would still be issuing the infrastructure charges notice to yourself, assuming you were doing a development, so that document will exist, but there will only be one published record which would be the register

CHAIR: Those other ones you have pointed out, and certainly the definition of business day, they are points that could add to the act if they were adopted?

Mr Wiskar: The ones that Ben has spoken to are certainly the more complex things. I think the other matters are pretty administrative. I think all of the things we have presented align with the intent of the bill. The other point that I would make is that we have consulted with other parts of the industry and whilst we are not able today to table four more letters of support, the industry certainly strongly

supports the work that we have done. We have spoken to LGAQ, other water service providers and the Queensland Water Directorate. As I say, we have received indications of support for what we are trying to do with the administrative changes here.

CHAIR: Ben, I find your submissions clear and direct. You have pointed out 10,000 of those private systems using up to $10 million a year of water on private testing. I have not seen this particular problem dealt with before in any other acts. We have not had a chance to examine this previously or we have missed chances to address this particular oversight; would that be correct?

Mr Wilson: I think so. Basically the water service providers have just tried to carry on as best they can. From discussions we have had in Queensland it is interesting how different legal interpretations have been taken of the same act. They have tried their best to comply, but it has proven very difficult. As you know, the windows for making basically an 'other legislation amendment act' are small and sometimes they are focused on a particular aspect. In this particular round there is somewhat of an alignment in terms of a better opportunity that the committee is looking at in terms of improved water accountability of water efficiency and we are similarly hoping to take advantage of that focus for the urban water sector as well.

Mr HART: Have you raised this directly with the department at all and what was their response—especially on those last two issues?

Mr Wiskar: I think the conversations we have had with the department have suggested that the first few are things that they would not have too much trouble with. I think the work that Ben has done, I think they would like to have a chance to look at it, but it would be added value if you were able to mention that in your report. Given the water scarcity issues that we are likely to be facing—the previous speaker, Mr Parratt, raised the issue of climate change—from our point of view we are quite worried about that because our predominant water source in South-East Queensland is still dams and the science of climate change suggests that evaporation rates are going to become much more significant in the future. That means the reliability of those sources continues to be challenged and so we have to do everything we can as water service providers to help our customers be more efficient. I guess the technical analysis that Ben shared suggests that this is about one per cent of the total water use in South-East Queensland so it is not insignificant.

Firefighting equipment needs to be tested. I think the biggest worry that we have is all of that testing being done appropriately and are we using equipment that should be being used for testing to be doing some other things, let us say. I can confess as a young man in North Queensland I can remember hosing out the back dock at Coles with the fire hose on occasion. It was a long time ago so I have confessed my sins now.

CHAIR: You were a teenager, and no-one needs to know.

Mr HART: How long ago did those particular issues crop up and how long ago did you talk to the government about making those changes?

Mr Wiskar: We have had various conversations over a number of years with the department about this. Obviously in coming here today we have a strong collaborative arrangement with the department. We made them aware that we are raising it on this occasion. As I think Ben relayed in his evidence today, he has been having discussions with the department for 15 years, I suspect.

Mr MARTIN: Following up on that particular issue, you mentioned, Ben, for townhouse complexes or apartment buildings there is one metering system so there is no way of knowing what water is used for fire testing and what is normal consumption. What happens now? How do you determine that now? Do you just talk to the body corporate?

Mr Wilson: There are different practices in use in South-East. Some will try to use an estimate or an allowance, what they think might be a reasonable volume. Again it is not quite to the letter of the law, but it is trying to comply with the spirit of the law in trying to give some allowance for that testing. My role is leading metering standards, also nationally, and we have said that even though we could not charge for it that it was an idea going forward to actually implement specific meters for fire services so that we could begin to understand this and monitor it at least for new builds going forward. That is principally how we do it. In South-East Queensland urban firefighting systems have been installed for the greater part of 50 years so they predate the act. It did not envisage at the time in terms of the framework that we operate under now.

Mr MARTIN: You did mention modern water metering practices and cost signals. Do you think that it is appropriate to have a cost signal for something that is essentially for safety? Do you think that might be an area where you should not have a cost signal?

Mr Wilson: That is why it was put in the act in the first place; it was trying to promote that. In the building space it was a different environment; there was a patchwork of different standards and testing. Depending on the age of the building, some might have only had to test every five years. That was changed through amendments to the Building Act in 2012 or thereabouts to now almost mandate that people have to test and they have to keep records. There was a great emphasis put on compliance in that respect. That incentivised that in terms of not having a cost for the water anymore, so they have to use the water regardless. In the course of our investigations we found examples—and there can be extreme examples—where firefighting systems were leaking water in the order of $10,000 per week. It is difficult then to send a cost signal on that when the onus is on the water service provider to prove that that water was not used for firefighting purposes. That is quite difficult to do.

We would argue that it maybe not be at cost, but there should be at least some cost. That in turn would also incentivise the industry as a whole to actually adopt water efficient practices within building firefighting systems just as we have implemented them in domestic systems.

Mr Wiskar: Something I would quietly add to that is one of the benefits of metering is also that you will have transparency about whether or not the testing is occurring. It would be very clear that the firefighting testing is occurring. It would be interesting to have some dialogue with the fire industry about that, but I suspect that sort of information is potentially useful if we have these metered. It becomes a useful compliance tool for that safety aspect. To be clear, we are very supportive of ensuring that fire safety is in place within the management of our water resources. The challenge as we go forward is with meeting new water sources to deal with the growth that we are having and that is going to come at a cost to the whole community. We are mindful of that at all times.

Mr McDONALD: David and Ben, thank you very much. Sorry, I have patchy reception where I am, but thank you very much for your participation and input.

CHAIR: That concludes this public hearing. Thanks to everyone who participated today. We do not have any questions on notice. Thank you to our committee, our secretariat and our Hansard reporters. A transcript of these proceedings will be available on the committee's webpage in due course. I declare this public hearing closed.

The committee adjourned at 1.18 pm.