Speech By

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WATER LEGISLATION AMENDMENT BILL; ENVIRONMENTAL PROTECTION (UNDERGROUND WATER MANAGEMENT) AND OTHER LEGISLATION AMENDMENT BILL

Mr PERRETT (Gympie—LNP) (10.02 pm): I rise to speak on these cognate water bills. Rural and regional Queenslanders know and value water as a precious resource. They also know that it is not just a precious resource to be locked away; they know that it is vital for sustainable growth. It is important that we get the balance right for planning and its future use. The management of water resources, particularly groundwater resources, is notoriously complicated with complex public policy settings affecting a broad range of stakeholders. Firstly I will speak on the Environmental Protection (Underground Water Management) and Other Legislation Amendment Bill 2016, which the Resources Council described as—

... incredibly complicated legislation. It is not just a simple legislative bandaid that is being introduced. It is omnibus legislation. It amends acts that have not commenced. It amends bills that have passed but not commenced. You almost need a PhD in law to track through all the amendments.

The concerns of regional businesses, workers and farmers was demonstrated in the protest outside this place last week. These proud workers are concerned that proposals to shift the goalposts will seriously impact development and cripple their job prospects. Under the bill, conditions will be imposed on businesses even though they have already adhered to conditions which were attached to the approval at the time.

There are three main areas of change in this bill. Amendments to the Environmental Protection Act will require specific information to be included in certain site-specific environmental authority applications and amendment applications in relation to the environmental impacts of underground water rights by resource projects. It will also require underground water impact reports to include an assessment of environmental impacts of the exercise of underground water rights and clarify that an EA may be amended in response to the content of that report. Amendments to chapter 3 of the Water Act relating to the make-good framework require resource companies to pay the landholder's reasonable costs in engaging a hydrogeologist for the purpose of negotiating a make-good agreement. They require resource companies to bear the costs of any alternative dispute resolution in the make-good agreement negotiation process. They insert a cooling-off period of 40 business days for make-good agreements. They ensure that impacts on water bores as a result of free gas from coal seam gas extraction attract make-good obligations, and they address issues in the make-good agreement negotiation process relating to uncertainty in the cause of bore impairment.

There is concern regarding changes to the transitional arrangements in the Mineral Resources Act and the Water Act to capture well-advanced resource projects in an associated water licence assessment process. These arrangements will provide a separate associated water licensing process

for mining projects that are advanced in their environmental and mining tenure approvals. Currently, the projects most immediately affected by these amendments are the Adani Carmichael coalmine project and New Hope's Acland stage 3 project.

This associated water licensing process will require public notification and allow public submissions on underground water impacts associated with these projects. It means that an application can be refused if the underground water take is found to have unacceptable impacts on the environment and other water users. Third parties will be able to submit a merit based appeal. Put simply, this is shifting the goalposts after businesses have already adhered to and implemented conditions which were attached to assessments at the time. No business can operate successfully in an environment where it is constantly looking over its shoulder on the lookout for being ambushed.

Businesses already operate with the threat of vexatious and frivolous legal challenges by environmental groups to development projects. 'Lawfare' has already cost the Australian economy up to $1.2 billion and the cost is still rising. Last week it was reported that Australia-wide the 32 legal challenges under the environmental laws that went to court meant developers spent a cumulative 7,500 days—or 20 years—in court, even though 28 of the environmental cases were defeated and three required only minor technical changes to go ahead. We all know that much of this relates to Queensland. The transitional arrangements in this bill will aid that agenda. They will stifle business and create uncertainty. We should not aid green groups who are stifling economic progress through green 'lawfare' who want to self-indulgently rip the guts out of our economy. It is driven by fanatics who have absolutely no interest in advancing the interests of Queenslanders and no interest in improving our job prospects and Queensland's economy. They manipulate the truth to demonise farmers and miners in order to appease the consciences of wealthy inner-city greens who live in their concrete jungles.

Environmental groups are being secretly funded from overseas so that they can undermine investor confidence and halt development and delay projects, causing economic damage to the companies and the state through lost jobs and lost investment. With their tax-free charity status, almost three-quarters of a billion dollars in funds have been provided to them in the last decade. Those workers and farmers who protested outside this place last week do not receive the same tax-exempt status, yet they do more for our economy and prosperity than any of these groups. Green groups are an ideological anti-coal, anti-farmer and anti-economic development crusade to hold up projects to reduce profitability and investment.

Changing the goalposts to the transitional arrangements is playing to their agenda. This is why we saw workers and farmers protesting last week and the week before. After the first protest a reporter tweeted, 'Never thought we would ever do this. Farmers and miners beg government to approve New Hope Acland mine expansion.' It was not a surprise to regional Queenslanders. In the regions are families and workers who want to save their jobs and businesses that are crippled by government regulation which is destroying industry in rural and regional Queensland.

As deputy chair of the Agriculture and Environment Committee I received numerous representations from many workers, their families, wives and husbands who are worried about the outcome of this bill. There are serious concerns about the lack of consultation with stakeholders during the drafting process, the absence of a regulatory impact statement and the short time frame to investigate a complex and complicated bill. Government claims of adequate consultation are contradicted by recommendation 2, which asks that—

... the Minister examine the impact on relevant mining licence holders' short-term prospects, and the resulting impacts on affected communities ...

This is because the committee has significant concerns about the flow-on impacts of any interruption of production at New Acland and in similar projects. The number of projects in a similar situation, the number of anticipated job losses and the economic and social impact on rural and regional communities were all beyond the ability of the committee to ascertain in the time available. Despite the impact on the New Hope Group and on the Acland stage 3 mine project, the government did not even consult with them before introducing the bill. This news apparently shocked the member for Gladstone, who asked the manager of Environment, Policy and Approvals, New Hope Group, Kylie Gomez Gane—

Has there been any consultation with the departments or the minister's office in relation to this new bill with your company?

Ms Gomez Gane said no. The chair asked again—

None at all?

Ms Gomez Gane again said no. The New Hope Group advised us that this bill will mean the loss of more than 200 jobs from New Acland, New Hope's corporate office in Ipswich, their QBH port facility at the port of Brisbane and additional losses of several hundred from various suppliers and service providers. Consultation was in effect mere lip-service.

The committee was expected to investigate, consider and complete a report on this complex legislation within four weeks. Inadequate time frames meant that affected stakeholders had only 15 days to provide submissions, preventing a proper assessment of the economic and social impacts on industry and the wider community. Condensed time frames curtailed briefings and responses to requests from departments. The process was so rushed that we received the chair's final draft less than two hours before being expected to consider the report's contents. In comparison, consultation on a bill with a similar subject matter—the Water Legislation Amendment Bill 2015—lasted approximately 15 weeks.

Stakeholders made it very clear that there was almost no consultation with them prior to the introduction of the bill. The minister's introductory speech glossed over this, claiming that Water Engagement Forum meetings on 7 March, 29 April and 6 September 2016 constituted consultation. Evidence to the committee revealed that those forums were not even about this bill and that the limited parts which were disclosed were provided in confidence, with stakeholders prevented from consulting with their member organisations and being required to provide written responses within a week. Mr Andrew Barger, Director of Economics and Infrastructure at the Queensland Resources Council, said—

… there was a process of seeing parts of the bill in confidence, not being able to share it with my members for a period of about a week and giving comments on that.

…

There was not an ability to understand the complexity of the projects that it would affect. There was not an ability to engage with members, get their feedback and channel that through. Fundamentally … I do not think I was representing my members because I was precluded from engaging with them. There was an announcement. There was an ability for me to give my personal feedback … over a very short time period for a very complicated process. I would not characterise that as consultation and certainly not consultation in … such a complicated process as water licensing.

Mr Matthew Paull, Queensland policy director of the Australian Petroleum Production & Exploration Association, said—

We all got a series of quite significant changes on the Monday. We were given 24 hours to respond and told that they would be in parliament the next week. We met with EHP and asked a lot of questions on the Tuesday following. A lot of those questions could not be answered in terms of the scope and intent. Then we basically heard nothing until quite recently when again they were put to the Water Engagement Forum and we were given an opportunity to respond in a very limited window.

Despite the Department of Natural Resources and Mines attending those forums, the discussion was so inadequate that the department said it was unable to provide advice requested by the committee in the time available regarding the number of individual and small enterprise resource tender holders affected by the provisions of this bill.

The EPOLA bill has no regulatory impact statement, RIS, which is surprising given that it will negatively impact hundreds of regional jobs and the security and certainty of investment decisions by companies in resource projects and that submissions often made conflicting and contradictory statements about the potential impact of changes. This could and should have been addressed by a proper RIS. It would have tested the reasons behind the change to the current legislative framework, tested the inadequacy of current arrangements and identified improvements from proposed changes. Stakeholders were prevented from proposing alternative regulatory approaches to achieve the same outcomes. Mr Andrew Barger, Director of Economics and Infrastructure at the Queensland Resources Council, said—

… the explanatory notes … identify no alternatives. That is an extraordinary statement. It is really difficult to believe that, with all the intelligence of the Queensland government, there is no other way to address the objectives of the bill other than the bill that we are seeing ...

He went on to say that an RIS—

… is a way of channelling feedback into the development of the legislation before it is drafted. It is a really good framework for providing consultation. It provides a lot more transparency. Unfortunately, with eleventh-hour omnibus bills … you run out of time … which is to the detriment of the outcome of the bill ...

Protecting the interests of landholders and regional workers and communities means that we should be concerned about the Water Legislation Amendment Bill 2015. It has its genesis in the reforms to the Water Act by the previous government. Those 2014 reforms cut red tape and encouraged economic development, particularly in regional Queensland. The input of agricultural stakeholders resulted in the only recommendation put forward by the committee, a recommendation which contradicts Labor's proposal to remove the water development option from the Water Act.

Importantly, the LNP's reforms included the recognition of economic, social as well as environmental considerations, including sustaining ecosystem health and water quality and security of water entitlements by defining responsible and productive management.

Although reforms to the Water Act were made almost two years ago, the government put them on hold and then took almost a year before introducing its own bill, which now affirms the reforms already set out in 2014. It affirms the LNP's attempts to make the water planning process more timely and efficient and the reforms to make management of groundwater consistent across all sectors of the resource industry.

During the debate on the LNP bill two years ago, the Deputy Premier called the reforms an 'ill-conceived, ideological assault' and said—

… this is a shameful bill. It is an utter disgrace. It recklessly and irresponsibly deregulates water management and allocations ...

yet a year after those comments, the government has a bill which confirms our attempt to make water management timely and efficient. What hypocrisy!

The key reforms of the 2014 bill aimed to update unnecessarily long and rigid water planning processes; provide consistency in the management of groundwater across all resource industry sectors; and create a pathway for the consideration of new large-scale water infrastructure projects, known as the water development option.

They also sought to replace the term 'ecologically sustainable development', ESD, with a broader purpose to consider community and economic outcomes as well as the environment. Changing the term 'ecologically sustainable development' to 'responsible and productive management' stirred up the usual crowd of affluent inner-city green activists who now dictate the government's agenda, especially their champion the Deputy Premier. Queensland Wilderness Society spokesman Dr Tim Seelig said—

… putting the principle of ESD back into the Water Act, although only partially so, is an incredibly important point for us.

This is the same Dr Seelig who demanded the Premier hand the control of vegetation management issues to the Deputy Premier, who objected to witnesses appearing before the vegetation management hearings saying they were 'paraded' before the committee. I would not be surprised to discover that Dr Seelig is actually on speed dial from the Deputy Premier's office.

What we have here is a bill which has the stamp of approval from those green activists. The Labor-Greens bill will reinstate the restrictive ESD purpose and place more importance on ecological outcomes rather than community and economic outcomes. Once again, communities and local regional economies will play second fiddle to environmental considerations. The government also wants to strike out the provision providing for new large-scale water infrastructure projects to be assessed and approved through the Water Act. There is no mystery to this: this is to satisfy the Greens.

Reinstating the notoriously restrictive ESD should seriously concern industry, especially those sectors looking to secure additional water to support new projects, but the most serious loss for agriculture in regional Queensland is the exclusion of the water development option, which removes a pathway for the assessment and approval of greenfield irrigated agriculture projects within the Water Act. It demonstrates the government's ignorance of life and work in rural and regional Queensland. This is an executive government run by elites, like the Deputy Premier, who do not care or know about what is happening outside South Brisbane.

The LNP's bill amended a comprehensive framework which was previously lengthy, overly prescriptive and inflexible. Our reforms were just, prudent, sensible, responsible and workable. They retained strong community engagement while removing or reducing unnecessarily prescriptive and sometimes overly bureaucratic and lengthy processes. They recognised the importance of sustaining ecosystem health, water quality and water-dependent ecological processes and biodiversity. They delivered the appropriate balance between economic, social and environmental outcomes while promoting the efficient allocation and management of water and ensured that accessibility, certainty and security for water users remained paramount.

In considering both bills, we must ensure that water resources are used responsibly and productively to deliver an economy that will benefit all Queenslanders, accelerate the growth of agriculture and resources sectors and create economic development opportunities for rural and regional Queensland. The unfair transitional arrangements, the potential for regional job losses, the lack of comprehensive consultation and the absence of a RIS mean that the EPOLA bill is fundamentally flawed and the one-sided regulatory burdens in the water bill are why I urge this House to support the opposition's amendments.