ENVIRONMENT, AGRICULTURE, RESOURCES AND ENERGY COMMITTEE

Members present:

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

Staff present:

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

PUBLIC HEARING INTO THE STRATEGIC CROPPING LAND BILL

TRANSCRIPT OF PROCEEDINGS

THURSDAY, 10 NOVEMBER 2011

Brisbane

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Committee met at 12.34 pm

CHAIR: I declare this meeting of the Environment, Agriculture, Resources and Energy Committee open. For the benefit of those people who were not here this morning, my name is Carryn Sullivan. I am the state member for Pumicestone and chair of this committee. Also here with me—and I will just get them to raise their hands—are our deputy chair and member for Hinchinbrook, Andrew Cripps; Jack Dempsey, the member for Bundaberg; Di Farmer, the member for Bulimba; and Peter Lawlor, the member for Southport. I would like to introduce to my left Rob Hansen, who is our research director, and Robyn Moore, who will join us soon. She is our principal research officer.

The purpose of this meeting is to hear evidence from a number of groups and individuals who made submissions to our work on the Strategic Cropping Land Bill. I regret that we have not been able to give everyone the time that they would have liked, but I encourage everyone today to be succinct. Before we start, can I ask everyone to either turn off their phones or put them on silent, please.

Today on the panel between 12.30 and 1.30 we have the Queensland Farmers' Federation represented by Dan Galligan, who we have met before and grilled. So he is very much aware of the process. From AgForce we have Mr Drew Wagner. From Canegrowers, we have Mr Matt Kealley and from Cotton Australia we have Mr Michael Murray. From AgForce we have Mr Brett Finlay, who is a very important player here today.

FINLAY, Mr Brent, President, Agforce Queensland

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

KEALLEY, Mr Matt Kealley, Senior Manager, Environment, Canegrowers

MURRAY, Mr Michael Murray, Queensland Policy Officer, Cotton Australia

WAGNER, Mr Drew, Policy Director, Agforce Queensland

CHAIR: Our first witnesses today are from peak bodies representing primary producers. Welcome, gentlemen. Could you each outline very briefly the key points of your submissions and your key concerns about the bill and we will follow with some questions. I will hand over to Mr Brett Finlay.

Mr Finlay: I have just a couple of comments, members. Our organisation certainly welcomes this legislation. It has been a long time coming and we support the introduction of it. It is there to give certainty to all landholders about the status of their land, particularly the best of the best, which is the strategic cropping land. The Premier made comments early on in the process that we were looking at maybe four per cent of the state. We realise that it is less than that, and probably less than two per cent. But it is critical to find out what it is and where it is.

Another really important part of the legislation is the two-year review and we certainly welcome that. This is the first legislation of its kind in Australia. Other farming groups right around Australia and the National Farmers' Federation are also interested in the process of this legislation, with possibly other states doing something similar. We need legislation to give landholders certainty. Farming is a long-term business. They need certainty over the long term and hopefully this legislation will do that. I will now defer to Drew Wagner, our policy director.

Mr Wagner: Thank you. Members are obviously well aware of the issues that we have raised within our submissions. Several of the issues have already been covered off this morning, specifically from some of the committee members questioning the departmental representatives, although I would like to tease out some of those answers with your discretion. There are obviously issues at this point in time discussing this in its entirety given the fact that we have a lack of a regulatory framework at this point in time and the fact that the bill will go through on the floor of the parliament without that regulatory framework when so many of the mechanisms underpinned within the bill are actually reliant on that to move forward and to be fully conversant on what those impacts are.

There is still an issue that we have specifically pertaining to the definition of 'permanent impact'. The time frame of 50 years, we believe, is still way too long. We talk about generational impacts—a generation being 20 or 25 years—but there is also a very large difference between something that takes 49 years to impact but only one year to remediate versus one year to impact and 49 years to remediate. So time frames of permanent alienation we do not believe at this point in time have been that succinctly or well investigated within this process.

Although the discussion this morning pertained to the mitigation process, once again, that is a very difficult construct to comment on when the regulatory framework is still missing in action. We have difficulties with who will be the representatives, the value—as was discussed this morning and how that will be set—the assessment upon which that will be deemed to have been successful and the outcomes that are hoped to be achieved through that process. We still have some unanswered questions pertaining specifically to access to the landscape in relation to the assessment of the strategic cropping land criteria. We, as well as many other parties who you will hear from today, are heavily involved in the land access arrangements that were introduced by parliament in October last year. The details and arrangements upon which a negotiated agreement has to be put in place between the developer and the landholder before access is granted to the landscape is of high importance, considering not the compensation but the conduct in particular. Considering issues of biosecurity, farm operating practices and access on and off these landscapes to assess these criteria, it is unknown at this point in time when those access arrangements will actually come to bear and little detail has been imparted to us on that.

Of course, there is still the issue that underpins many of the questions this morning from the committee to the departmental representatives, specifically pertaining to sections 281 and 282 of the bill, relating to EPC 891 and the Bandanna coal project development proposal and approval and the time frames within which that happened and the explanations that we were given this morning. But I am more than happy to expand on any of the issues that the committee members have seen within our submission, the issues that we have raised verbally today or to clarify any of the answers that you have perhaps been provided as you have at least two members sitting at this table right now who are members of the Strategic Cropping Land Advisory Committee as well.

CHAIR: Thanks very much.

Mr Galligan: Once again, I thank the committee for your efforts. I think every submission to this inquiry has made reference to the fact that this is a very short time frame but we also appreciate that it is a very short time frame for you to get your head around the issues. So thank you for your endeavours. I support the comments made by AgForce. I will not delve into any greater detail other than to touch on a few different issues.

The QFF also supports the introduction of this bill. It has been almost 2½ years in negotiation. It is difficult, however, that we have seen the text of the bill for only the past eight days. So how this will pan out is one of the reasons we are highly supportive of a two-year review—but a technical review rather than a policy review. We would not be supportive of a review looking into the principle of protecting strategic cropping land in two years. We would be looking into how the bill gives effect to the policy over the next two years.

I will just raise a couple of issues that we believe are limiting the purposes of the bill as we see it. As with Drew, we think that 50 years is just far too long. There seems very little justification. I would be interested if the department has been able to give the committee any justification as to where the 50 years came from and I would be willing to hear it. However, our position has always been that 50 years is far too long. One other area that has been very disappointing for us is the introduction of the management area, which occurred through negotiations at the beginning of this year, but none of us who were involved in the advisory committee knew about it until it was announced. So while we had done all of this work a management area was decided upon. As you will see in our submission, we just do not see the need for this management area. There are plenty of caveats in the bill to allow for development to occur where it needs to occur and, indeed, where it needs to alienate land if it needs to alienate strategic cropping land. The management area, I think, really is about a political fix. If that is what had to happen to get it across the line, that is one thing, but it really does water down the effect of the bill.

We are very disappointed in some respects with the criteria being solely focused on soils. We represent a number of intensive industries, particularly the irrigation industry. Consideration for the importance of irrigation infrastructure associated with land is one key criteria. We have always felt it important to at least acknowledge in strategic cropping land in that, essentially, it would be crazy for us to be suggesting that we are going to alienate irrigation schemes in Queensland if they want strategic cropping land. So access to water is certainly one of the issues that we will be looking at in the two-year review as well.

The final two issues that I will raise before I hand to my colleagues is more about principle. We have grave concerns that the bill will not adequately address what is the greatest stress for agriculture and for farmers at the moment and that really is the impact of the gas industry. The bill has made some efforts to reference cumulative impacts and loss of productivity but it is yet to be seen and really difficult to understand how a landholder or a group of landholders will be put in a position to demonstrate that their loss of productivity or significant loss of productivity is as a result of the cumulative impacts of gas. There does not seem to be a clear test for that and it is the only test that would come close to referencing the real tip of the iceberg.

Otherwise we have made some recommendations on some administrative matters. Drew has already mentioned one of the most important ones about land access, and that really needs to be fixed up in our view. With that, I am happy to hand over to my colleagues, if that is okay.

CHAIR: Who is going first?

Mr Kealley: Canegrowers is also a member of QFF, and QFF has been doing the majority of the work on behalf of Canegrowers for the Strategic Cropping Land Bill. However, we have provided a submission to the committee and I will touch on some of those points.

Firstly, Canegrowers is supportive of the intent of the Strategic Cropping Land Bill. We support the stated principles in the bill and appreciate the opportunity to do that. Secondly, it is difficult to conclude how the bill will be implemented until the regulations are drafted. We believe this is occurring in several months; however, will there be further opportunity to comment on those regulations? Thirdly, we mention the costs. We are not sure of the costs of implementing the strategic cropping land framework at this time. There is no market knowledge of the costs for onground validation. As far as we are aware, there are no decisions announced on final cost structures for administration.

Again, we support the concerns about the time frame. We believe the 50-year time frame is too long and that a generational time frame should be considered. We are also concerned about the two-tiered system of a production area and a management area. We believe that is questionable. In the cane industry, we believe the majority of the cane area will fall into a management area and this is not mapped. So with any development on a management area, if it is required to mitigate any unavoidable permanent impacts, is there a potential impact on future productivity for management areas? When it comes to the strategic cropping land criteria, we still consider that debatable but we are very supportive of a proposal to have a technical committee and we also support the proposal for a two-year review.

Finally, Canegrowers consider that allowing a person other than a landholder to apply for strategic cropping land validation is fundamentally flawed. We consider that allowing requests to be made for eligible people who do not yet have source approvals will generate unacceptable situations. We are not supportive of having people other than the landholder accessing strategic cropping land or putting a proposal in at this time. Thank you very much.

Mr Murray: Firstly, I would like to congratulate the Queensland government on the initiative of a Strategic Cropping Land Bill. It certainly is a step forward and, as mentioned earlier, it is a first for Australia and certainly what is happening here is being watched in other states. With that very clearly in mind, we are supportive of the intent. I am afraid we have a number of criticisms that we would like to see addressed. I challenge this committee with this: if the intent really is to protect the best of the best of Queensland's cropping land, is this bill actually going to achieve that? I suspect it is not. I agree with everything that has been said by the other witnesses this afternoon, but I will just hit on a couple of extra points and reinforce some of the ones that have already been discussed.

There is really no justification for the differentiation between the protected and the management zones. Either this country is worth protecting or it is not. Unfortunately, the management and the rules around that, as we understand them, really allow people to buy their way out of this process and there is no guarantee that they will actually be able to maintain the standard of the soil, so I think we need to move to the fully protected area.

As mentioned by Dan, particularly in the cotton industry we have concerns that the focus is on maintaining the soil resources. That is a very worthwhile aim to have, but we are very concerned also about taking it in the whole, including water resources. If we go down on to the Condamine Alluvium area where we have the best of the best flood plain soils overlaying the Condamine Alluvium, together it is highly productive food and fibre country. Yet we are not convinced that this bill will actually provide any protection against coal seam gas development. Again, the 50-year time frame makes it very difficult to judge whether there is any way possible that the coal seam gas industry cannot damage the land permanently. That will not be known until a long way down the track so that 50 years is too long. I mention the emphasis on soil rather than taking the whole mix. What makes strategic cropping land really valuable is not just soil; it is climate, it is soil and it is water resources, and that needs to be taken into account.

Within the cotton industry, the other particular area of concern at the moment with the way this legislation may impact is the whole issue of whether subsidence will be taken into account. We are aware at the moment of proposals and certainly exploration going on underneath the Emerald irrigation area to look at mining. They certainly will not be open-cut mining; they are looking at longwall, bord or pillar mining. If you have a gravity irrigation system such as exists in the Emerald area, from the government's point of view and the investment they have got in that SunWater distribution system, if you suddenly have subsidence which changes the nature of a gravitational irrigation system, you are going to have major damage to the government's own assets, let alone the impact that is going to occur on farm. Water will not run uphill.

Even then, within the dry land scenario, subsidence will occur and it will change the natural drainage patterns of the land and it will change the erosion patterns of the land. Mining companies may be able to come in and rehabilitate, but how long will that rehabilitation last for? What happens if it is outside the 50-year time zone and suddenly you have got erosion occurring? Who is responsible then to actually maintain the value of that land?

Certainty is required for everyone in this process. I am sure that if there is enough coal underneath the Emerald irrigation area for coal companies to continue to pursue to mine it, they will very eloquently argue to government that they can successfully rehabilitate the land and it will not have an impact. That will require expense on the landholders to argue the opposite: that there is going to be a major impact. I think the question that you guys as the independent arbiters need to ask is: are we prepared to take that risk?

Shouldn't we provide certainty and not even grant exploration licences on that country? Do not give anyone false hope that they may be able to mine there. Let us just make it very clear that those sorts of activities are out.

The other area of major concern which I guess underpins people's overall confidence in this bill is the special transitional arrangements that have been granted to the Springsure Creek proposal. I can understand the need for transitional arrangements and I do not like retrospective legislation and people have obviously made investments along the way. But in this particular case the date was set, that date was not met and now special transitional arrangements have been made for that particular project. That really undermines the confidence not only in that particular decision but in the whole bill because other people are going to come along and say, 'We've got exceptional circumstances. How is that going to be dealt with?' I think those transitional arrangements do have to be struck out of this bill and the proponents of that particular application need to then work within the requirements of the strategic cropping land legislation. I will end it there.

CHAIR: Thank you very much, gentlemen. I have a couple of points before I open it up to members of the committee for questions. Can you please be mindful that if you are using acronyms not everyone will be familiar with them—particularly those people in the gallery—so it would be quite appropriate for you to use the full name and then use the acronym. The policy debates will be saved for the floor of the parliament. If you can keep your answers fairly succinct, hopefully we will be able to get through as many questions as possible. I will hand over to the member for Hinchinbrook for the first question.

Mr CRIPPS: Thanks for your time today, gentlemen. A submission from Growcom raised this issue—

> Restoration of cropping land to its original productive state is not something that has ever successfully been undertaken, therefore we question the whole concept of mitigation as it is defined in this Bill.

There is not a representative of Growcom here but Growcom is affiliated with the Queensland Farmers Federation so I suppose I will direct this question to Mr Galligan. Would you as a peak representative body like to offer an opinion to the committee about the science of rehabilitating strategic cropping land? What is able to be demonstrated at this time?

Mr Galligan: Thank you for your question. I think what Growcom has raised and a number of submissions have raised is that people have seen no evidence that gives them any confidence that restoration can happen, particularly in higher value cropping areas. I guess the risk is borne out in how well the bill portrays the appropriate precautionary principle in terms of making planning decisions, and that is what we are relying on. The uncertainty is there. Once a decision is made to allow resource development to occur, nobody has given me or any of my members any information that demonstrates that rehabilitation would come back to a level that would be satisfactory.

In relation to a technical point on the bill in terms of mitigation, the bill does not actually outline what standard of rehabilitation will be required so there has always been quite a bit of debate—and it is still not cleared up in the drafting of the bill—as to whether or not rehabilitation or restoration would be required back to any level of SCL. Does that land just have to get back to be able to meet the SCL criteria, or does it have to get back to the productive state given loss of productivity is now one of the effects under the bill? Will there need to be a measure of the productivity of the land before it is alienated and therefore it needs to be brought back to that productive state? Or is it just a matter of getting the soil back to a status that would meet the criteria under any assessment or the level at which it met the assessment prior to development? None of those questions are clear to be honest, let alone the uncertainty over whether or not it could be restored at all.

Mr CRIPPS: Would anyone else representing their industry body like to offer an opinion?

Mr Finlay: To my knowledge, nowhere in the world has land been repatriated back to its original state.

Mr CRIPPS: Given that you represent a broad spectrum of the agricultural peak bodies representing industry in the rural sector in Queensland, when you were consulted on the development of this proposed legislation, you would have engaged in a discussion with the responsible departments from the Queensland government about the science of rehabilitation being successful. Surely they would have presented you with a body of peer review documented science about the success of rehabilitating strategic cropping land or prime agricultural land elsewhere around the world.

Mr Galligan: No. No evidence has been presented to the advisory committee in relation to rehabilitation.

CHAIR: The member for Southport has a question.

Mr LAWLOR: I have a question to AgForce just for the information of the committee. Have you got an estimate of how much time you have spent on the strategic cropping land policy since the government first made the announcement in 2009, and particularly how much activity has been devoted to the policy in the past 12 months?

Mr Wagner: If you took the entirety of the resources our organisation has put into this both at a level here within Brisbane through the policy development as well as the extension work we have had to do with our members, you would probably be looking somewhere in the realms of two full-time equivalents at a full-time capacity during the entirety of that process.

Mr DEMPSEY: This morning with the department, we went through mitigation and chapter 5 and we understand that there is no rate until the regulations are actually fixed. Have you got any concerns in relation to that rate of mitigation costing?

Mr Wagner: We very much have concerns over that rate, not just for what the valuation of the landscape is as we were saying earlier compared to its production capacity, as was discussed this morning by the committee. There are also the vagaries and issues of not just the economic climate but also the commodity climate. That was one of the issues that was raised this morning. The tertiary point to that is the unknown capacity of what is actually being invested in through those mitigation mechanisms. We have little detail at this time of who the participants will be within those community advisory groups, as they are proposed. There is some discussion of utilising some mechanisms, like regional NRM groups; we do not believe they actually would have that much proficiency within the area. But there is no discussion, for instance, about the utilisation of the research development corporations specifically pertaining to these fields and these areas and the information they could portray and provide.

The other difficulty we have is, as was discussed earlier, the unproven nature of research. We could find that a lot of investment is put into a specific area to no eventual outcome, no effect or, indeed, even the possibility of a negative impact because it was a trial by error and it did not succeed. So there are issues not just pertaining to the dollar value that will be provided as what can only be called a buy-off mechanism, because if you have gone down the path of avoidance and minimisation and now you are writing out a big cheque to mitigate, there are vagaries and virtues around the ethics of that to start with as far as AgForce believes. What you are paying for, the value of what you are paying and what that will deliver are still concerns.

Mr DEMPSEY: Which key groups would you like to see those funds going towards?

Mr Wagner: I think there are mechanisms already in place through the peak industry bodies, through their research mechanisms that are already around. I think you will find that in many of the areas we are talking about there is already an abundance of knowledge of the issues specifically pertaining not only to individual areas or regions but also to individual cropping regimes. Utilising that local knowledge is going to become extraordinarily important to see what benefit to production can be gained for that specific location. The public versus private benefit test will be important as well, to look more holistically at an area or a cropping regime. I think there are mechanisms there that have not been utilised at this point in time.

Mr LAWLOR: I have a question to Mr Kealley. The Canegrowers submission suggests that there is cropping land that is not captured in the eight-criteria scientific test contained in the bill. How would Canegrowers suggest that these criteria be modified to capture those additional soils? Conversely, are there any soils captured in the bill that Canegrowers do not believe should be?

Mr Kealley: Thank you for the question. I must say that recently I have inherited this strategic cropping land area in my portfolio so I am not directly across the issues here. QFF might be able to supply the answer for you. I would defer to Dan Galligan.

Mr Galligan: What the Canegrowers' submission is referring to is that there are a number of coastal soils in the criteria established with the coastal soils. It does two things. It does not do a very clear job of identifying some of the cane lands that are productive cane farms now. I think the way to deal with that is essentially to look at the data the cane industry has on productive soils, and it needs to go through the process for the next two years of refining those soil criteria to ensure they are doing the job they are supposed to do—not identifying unproductive soils but certainly identifying those we know to be productive.

There was a lot of debate, not just from an agricultural perspective, around those criteria and whether or not they should be in the act versus the regulations. We are one of the groups that believed the criteria needed to find a landing point to be able to move the policy on. Of the two years of negotiations, probably 18 months of it was really about criteria. The criteria are not perfect and they will need refinement, but I think that is what the two years is all about.

Mr CRIPPS: I am going to build on the question from the member for Southport on the soil criteria issue. This morning I had a discussion with representatives of the department and we teased out the fact that, in the first instance, the bill claims to seek to protect the most productive land in Queensland based on a strict set of eight soil criteria—technical criteria—to determine the productivity of the soil. Then, of course, it goes on to establish two tests that are not strictly based on the physical characteristics of the soil, those two tests being the minimum size test and the cropping history test. Whilst the department put forward reasonable answers as to the circumstances in which the cropping history test and the minimum size test may be applied, it is then well established, once you take on those two non-technical physical soil characteristic tests, that this is not a pure soil characteristic framework for establishing what is and what is not strategic cropping land.

You go on, therefore, to take the submission that came from Canegrowers to its logical conclusion that the thresholds of the eight soil criteria that are included in the bill are not necessarily the only things that influence what makes cropping land strategic or what makes it particularly productive in whatever instance. I recognise that there are a number of zones established in the bill and that from zone to zone there are marginal adjustments in the thresholds where those eight soil criteria apply. Do your industry bodies have any particularly strong feelings about how those criteria should be adjusted to reflect and properly capture cropping opportunities that are strategic that are not currently provided for in the bill?

Mr Galligan: I will try to keep my comments brief. We have always been disappointed and are still disappointed about the fact that there are 10 criteria and not eight. There is the soil criteria, then the minimum area requirements and the cropping history. The minimum area requirements I think are going to pose significant problems in the validation of SCL, because there will be lands that people have a common understanding would be good cropping lands which will be knocked out, and horticulture and cane are both concerned about that.

The cropping history test I will be more scathing of. It is quite ridiculous, to be honest. It is going to impose a bizarre administrative burden—a final hurdle. Really, if you look at the criteria in the bill closely, it would be very rare for anything that was satisfactory cropping land to have not been cropped within that period. It is quite pointless how it has ended up and I never understood the point in the first place. I would also reinforce that by saying that the trigger maps that are referenced in the bill are built on data that includes whether the land that those maps are based on was ever cropped. So validating on the trigger maps that land has been cropped has already been done via the trigger map.

What part of this process should be telling us is that as a state we have very poor soil data in some places and excellent soil data in some others, and this should be about improving our data set collectively for the industry and for the public, but cropping history has been mapped and does not need to be one of the criteria. I am happy to take a follow-up if I have not addressed the question too well.

Mr Wagner: The fact that we still have 10 criteria is very much an issue for AgForce and for our members. The reality is, though, we have already spoken this morning about the values that will be assigned to mitigation mechanisms. You would also need to look at the values that would be assigned to the farming practice systems put in place across those landscapes, because there are a number of issues that preclude a particular landholder from undertaking those activities for upwards of a generation, regardless of the soil condition or the actual quality of the landscape. The commodity prices at the time and the skill sets and knowledge an individual had may have precluded them from cropping that for upwards of a generation. That would therefore knock it out within a management area to be strategic cropping land.

You also mentioned the zonal impact of some of the criteria and the threshold shifts. The criteria are still exactly the same. It is purely that the thresholds within that are changing. We still have a very large concern with the accuracy of some of those areas. Slope, in particular, is one that is of massive concern at this point in time, regardless of what is actually in situ. With the productive value and nature of food security and food and fibre principles coming from these landscapes, you can find a very large tract of area cut out extraordinary quickly just because of slope.

We heard the example provided this morning in regard to the Kingaroy region and some of the slope concerns up there. That would be a prime example of where you could have some of the best soils and the best applications across the state and yet it would be knocked out succinctly through the failure of one criterion which would mean on a statistical representation that you failed 10 per cent of the criteria. That to me, in my vernacular, is still a high distinction. So they still have 90 per cent capacity to prove that they have strategic cropping lands. That is an issue we still have with the criteria. I am more than happy to take any further questions on that.

Mr Galligan: I just remembered the second part of the member for Hinchinbrook's question, which was how to ensure we pick these issues up. I would simply refer the committee to the submission. I see that you will be talking to the Australian Society of Soil Science. They have made comments about ensuring that people within the agencies are appropriately skilled when validations come in. I think that is a very good and sensible idea to ensure that this is not just a bureaucratic task but that we actually have someone in the department who looks at the validation tests and ensures they are fair dinkum, if I can use the vernacular, and has the skill to understand that to ensure these skills are picked up.

Ms FARMER: I have a question for Cotton Australia. Are there specific areas of the state that you believe should be classed as strategic cropping lands that will not be captured by this bill?

Mr Murray: I think on the whole the bill captures the strategic cropping land that is important to cotton. Whether the bill actually provides protection to it is the matter that we have the greatest concern about.

Mr LAWLOR: The submission by the Queensland Farmers Federation suggests, as I understand it, that the bill should lock up more land from development. If the QFF was writing the policy, how much more land would it lock up?

Mr Galligan: Thanks for the question. Our submission does not actually request that we lock up more land. What we said is that having a management zone, which is actually what is left after protection zones are in place, seems to be against the purposes of the act, which are to provide protection for SCL. The management zone identifies SCL and then does not provide the protection that was the intent of the policy in 2009. The position we have always had is that it should be a scientifically based process. We are not looking for a percentage outcome. We always wanted a policy based on identifying 'good', 'strategic', 'excellent'—it does not matter, but appropriately mapped cropping land. All we say is that the management area is diluting the exact purpose of the policy in the first place.

Mr CRIPPS: Is the point you are making that there are no technical differences in the assessment of the strategic cropping land soils within the protection areas as opposed to the technical assessment of strategic cropping land soils outside of those protections?

Mr Galligan: That is right. There is no difference in the two zones. To round off the point I made in my opening remarks, there is plenty of room within this bill to allow for development where development is needed, particularly after you have gone through the 'avoid', 'minimise' and 'mitigate' protection or management zones, without putting a dual-zone system in there. The government has plenty of capacity to still look for economic or community development that is required, regardless of the fact that it is strategic cropping land. We did not need the management zone to do that.

Mr CRIPPS: I would like to direct this one to Cotton Australia. Its submission suggests that Cotton Australia contends that the focus on the soil allows mining companies to attempt to circumvent the strategic cropping land legislation by moving from open-cut operations to underground operations such as longwall mining or bored or pillar mining mechanisms. Are the physical soil criteria mechanisms too narrow to determine what other productive capacity impacts a particular project may have?

Mr Murray: It certainly appears that way to us. As mentioned earlier, we are greatly concerned about a couple of particular projects that are out there now, and no doubt there will be more, where the proponents believe that they will be able to still work within strategic cropping land legislation by moving towards underground mining of one form or another. I raised the particular example of mining underneath the Emerald irrigation area. It is quite conceivable, I guess, that that mining operation will not have any impact on soil quality. But certainly if there is any subsidence at all, given that irrigators laser fields within two centimetre accuracy and given that it is a gravity-fed system, subsidence of two to five or 10 centimetres, which is a very small level of subsidence, could have a very significant impact not only on the operation of agriculture in that area but also on the actual physical operation of the SunWater scheme.

As I understand it also, one of the arguments with the Bandana project was that they had decided to move from open-cut to underground mining. Again we know that subsidence is going to be a major issue. There are may examples up there already where underground mining has occurred and you have this rolling subsidence effect, which has effectively destroyed that country as far as being farming country and moved it to grazing country. Even grazing is problematic as cracks and the like open up and there are issues with cattle breaking legs, which I think you will hear more about this afternoon.

Ms FARMER: I have a question for Canegrowers. The costs of making an SCL application are a big concern in your submission. Do you have an opinion of what a reasonable cost should be? Do you have an opinion on who should pay those costs? Should it be the land owner or the lessee or the project proponent or the government?

Mr Kealley: Are you referring to the costs we provided in the 30 September submission? In the 30 September submission we talked about application of strategic—

Ms FARMER: I am not sure of the date of the submission. I would have to go back to that.

Mr Kealley: Again I must apologise because I am really new to this strategic cropping—

Ms FARMER: I am sorry to put you on the spot, there.

Mr Kealley: That is okay. If we talk about routine farm activities such as maintenance of levelling and maintenance of silt traps associated with drainage, potentially regulations could tie growers to contractors with assessment fees of potentially $27,000. We consider that extremely high. Potentially that would halt or stop growers from doing some of those good practices on a farm. In terms of where the fees should be, I think they need to be reviewed. Again, I am not totally across where the costs should go. In terms of ensuring that good practices occur on a farm, we need to ensure there is an incentive for growers to do those practices and they do not get deterred from undertaking some of those practices to improve the benefit to the landscape and to the environment.

Mr Galligan: Do you mind if I add something to Matt's comments? There are two sets of costs that have been raised as a concern. One we have some idea about, which is through the draft state planning policy and they are the administrative costs for government. The other cost, which is completely unknown, is the cost of actually getting land validated, which will be open to the market to decide. That market does not exist obviously, but there will be a market where consultants will validate land against the criteria, write up a report and that report will be provided to government.

Just addressing the two different fees, I do not think anyone can argue that the government incurs costs. In our opinion, and it has been our submission in the past, as long as it is equitable a developer should pay the administrative costs of getting approvals, which is a common thing in industry anyway. Making sure those costs are efficient is important and there is a linkage there to my earlier comments about ensuring that efficiencies should be benchmarked against highly skilled people who are checking the report.

With the costs about actually doing the validation, the way the bill is established most of the validation will be done by resource developers or urban developers essentially. We have submitted to the department in the past, and we have got pretty much nowhere with it, that certainly in the first two-year period validation and administration costs either should be subsidised or there should be a moratorium for landholders who actually opt in to try to get their land validated for agricultural purposes. I am not talking about a landholder who is looking to develop a Woolworths or anything on their land; I am talking about a farmer who might want to opt in to validate their soils having their administrative costs waived for the first two-year period. The reason we have submitted that is because that would be a way of encouraging landholders to actually lock in the land, identify the land, improve the knowledge base on the soil of that

land and validate those trigger maps. A common area of contention has been whether or not the trigger maps are accurate. The only way to clear that up is to do more validation and that needs to be encouraged.

CHAIR: Thank you. Any further comment?

Mr Wagner: If I may very quickly, backing up what Dan was saying about validation to the member for Bulimba. The reality then comes at the two-tier mechanism of protected versus management area. The fact remains that within a protected area it is for the resource company to prove whether or not it is strategic cropping land. It appears more and more that in the management area it is actually the landholder who may be reliant upon proving it is strategic cropping land rather than it is not. There will be a cost to production of actually validating those processes of putting in place a system that is actually being enforced upon that landholder just because of where he or she sits on a line that has been drawn on a map. We understand the vagaries of putting these principles in place. We understand the issues of actually drawing a boundary on a map and identifying who is in and who is out, but to us it further highlights the ludicrous nature that we are actually putting the same mechanism, but across two different standards; the same criteria, but across two different outcomes. That further highlights to us the vagaries of having that two-tiered protected versus management area approach.

CHAIR: We have one further comment from Mr Murray.

Mr Murray: I may be wrong in this, but one cost that I am really concerned about is, as I understand it, that the proponent will have to prove whether or not they are going to cause permanent alienation. That is fine and obviously that will be at the proponent's cost. I am sure that they will argue very eloquently that they are not going to cause permanent alienation and I am sure landholders will be equally interested in looking at what they are claiming and having the opportunity to refute it. To do that properly will actually be a very expensive exercise. That cost could far outweigh any of the other costs associated with all of this. I think steps need to be put in place to ensure that the landholder has the ability to claim those costs back against the proponent.

Mr CRIPPS: It would be a situation of who has the best crystal ball, Mr Murray?

Mr Murray: That may well be the case, and I guess in that very instance the good old precautionary principles should apply: unless we are absolutely 100 per cent sure that no permanent alienation is going to occur, the extraction should not take place.

Mr CRIPPS: I would like to move on to an issue in AgForce's submission pertaining to the negotiations of conduct and compensation agreements with landholders. Drew, you are probably the best one to field this question. In your submission you have stated that these agreements cover off on the conditions on which their access will be governed and the operation constructs regarding timing, biosecurity and the application of the ongoing farming practice with regards to the resource tenure holder accessing the property. It appears that access to the land to assess against a strategic cropping land criteria can be granted prior to the finalisation of this authority and, therefore, comes before the negotiation of this agreement has been undertaken. That appears to me on the face of it to be a suggestion that we have a cart before the horse situation. Can you please explain to the committee the implications of that seemingly very concerning set of circumstances in the legislation?

Mr Wagner: The reality or the vagaries pertaining specifically to that was, as I mentioned in our opening statement, the framework in the legislation pertaining to access agreements that was changed in October last year, which governs the rules and regulations upon which an authority holder could actually enter a landholder's premises to undertake their activities for exploration or development or otherwise. The issue that we have, and it has been mentioned once already this morning, is that with having seen the bill for only eight or nine business days and actually only having seen it in its first incarnation Thursday week ago, at that point in time we were introduced to a new definition which was called a 'source authority'. A source authority was the authority holder or applicant or the proposer of a development, depending on whether it was a resource or extraction development or a development proposal through the Sustainable Planning Act or the sustainable planning policy.

The reality at that point in time was talking about the source authority being able to gain access to the landscape to assess for strategic cropping land criteria, but it was talking about the fact that that source authority could be an authority applicant, not necessarily an authority holder. To gain access for an authority holder onto a premises, they need to have negotiated a conduct and compensation agreement for both preliminary and advanced activities of exploration regardless of the resource that they are actually looking at to investigate. It raised concerns to us that we could actually find ourselves with authority applicants being granted powers under this proposed bill to gain access to that landscape without a negotiation for the conduct upon which they must carry out those activities that have been negotiated with the landholder. That raised, very significantly for us, issues around safety, issues around biosecurity and the ramifications of pest and weed transfers and movement across property, the inability to have that negotiation of farming practice—whether they were burning, spraying or otherwise, or even calfing or weaning a particular area, which would actually have an impact on where these proponents went on to on the property as well. It raised grave concerns to us that, although we had spent so long negotiating these access arrangements, we could suddenly have a bill that came in over the top of this and provided those access abilities prior to that negotiation actually occurring.

CHAIR: Do you have any follow up? Are you happy with that?

Mr CRIPPS: On that point, yes.

CHAIR: Member for Southport, do you have another question?

Mr LAWLOR: Yes, probably to Mr Wagner. The AgForce submission refers to mitigation and, in particular, the potential for funds devoted to mitigating the impact of development in the management areas to be devoted to research instead of being directly applied to increasing and restoring the value of agricultural production in the local area. Does AgForce have a percentage split in mind that the amount of mitigation funding should be devoted to research? Is there any figure that you have in mind for that split?

Mr Wagner: I think you will find that within the proposed bill, at this point in time, research actually appears to be the government's preferred option of how to achieve that mitigation offset. The difficulty that we have at this point in time, once again, is that the unfortunate reality of not having the regulative construct in place right now also precludes us from understanding a lot of the detail that would govern how the community advisory groups will be developed and put together, their membership and such, and also, therefore, what focus or what priorities can be set regionally for the utilisation of these mitigation funds.

As far as research is concerned, I believe that it will need to be a mix of both, although I would be hard pressed to see how you could actually increase the efficiency without actually understanding what the process and what the commodity specific issues are in that region. That is why we have also included the utilisation of the research and the development corporations into those areas as well. As far as what should be utilised directly on the ground versus what research capacity should be done, I think it is going to come down to a very locationally specific issue. Obviously, the public versus private benefit test would also need to come into that, because a lot of the direct on-ground actions may or may not have more of a private benefit than a public benefit, whereas research we would think of having more of a public benefit for a greater impact or a greater opportunity.

CHAIR: We have a final question from the member for Hinchinbrook.

Mr CRIPPS: I note that the Queensland Farmers Federation has made comment about the appropriateness of the 50-year period for permanent impact measures and about testing that time frame. I do not think it is putting words in your mouth to say that the QFF have been critical of that time frame, as have others. I wonder whether you might offer an opinion about a submission from the Queensland Murray-Darling Committee, which has questioned that time frame—indeed as you have—but then compared it to other types of time frames which landholders frequently come across in terms of framing their business plans for their farm or their farm business. That relates to the time frames for water resource plans and also recently the lease renewal period of 30 years for Delbessie Agreement renewals of leases. Those are much more relevant time frames for farm businesses to measure against in terms of productivity issues and what return they can realise on their investment. Indeed, should there be an impact on the productive capacity of their land, those types of time frames would be much more measurable and relevant to determining what impact they would have on farm businesses, would they not?

Mr Galligan: The short answer is yes. The logic behind the analysis by the Queensland Murray-Darling Committee is sound as well. A time frame that related to the certainty for the business—and it is an agricultural business—would have some logic to it. We are talking about essentially alienating that business from a key resource that the business relies upon. All of those time frames make sense. They are much more relevant and there is some logic to them. None of those facets exist for the 50-year time frame. There has never been any logic put to me. There has never been any relevance put to me. There has never been any explanation as to why it is 50 years.

Mr Murray: At 50 years nobody will hold any personal responsibility at all in terms of anyone having the corporate knowledge of what went on or say, 'Yes, we made a mistake,' or 'We didn't make a mistake.' It is outside all normal planning. I would suggest something around 20 years. That gives enough time for a reasonable amount of business planning certainty. It is also within a person's natural lifetime in terms of taking action and making management decisions.

CHAIR: Any there any further final comments?

Mr Wagner: In relation to the time frame scenario that was most eloquently asked by the deputy chair, the reality that we still have, and will always have as far as agricultural production is concerned, is that the impact we are seeing here is from a hit and run industry. It is from an industry that is only operating for what is a short-term time frame to a medium-term time frame depending on what extractive process they are utilising. The agricultural production system across the best of our best cropping lands is there in perpetuity. It has been there for generations now. It will be there for generations to come.

To measure it in a time frame of 50 years, when we are seeing industries like the coal seam gas extractive processes only lasting 10 or 15 years per well and an industry in its entirety only lasting 35 to 40 years, how can we accurately at this point in time look 50 years into the future and understand what those impacts are going to be and understand what permanent alienation actually means? We made the point in our opening statement that an issue that takes 12 months to impact but 49 years to remediate is very different from one that takes 49 years to impact and 12 months to remediate.

The process of actually returning this to strategic cropping land is not proven. There is no fact anywhere globally where impacts such as this can show that you can return soil structures and profiles and

productive capacity like we are seeing in these areas identified as strategic cropping lands to anywhere near the productive nature they have right now. That evidence has not been given to us in any way, as was advised to this committee, to understand that. The time frames of impact need to be less than 50 years.

To put in a relevant term for a production system or a farm business, which is what we are talking about—providing the food and fibre that we are reliant upon in perpetuity as an economy—there is no way we can jeopardise it to have a 2½ generational time frame to look at what that impact may or may not be. As was just stated by one of my colleagues, there will be no-one left in 50 years who will probably remember the vast majority of this discussion. All they will still have is the legislative framework in front of them. To understand the implications of that framework, to understand the implications of not just those criteria but the time frames within it, is intrinsically important. We can only implore this committee to understand and take into account those issues.

CHAIR: Thank you very much, gentlemen. We very, very much appreciate your time here today and we certainly value your input. I believe the farmers are in good hands.

BRIGGS, Mr Howard, Queensland Branch, Australian Society of Soil Science Inc.

CARTWRIGHT, Dr Louise, President, Queensland Branch, Australian Society of Soil Science Inc.

JOHNSTONE, Mr Craig, Media Executive, Local Government Association of Queensland

PENTON, Mr Geoff, Chief Executive Officer, Queensland Murray-Darling Committee

CHAIR: Welcome everybody. For the benefit of Hansard, could you please state your names and positions and, if you could each outline very briefly the key points in your submissions and your key concerns about the bill, we will then follow with some questions. Mr Penton, I invite you to go first.

Mr Penton: Firstly, thank you very much for the opportunity to give this presentation. I will outline a few key points that we have made in our submission. The first concern is the exclusion of urban development from the bill. Our concern is that historically a large amount of good quality agricultural land has been progressively put under housing development—bitumen and concrete roofs and so forth. Although a lot of the discussion may be around the impact of mining and the most recent developments in mining, historically housing development has had the biggest impact on agricultural land and, with the population growth in Queensland, may well continue to be in the future.

The second issue that we see is that some of the broader landscape impacts have not been taken on board in terms of, for example, flood plain management. This bill could quite easily see a number of developments on flood plains, not just on good quality agricultural land, and the nature of those flood plains has the potential to do further damage to neighbouring flood plains, to life and limb and to soils below those developments on flood plains. We only have to look at our recent flooding in the last two summers to know that we need to be looking at a range of landscape impacts, not just the physical soil characteristics.

Another issue is the impact on our underground aquifers. We could quite easily see with this bill a number of coalmining activities go underground. In particular, on the Darling Downs, that might be possible in terms of the impact on our soils but that would then impact on our ground water aquifers which our agricultural enterprises quite often rely on. So it would defeat the purpose again. Again, that is not necessarily taken care of in this bill.

The 50-year time frame, as was discussed with the last presentation, concerns us. Again, there is no justification for the 50 years. That time frame is beyond any current planning process that the state government has across any form of agricultural or resource management, whether it be state government planning processes or local government planning processes. We would obviously see that that needs to be brought back to a more reasonable planning time frame that suits not just agricultural but local government time frames as well.

Another characteristic in the bill is the historical cropping. We believe that is not necessary. We should just be relying on the soil criteria alone and not needing to look at cropping history. That has a whole lot of vagaries in terms of previous ownership and the capacity of previous owners—whether they like cattle or do not like cattle. There are all sorts of reasons why people do and do not crop historically. We should be basing this bill on the soil criteria alone.

The second last issue for us is the minimum lot size. Our belief is that we should be basing the bill on the soil criteria. More and more nowadays agriculture is becoming more intensified. For example, we have a classic situation in south-west Queensland where DEEDI is promoting intensification of agriculture in the Chinchilla area, looking at moving into more intensive horticulture. That will be at odds possibly with the block sizes that are in the proposed bill.

The last issue is the proposed starting date. We are very keen to see the starting date be consistent with the previous minister's announcements that industry should be taking account of the intent of the strategic cropping legislation from when it was initially announced. We already have a number of proposed coalmines within the trigger map area in south-west Queensland that could have significant impacts simply because of that clash in time frame. Thank you very much.

CHAIR: Thank you. Craig?

Mr C Johnstone: I am usually the media executive, but I am here as acting manager of advocacy for LGAQ. If you bear with me, I have been thrown into this at the eleventh hour, so I may not have any technical expertise that you require. But, if you do have a question that is technical in nature, I can always take it back to our officers and get back to you.

The LGAQ has supported the protection of strategic cropping land and the intent of the policy to strike a balance between competing land uses such as development and resource exploration with primary production. But there are some concerns that our member councils have expressed in regard to the application of the legislation and how it might affect future development of particularly regional areas.

One of the main concerns is the $27,000 application fee for development assessment. That is a bit high for any landholders who are wanting to strike out in a different direction perhaps in their rural production—for example, getting into the tourism industry—or, indeed, if a council wants to develop land on the fringe of their community for community purposes. That development application fee is a bit steep.

Minister Nolan has undertaken to do a review of that $27,000 charge. We understand that the government has a full cost recovery policy, but we do see that as a potential problem for some of the smaller communities and councils that are looking to drive their economic development. Some mayors have suggested that it is an employment issue for some of them if the legislation is applied in the sense that it seems to read now.

The other main concern is that some regional communities under the trigger mapping seem to be completely surrounded by potential strategic cropping land. That is another area where these councils see limitations on the expansion of their communities and the future economic development of their communities, and what they are asking for is some sort of guidance from the government as to how this strategic cropping land policy would impact on expansion of an urban footprint and future development of those communities. I think I will leave it there.

CHAIR: Now we have two representatives from the Australian Society of Soil Science Inc.

Ms Cartwright: I am the president of the Queensland branch of the Australian Society of Soil Science. Just by way of introduction, the soil science society is a not-for-profit organisation and we have members from all sectors, including both mining and agriculture, and there are over 1,000 soil scientists across Australia from government departments, research organisations and universities. We promote the field of soil science without being pro or against one land use.

We have made a number of submissions, last year particularly, against the new criteria for productive cropping land. We applaud the government for the initiative to address the issue so that benefits of various types of development can be enjoyed by the community and also protect agricultural productivity.

In terms of the draft bill, we have six general comments which we would like to highlight. I will also allow Howard, my colleague, to speak on some of these. The first comment relates to the definitions. We would like further clarification of some of these to avoid confusion. For example, 'exceptional circumstances, for development'. Some clarification would be appreciated as to what the exceptional circumstances are. Another one relates to competent persons. We will touch on this a little further, but in terms of being involved in undertaking assessments, setting conditions and making decisions, further clarification of what a competent person is would be beneficial.

Mr Briggs: I am a retired person, but I am with the Australian Society of Soil Science and I have in fact been a major contributor to the submissions we have put in. I have had background in the development of the state planning policies in Queensland and in the implementation of the Integrated Planning Act, so I have a reasonable background in that area as well.

My concerns are, as has been mentioned, the definition of the criteria, because I do not believe they are appropriate, particularly the ability of people without appropriate skills to actually assess them. That is both at the field level and at the government agency level. Louise has already mentioned exceptional circumstances. While the bill does give some information on that, it is more about the process for establishing that rather than what the exceptional circumstances might be and the sorts of conditions that might apply. Certainly we would like to see better definitions of what is reasonably practical. They are throwaway statements which in fact are subject to a fair bit of executive discretion. What is possible? What can be reasonably avoided? They are terms that for laymen are quite reasonable, but when it comes down to a legal situation it is quite different.

We believe that you really need to have, where there is ambiguity, people who are competent. So the view of the soil science society is that people who are deemed competent should be a certified practitioner from one of the appropriate professional bodies, not just the soil science society—otherwise it sounds like we are pushing our own barrow—but also other bodies, like the Australian Institute of Agricultural Science and the Environment Institute of Australia and New Zealand, which have certified practices for making certain that advice is given as a professional and people are prepared to sign off on it and accept responsibility for those outcomes.

In terms of exclusions, the soil society believes that it is important that exclusions apply equally to the Crown and to other people. There are examples where, wearing one of my other hats, there has been some major development occurring by the state for their infrastructure which has caused enormous difficulties while other members of the community are required to comply with certain things.

There is some uncertainty about the fate of the previous state planning policy 1/92, which deals with good-quality agricultural land. How this particular policy overlaps with that and how the other is dealt with is uncertain, because the good-quality agricultural land policy deals with grazing lands as well as cropping.

Certainly the soil science society would like to see that the data that is collected as part of any investigation done by a developer or by the landholder is in fact available publicly. There are provisions for setting up databases within the legislation, but it is mainly about authorities and decisions made by government when, in fact, if that information is collected and made available publicly we do not do things twice. I have spent a lot of my career carrying out land resource survey work, and we would like to see information that has been collected used. There is a national database being set up at the Commonwealth level to allow people to use smart phones to find out what is where they are when they pick a spot on the ground by using GPS technology. We believe that this legislation should empower the minister to make the information available on a national database.

There is also the concern that has been mentioned by some of the other speakers about the loss of productivity in the 50-year time period. There has to be, I believe, some way of doing some baseline assessment at the time the development occurs so that there is some reasonable way of determining whether there has been a loss of productivity and then for some compensation provisions to be made available for those people where there is a loss.

Certainly from our experience the clay soils which form the bulk of our productive soils in Queensland are not amenable to reclamation because of their particular physical and chemical properties. We have looked at work over the states. We have members who are also members of the mining industry who believe that evidence of reclamation of mined soils in the state have been for lighter textured soils, which are less appropriate.

The only other comment I would like to make is that, while we support the bill and the actual purpose of the bill, we do not believe the processes put in place will in fact achieve those purposes, unfortunately. But we would like to work with government and with other professional bodies in helping that to occur.

Mr CRIPPS: I am glad that the institute of soil scientists are here and appearing in conjunction with the representative from the Queensland Murray-Darling Committee. The Queensland Murray-Darling Committee's submission to the committee included what I would consider to be a fairly clear and well-articulated scenario of what could be the implications of a resource or mining project being undertaken on the soil of strategic cropping land and the subsequent effort to rehabilitate that to restore its productive capacity. The Queensland Murray-Darling Committee said—

In order to return the soil close to its original state (and cropping potential), entire soil profiles would have to be cut into layers and then stockpiled separately and replaced, in order, after mining. Mixing of the soil profile is likely to result in depression of crop yields due to the increased salinity and exchangeable sodium percentage in the upper layers. Additionally, the stockpiling of soil, which would be necessitated because of the restraints of the mining process, would result in organic matter breakdown in the surface layer and the dispersion and erosion of the subsoil layers. If the projects stockpiled a pile of topsoil for 10 years, most of it would be anaerobic. It would lose its biology and structure.

I suppose my question is to Mr Penton in the first instance. Do the provisions in the bill for mitigation, particularly in relation to the long-term, 50-year time frame and the contributions through the mitigation measures, really take into consideration these very substantial impacts on the productive capacity of the soil?

Mr Penton: The short answer in our view is no, they do not. We certainly have not seen anything that would indicate a demonstration by current industry that that is anywhere near current practice. Certainly the current practice, almost Australia-wide, is a very shallow amount of topsoil put back on and pasture re-established. We are talking about re-establishing some of our best cropping land in Australia that has quite unique soil characteristics that allows it to be what is called self-mulching clays down to two and three metres deep of topsoil—not eight centimetres, which is often what is put back on now in lots of rehabilitation activities. The current practice is nowhere near anything that you would suggest could achieve soil being put back to its current cropping potential, which the bill proposes, in our view.

Mr CRIPPS: And to the representatives of the institute of soil scientists, are you aware of any credible, peer reviewed science that demonstrates that the productive capacity of strategic cropping land can be rehabilitated successfully subsequent to a mining or resource project?

Mr Briggs: I was director of soil conservation at DPI for a number of years and I was involved in this sort of work. I am not aware of any for clay soils. I am aware that there has been a major amount of work done by the mining companies for restoration of grazing uses on mined areas, where the soils are much easier to deal with. The points that Geoff Penton made earlier are quite valid. The soils are quite deep; they have a high nutrient level, which is quite important in terms of their productive potential; and high water storage capacity. Those factors are enormously modified by disturbance and inversion. I am not aware of any successful restoration of such lands.

Mr LAWLOR: Mr Johnstone, does the LGAQ have a view on how the policy treats existing local government planning schemes, both in the statutory regional plan areas of the state and other parts of the state that have not undergone a statutory regional planning process?

Mr C Johnstone: As I said in my opening statement, there needs to be a recognition by the government that this legislation has an impact on future planning of regional communities, whether they have gone down the statutory planning process or not, or whether they have regional plans in place.

Mr LAWLOR: So the regional plans should be taken into account where they exist?

Mr C Johnstone: Yes, and the intent of the regional plan should be reflected in the impact of the strategic cropping land policy.

Mr LAWLOR: The soil science committee references irrigation as something that should be included in the assessment of strategic cropping land. Wouldn't irrigation be an additive to the soil rather than an inherent quality? So how would the soil science society include irrigation in that policy?

Mr Briggs: Most of the productive land really depends upon a suitable climate, so that is not taken as being a parameter as well but it is a fact of life. Water is a major feature for production. A lot of highly productive lands have access to water and they are important resources for food production in Australia.

Could I make a quick comment about the previous question, if you would not mind, because I have also been involved in regional planning and I helped write the Rural Futures section of the current South East Queensland Regional Plan. One of the major deficiencies of the current legislation is that it really

deals with things at an impact assessment level, really, when in fact it should have been doing it at a regional planning level. I think we would not have the problems we have now had we actually identified those strategic cropping lands before exploration permits were issued, which gives the impression that that land is then available for mining or other purposes.

CHAIR: Member for Bundaberg?

Mr DEMPSEY: Mr Briggs, I will be asking a question of you later on. The soil scientists state that they believe that a number of the areas require further clarification which could impact the application of the bill. What other types of clarification do you see? It is just at the very beginning of the submission. To add to that—

Mr Briggs: The areas of clarification are the points we are raising later on about how we are going to deal with the competency of people, how we are going to deal with some of the criteria which we believe, such as one dealing with water holding capacity, are very difficult to assess and interpret at a practical level. We believe that while slopes have some meaning—having been in soil conservation, I am conscious of slopes—they are often very difficult to measure at the sort of level that has been implied in the criteria. They are the issues that we are raising. We have already mentioned the issue of the definitions. They are left as open-ended arrangements and we felt they needed clarification to allow people to make a judgement as to whether the soils information could be appropriately applied in practice.

Mr DEMPSEY: Do you believe that the best science has been used in the drafting of this legislation?

Mr Briggs: We are dealing with a very complicated area. I think a fair bit of effort has been put into the science for the work. I believe that there has been an attempt to minimise the area of strategic cropping land, and that is an issue that we are concerned about. I am aware of the reviews that have been done by some of my colleagues and I have checked with them to find out their views. It was suggested that the terms of reference of their investigation were limited so they could not deal with a lot of issues they were concerned about.

In terms of the criteria as they have been developed and assessed, they are probably as good as you can get considering the way it was done. There are other factors that could well have been included. An example could be an issue of ruddy compaction. That is one soil property which is not included. If it had been, it might have changed things slightly. There is also nutrient levels, which has not been included, which is also a very important factor in terms of production.

CHAIR: Thanks very much. The member for Bulimba has a question.

Ms FARMER: I have a question for the Murray-Darling Basin Committee. Your submission specifically references lot size in the western cropping zone as being too large. What lot size in that zone do you suggest this should be modified to and on what do you base that view?

Mr Penton: Fundamentally, our view is that the soil should be assessed on the soil mapping base area that is proposed in the legislation and that that mapping intensity should determine whether we do or do not have strategic cropping land. So the lot size should be irrelevant. If it is mapped as strategic cropping land at the mapping density that is proposed, then it is strategic cropping land—full stop.

CHAIR: Any further comment on that? Member for Hinchinbrook?

Mr CRIPPS: I want to direct a question to the Murray-Darling Committee. I drew attention to the previous group of witnesses in relation to your submission pertaining to the inappropriateness of the 50-year time frame for impact on strategic cropping land and your suggestion of a number of other more appropriate time frames which would be relevant to agricultural enterprises including water resource plan time frames and the renewal of leases under the Delbessie agreement. It takes us back to a discussion that I was having with the Department of Environment and Resource Management this morning about the robustness of the mechanism that it is using to determine how large these mitigation measure contributions will be and how conservative its mechanism will be in estimating the size of the contribution that needs to be made by applicants to fund mitigation measures at the end of that 50-year process. Obviously I think that it is going to be extremely difficult to accurately forecast the size of the contribution that will be required to successfully rehabilitate the productive capacity of strategic cropping land after a resource or mining project. I wonder if you can elaborate on any views that the Queensland Murray-Darling Committee has about how we can appropriately calibrate our mitigation measure mechanism to try to get close to the mark in that regard?

Mr Penton: Firstly, we agree with the questioning of the previous presenters in terms of the 50-year time frame being certainly out of kilter with virtually any other planning time frame we have in this state, and you have mentioned a few in terms of Delbessie, water resource plans and so forth. In our submission we talked about the fact that in the 2006 census for Queensland—certainly in south-west Queensland—the average property ownership nowadays is down to 15 years. There is a large number of properties changing hands on a regular basis compared to farms historically being in the one family for generations and generations. That social fabric has changed substantially. So the 50-year time frame is certainly not consistent with landholders being able to make management investment decisions on how to best utilise that strategic cropping land.

One of the closest examples we have seen in terms of rehabilitation is Alcoa in Western Australia that does have a policy on a couple of its mines to strip 10 centimetres at a time off and attempt to put that back. They are dealing with very different soils to our black clays. They are dealing with red crasnesims; they are quite different. That is best practice for them. It seems to work from what we have seen second-hand—not firsthand I might add.

In terms of the cost of companies moving from the current rehabilitation practices of overburden, stockpiling topsoil in a way that puts it back in a very thin layer, the cost of moving from that to stripping 10 centimetres at a time, stockpiling that separately and progressively rehabilitating a site in phases—not at the end of a development but in phases—would dramatically increase costs. Safeguarding against those companies not doing that by requiring them to make financial contributions in lieu of that practice—and I cannot give you a figure—would certainly be dramatically different to the current practice.

CHAIR: The member for Southport has a question.

Mr LAWLOR: Does the soil society have an opinion on the eight criteria in the bill? For example, if the soil society was developing its own test to identify the top two per cent of soils for cropping land in question, do you have a view on how similar it would be to the test in this bill?

Mr Briggs: I was involved in administering the good quality agricultural land provisions of the old State Planning Policy. It became the criteria that we used then and not unlike the ones that are being used now. The difference was, though, that a field assessment was done by someone who had an appreciation of agriculture as well as the soils and they built that into it. So they actually drew upon existing practice, which picked up a lot of less tangible things. They were looking more at the viability of an area for agriculture rather than the properties of a soil. So the things that are currently being used such as slope, rockiness and to some extent water holding capacity, would have been in the GQAL assessment. Some of the criteria that are currently used tend to be duplicated. For instance, rockiness and slope are somewhat correlated, so you do not necessarily need to measure one of them. However, because of the way this has been developed, you do. Certainly the ones that are there are all factors that affect useful agricultural production, but there are others that I mentioned earlier that are not.

Mr LAWLOR: In the example that you gave before of an actual inspection by a government officer, would that then be a subjective test?

Mr Briggs: They would have taken into consideration things like slope, soil depth and cropping potential and they would have made assessments from knowledge of nutrients and production. Most of these things are done by people carrying out surveys, interviewing people and making assessments based upon past practice.

Mr LAWLOR: But if it is not based on objective criteria then the decision could vary depending on who actually did the inspection.

Mr Briggs: There is an element of truth in what you have said.

CHAIR: The member for Hinchinbrook has a final question.

Mr CRIPPS: I have a question to the Society of Soil Science again. Just to build on your answer from the previous question, you are saying that the list of eight technical criteria is not an exhaustive list of criteria that could be used to effectively map strategic cropping land in Queensland. If it is not an exhaustive list—you mention a couple of additional tests that could be applied earlier, such as the prevailing climatic conditions in the area. Certainly, the established professional experience of people undertaking those assessments earlier would have had an understanding of the historical cropping systems and production systems in that local area and would have taken account of additional factors that would contribute to strategic cropping land in particular areas.

Mr Briggs: One of the concerns I have with the way the bill is being cast is that we are talking about strategic cropping land as being something which is a de facto decision that might result from land use planning without it being done for all land uses. Geoff Penton mentioned before about the urban alienation. It is a great shame that we are not looking at the choice of uses for land and then saying, 'This is probably a pretty good use. We should try to protect it in some way for that particular use.' We seem to be cherry picking some particular uses, and that makes it very difficult for local governments, I believe—the question Peter Lawlor asked before—it is to actually build this into their planning schemes because you cannot get an overall impression of what you should do with a piece of land, how you should manage it and how you should place conditions on it.

CHAIR: The member for Bundaberg?

Mr DEMPSEY: I have a question for the Local Government Association. What is the cost to the Local Government Association in relation to this legislation?

Mr C Johnstone: I would have to get back to you on that. I am not sure what the—

CHAIR: Are you happy to take that on notice? If you are, we obviously need the responses back fairly quickly—so late Monday afternoon?

Mr C Johnstone: Sure.

CHAIR: Would you like to make a comment, Geoff?

Mr Penton: Back to the previous question and an earlier one in relation to the best available science, early on in this debate our view was that, if we simply used the class A soils out of the GQAL existing State Planning Policy, that would have gotten us a long way in terms of clearly having an existing framework and well trodden science to identify strategic cropping land. In fact, if we had stuck with simply saying, 'Class A out of the GQAL existing policy is strategic cropping land compared to class B, C and D in that existing policy,' we would have been able to use much more accurate mapping. So in terms of whether we have used the best available science, there is actually more detailed mapping available for class A soils than has been used in the trigger map. But because class A is not the criterion—there is a wider range of criteria—we have not been able to use that better mapping that does exist in large parts of the state.

CHAIR: Thank you very much. On behalf of the committee I thank all of you very much for coming today and providing that input. It has been very beneficial.

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

BATCHELER, Mr Gavin, Solicitor, HopgoodGanim on behalf of Bandanna Energy Ltd

JOHNSTONE, Mr Aaron, State Director, Cement Concrete & Aggregates Australia

CHAIR: Good afternoon, gentlemen. I welcome from the Queensland Resources Council Mr Andrew Barger; from Cement Concrete & Aggregates Australia Mr Aaron Johnstone; and from Bandanna Energy Ltd Mr Gavin Batcheler. Welcome. Thank you, gentlemen, for giving us your time today. The hearing will now commence. We would appreciate a small summary of your submissions and then we would like to ask some questions.

Mr A Johnstone: Thanks for the opportunity to be here today. My name is Aaron Johnstone. I am the state director for Cement Concrete & Aggregates Australia. CCAA is the peak industry body for companies in the cement, concrete and aggregates industry. Our members include companies such as Boral, Hanson, Holcim, Cement Australia, Adelaide Brighton, Neilsens and Wagners, to name a few. In the short time that I have available I would just like to focus on four main areas: firstly, the products that our industry produces; secondly, why we have an interest in this bill; thirdly, our comments on the Strategic Cropping Land Bill; and, fourthly, how we think the bill could be improved.

Firstly, what products does our industry provide? Our industry provides construction materials to local builders, to state and local governments and to major contractors supporting the social and economic development of the state. The materials are used in concrete primarily which, next to water, is the most commonly used building product on the planet. Just to remind you, concrete is made up of about 80 per cent gravel aggregate—sand and gravel—10 per cent cement and 10 per cent water. The materials that our industry provides are also used for roads, especially gravel and sand and cement binders, rendering for houses, roof tiles, masonry products, bricks, blocks and a range of other applications—anything from sand for golf courses to a range of other applications.

As an example of how much material is used or is needed, each Queenslander requires about nine to 10 tonnes of rock, sand and cement each year to support the building of roads, houses and other infrastructure to service their needs. An average new house construction needs about 10 tonnes of crushed rock, sand and cement in 53 cubic metres of concrete. The materials are especially important in a growth state like Queensland and especially important following the flood and cyclones earlier this year, when an estimated 14 million tonnes of gravel were needed to rebuild the road network across the state. As you would be aware, this rebuilding is particularly needed in areas where the materials might not be located close to hand. To give you an idea of the scale of what is required, a typical two-lane asphalt highway needs about 14,000 tonnes of crushed rock for each kilometre.

Given the nature of our industry's materials, they need to be located as close to end use as possible to make them economically viable. The materials are not imported from overseas and transport costs are significant. The materials are also located in geographically and geologically specific areas. You cannot locate a quarry or a sand quarry anywhere. Put simply, hard-rock quarries need to be located in areas of rocky terrain and sand and gravel quarries are often located in riverbeds. As you would also be aware, the location of our industry's sites is also heavily influenced by environmental and local factors. As a result, local and state governments traditionally have significant difficulty in approving new quarry locations or approving expansions to existing quarries. It often takes between five and seven years to approve a new hard-rock quarry.

Why do we have an interest in this bill? Aggregate materials are obviously extracted from the ground. Whilst many of our industry sites, such as hard-rock quarries, are by their very nature not located in areas of strategic cropping land, many of our members' sites, many of our industry's sites, are located in areas that would be subject to strategic cropping land—such as sand and gravel plants near riverbeds. These locations, like strategic cropping land areas, are often not located in heavily populated areas. They are often on the outskirts of town, for example. As such, if the bill is not designed correctly it could potentially have quite a significant impact on the ability of our industry to provide construction materials for the state. There are already enough restrictions on our industry. Another one would be significant.

We understand that agricultural land reserves such as good cropping land are important to Queensland. However, sand and gravel resources are becoming increasingly more difficult to source and are often located under strategic cropping land. In addition, hard-rock deposits such as basalt are also located in cropping land areas. Importantly, this has been recognised by the government through the key resource area exemption in the bill. That is very significant, and we acknowledge the government's willingness to listen to the industry on this concern; however, there are a large number of operating sites and potential operating sites that fall outside key resource areas. Our estimates are that about three-quarters of all 400 operating sites across Queensland are not actually in the key resource areas. So there are approximately 400 or 450 actual operating sites across Queensland in our industry that are either quite large or quite small. The large ones are usually captured by key resource areas. The smaller ones—sand and gravel, one-or-two-person operations, mum-and-dad operations in a regional area supplying sand to a local concrete batching plant, for example—would be picked up by this bill. We believe that that is not necessarily in the public interest and is not necessarily compatible with the overall intention of the bill.

How do we think the bill could be improved? We think there should be some provision in the bill not to capture such sites, such as small gravel and small sand operations, that are not located in key resource areas. There are exceptional circumstance provisions in chapter 4 of the bill, but our advice from the department is that the bar has been set at such a level that it would not cover sand and gravel operations, for example—the types of operators who I have discussed and would not make the criteria for such provisions. We would therefore strongly argue that the committee give consideration to proposing a minor amendment to the bill which would either exempt quarry operations that fall outside key resource areas, such as sand and gravel operations, from the provisions of the bill or amend the exceptional circumstance provisions of the bill to ensure that operations are not captured by the bill or to allow operators to make a case for local community need. Another option that the government could consider is expanding key resource areas to capture these operations. However, even if this would be considered, many of these types of operations are more significant at the local level rather than for state need. We do not think amending the legislation in such a way would be incompatible with the overall intention of the bill. The exclusion of such sites would result in a relatively small footprint and would not be inconsistent with the overall spirit of the legislation. It could balance the competing interests of farming and resource development.

To put this into context—and my colleagues could answer this better—the average open-cut coalmine might be five million tonnes per annum—up to 10 million or 15 million tonnes per annum—whereas the type of operation that I am talking about here is about 200,000 tonnes per annum. It is either one-25th the size of an average coalmine or less than one-50th the size of a large coalmine. However, such amendments would be consistent with the recent Queensland government decision to exclude industrial or building materials from the halting of mining exploration permits near residential areas or urban areas—restricted area 384. This decision was made to ensure that the construction industry has access to the necessary materials and to guard against increased housing costs.

In summary, I hope that I have made a case to fully consider the ramifications of the bill for the construction industry and for people providing construction materials. While I recognise the overall intention and importance of the bill, we believe that, with the minor amendments that I have outlined, the bill should still serve its purpose of balancing the agricultural, resource, economic and social development needs of Queensland.

CHAIR: Thanks very much, Aaron. I might hand over to Andrew from the Queensland Resources Council. Your submission was quite lengthy and it might be very difficult to put it in fairly succinct terms, but we are mindful of the time and we would like to ask some questions.

Mr Barger: First of all, I would echo the earlier speakers and thank you for the opportunity to be here today and to talk to the submission. I join Dan Galligan in complimenting the committee on your stamina. You have an awful lot of stuff to get across and it was a bit scary this morning when the department was tabling all the documents that we have waded through in the last couple of years. It has been an amazing journey and for you guys to try to get across all of that in a couple of weeks is probably going to push up the sales of Nurofen.

CHAIR: I would agree with that!

Mr Barger: The QRC submission was long and, just to make it more complicated and messy, I have another brief supplementary submission. I will not dwell on it in detail. I have sent it through to the committee and I have copies here but, essentially, there are a couple of things in our submission that I wanted to set the record straight on. There are a couple of errors that I had made in the submission, so I wanted to call that out and make that clear.

CHAIR: As long as it is not a new submission.

Mr Barger: No, and the good news is that it is only two pages, so it is a short read. There were a couple of errors in the submission that I wanted to call out. The other thing I wanted to call out was that, although I think every submission makes reference to the brief time span for this process, even in the short time between making the submission on Friday and appearing here today I have had a lot of members raise a lot of concerns about the transitional mechanisms and the specifics of how they are worded. So I wanted to emphasise that and I will talk about that briefly. The discipline I will try to put upon myself is not to talk to the whole submission, because it has been a couple of years and an awful lot of work. I will try to talk to the points that I think are the committee's concerns and which go to the heart of fundamental legislative principles—the issues where, in my members' opinion, either the bill departs from the stated policy or the way the bill has been drafted gives an unexpected effect or a risk of an unexpected outcome.

I guess the overarching theme to everything you have heard today has been that it has been a rush. Although the process has been long and gruelling, the preparation of the bill has been a real pressure cooker. The symptom of that is that there has not been much time for all the people you have seen and will see later this afternoon who have put a lot of time and energy into this to get across the bill. It is a complicated bill. It is a messy intersection of science, of agricultural business, of resource business. It requires a lot of expertise. It is not an easy bill to draft. It is not the sort of thing you want to do in a rush. It is an important bill. It regulates Queensland's two major export industries—agriculture and resources. They are the two pillars that have kept Queensland afloat during the financial crisis. What you are doing is you are altering the balance of property rights between those industries. Again, that is not something you necessarily want to do on the fly.

The fourth point I would make is that because of all of those factors—the rush, the complexity, the importance—there is a lot of uncertainty about how the bill will apply. I notice there has been a pattern to the questions you have been asking so there are some issues that obviously bother the committee. I think you are getting different answers from different people because the bill is just so complicated and it is hard to get a definitive answer. I think that is why you are getting a lot of people saying, 'Can we take that on notice'—because you do need to trawl through lots and lots of messy clauses.

I have a shopping list of half a dozen issues and I will skip through them just to flag them and then hopefully put the pool cue down and let you ask some questions. The first thing I want to talk about was the risk of retrospectivity. My members are really concerned that because of the way the bill has been constructed there is a risk that it overreaches its intentions. The bill's purpose was to regulate new developments going forward. The way that has been given effect in the drafting means there is a real risk to my members, our industries, that as existing operations naturally evolve and change, they are going to trigger review processes which potentially endanger their operations. So there is some looseness that frightens my members, in particularly clauses 20 and 22 that create that risk of reaching back into existing projects and having a continual threat of an assessment of cropping land values occurring again and again.

The second point I have talked about a little bit is the transition mechanisms. They are important because, again, the purpose of the bill is to regulate new developments moving forward. There was an awful lot of work done with the government about how you regulate those proposals that are halfway through the process—they are not finished, but they have started, so where do you draw the line? The concern that my members have expressed is the way the transition mechanisms have been given effect in clause 278 relies on how you interpret this phrase 'permanent impact restrictions'. If you have a look at the way the bill has been drafted, if you go right to the back in schedule 2, there is a reference that defines it. What it does is it refers you back to an earlier clause in the bill. It is a bit of a choose your own adventure.

Turn to clause 272. So you go to clause 272, which relates specifically to chapter 9, and it throws you forward to clause 93. Clause 93 is a double-barrelled one. It does talk about permanent exclusion, but it is relating only to management zones and it is not clear about the intention of the bill as stated in the policy—which was those projects that meant the transition mechanism would be allowed to proceed but would have the principles of the bill apply, which was that hierarchy you heard about earlier today of avoid, minimise, mitigate. It is not clear that those principles will be applied. Some of my members who were thinking they were in the transition bucket are now seeing the drafting as effectively putting a stop sign up on the project. Because of the time elapsed between the decision being made on the transitional process and the drafting emerging now, again you have that spectre of retrospectivity rearing its unwelcome head.

The third issue is a very broad one and is right up the front—the purpose of the bill. One of the real issues with strategic cropping land is that it is like good modern art—you know it when you see it. People are quite happy to go, 'Yeah, I've got some strategic cropping land,' but it is really hard to define. Some of the value that some of the other groups, like the soil scientist association, have brought is their honest struggle with that.

The QMDC submission is another good example. They are genuinely trying to strike that balance, but it is incredibly difficult when the bill does not define what strategic cropping land is. The policy gave us a definition about Queensland's best cropping land—about needing to 'manage' and 'preserve' that. What we have seen in the bill is a definition in clause 3 that talks about 'highly suitable for cropping'. So you have these points being picked out in the spectrum. Is it the absolute blue ribbon, very best of the best cropping land? Or is it Queensland's best cropping land? Or is it just highly suitable for cropping land—on a good day it can grow crops so it is strategic? The looseness of definition is incredibly alarming.

Some of the other issues came up earlier. There are concerns about the clause 6 exclusions and some inconsistencies in there. I will not go into that in detail because there are lots of horrible acronyms about infrastructure facilities of significance. Essentially, as drafted, it would seem to create a risk of inconsistencies between otherwise equivalent infrastructure projects based purely on the way they are being assessed. There are some fairly easy ways to address those definitions.

The other issue—and, again, you heard about this from other speakers this morning—is that, because the bill is being done in a rush, some of the things which you would normally logically do in regulation have been plonked into the bill because they are ready now, and other really important things that we have not seen yet, like the mitigation pricing, are going to be in regulations. Part of the risk that my members see is that the bill provides the ability for future regulations to make extraordinary changes, to create new cropping zones, to allocate new thresholds, to create new strategic cropping land. You can amend trigger maps by regulation not legislation.

On the other hand, we see things like the criteria which, we have already heard from nearly every session today, there are some question marks about. They are enshrined in black letter law. It seems logical to assume that, as the number of scientists thinking about these issues and applying these issues on the ground grows dramatically, we will refine those criteria and suddenly we are going to have to make legislative amendments. That is a bit unwieldy and challenging.

The final point that I will mention really quickly—and it is important in the context of the uncertainty I have talked about already about the ability to create new zones and change the criteria to generate new areas that are potential strategic cropping land—is the point of application is when a decision is being

made. It is reasonable if it is a development application for your shed in the backyard where the time lapse between application and decision might not be very long. For resource projects where the lead times might be years and years—certainly months and months—there is a very real risk that at the time the umpire goes to make the verdict the situation has changed dramatically from the time the case was made. Again, it is not retrospectivity but it is just this lack of certainty that has been built into the bill about what is the status quo at the time your application is being assessed.

You have heard from AgForce about concerns about alignment with other bits of resource legislation like the links to tenure in the way land access operates. There are lots of concerns being expressed around the cropping history test, and I think you have heard a lot about that as well. I am happy to take questions. The real risk is if you ask too many questions, because some of us are starting to develop Stockholm syndrome. We have been talking about this for so long that we can empty a barbecue faster than you can blink. We are happy to field questions.

CHAIR: Thank you very much. I will hand it over to Gavin Batcheler. You are with Bandanna Energy and replacing Mr Ray Shaw today. Thank you very much for being available.

Mr Batcheler: Thank you for the opportunity to be here. I am from the law firm of HopgoodGanim and I have been asked to attend on behalf of Bandanna Energy this afternoon because unfortunately Mr Shaw is travelling interstate. He passes on his apologies for not being available. The reason they have asked me to attend is that I did draft the submissions with our team, specifically in relation to the Bandanna EPC 891 which are the transitional provisions in clauses 282 and 283. I am here to talk specifically about those submissions only. I will keep it succinct because our submissions are relatively technical.

The premise that Bandanna Energy has is that they would like to see their project, the Springsure Creek coal project, considered in the same transitional way as the other pre project approval 31 May 2011 projects are dealt with under the legislation and consistent with the letter from the Queensland Treasury dated 6 June 2011. Essentially, there are three points to the submission. The first point is that the exclusion which is drafted in clause 282 to apply with respect to resourcing activities that are addressed in the EIS resulting from the terms of reference dated 2 June 2011 is a specific qualification that is applicable to Bandanna Energy that is not applicable to the other projects in the pre transition 31 May qualification. That is the first point. We have offered some drafting words to try to make that consistent with the transitional provision.

The second point is that we are asking that clause 283(3), which is broadly consistent with the letter of 6 June, is made specifically consistent with that letter. That essentially says that the rehabilitation obligation is in respect of strategic cropping land. The current draft refers broadly to all land, so we would like it to be consistent with the letter in the terms it was actually recommended by the Treasurer.

Thirdly, clauses 283(4) and 283(5) impose additional strategic cropping land protection conditions which are set out in chapter 3 part 4 which are not applicable to the 31 May 2011 pre approved environmental assessment projects. We are saying that that is unreasonable, unfair and inconsistent with the letter of 6 June in that those conditions are more onerous than the transitional provisions that are applying to the other projects.

CHAIR: You referred to a letter from the Hon. Andrew Fraser of 6 June. The committee does not have a copy of that. Are we able to have a copy?

Mr Batcheler: I have a copy here, yes.

CHAIR: Would you please table it for the committee's reference?

Mr Batcheler: I am happy to table it. There is some highlighting and some small markings on it but I am sure you can read it.

CHAIR: We will white out the comments. If you do not mind now, we would like to ask some questions and I am pretty certain that all members would like to ask some questions. We will start with the member for Bundaberg.

Mr DEMPSEY: Andrew, does the QRC have an indication of what would be a better model to identify strategic cropping land and the criteria?

Mr Barger: The short answer is no. I tend to echo a lot of the answers that were given by the association of soil scientists. Sadly, the states invested a lot of money in soil science in some parts of the state and we have got quite a good public database; in other parts, it is woefully inadequate. The irony is that some of the bits of the state that we know most about is in mining leases where there have been environmental impact assessments and there have been soil suitability criteria. We actually have quite good data about those.

The difficulty has always been what is your starting point. I think if you go right back to the 2009 policy document that came out of infrastructure and planning, I would probably echo a bit of what Geoff Penton said. The original concept of strategic cropping land was that there were to be three tiers. The inference was that you would have good quality agricultural land A as the third of those tiers and then you would work upwards from there. What we have had is a process of lots of engagement and debate about the criteria but the actual development of those criteria and the setting of the thresholds was done in a sort of hot house environment.

In a process not dissimilar to the way the bill was generated, there was a deadline set. Really, the department had to sort of cut their cloth to fit the time they had. They did try to design a process of getting out on the ground and field testing those criteria, but unfortunately the floods intervened. Really, I think, the layman's message that I take from the big complicated paper that is attached to the QRC submission, attachment 2—which is deliberately written in scientific terms because we want it to be a peer reviewed, publishable standard document—is that there are other avenues that the state could have pursued but, because they had painted themselves into the corner of having the criteria by a deadline, they tied themselves to a mast.

When we get into the review of the implementation of the process, the government is to be commended for setting up the scientific implementation plan, which will provide some good expertise for wading through all the different views that we will get. The short answer to the question, 'Is there a silver bullet that you can point to and say that this is clearly and unambiguously a better model?' is no, there is not. There is soil suitability, but it is much larger, it is much more complicated and there are holes in what we know about it.

Really, what we have is an attempt to cut down a set of criteria that was largely designed around what has turned into the protection zone. There was some circular logic applied in terms of: this is the area of greatest pressure, this is where we think the productivity is the greatest, and what describes cropping land here. I think what the committee will hear this afternoon is some anxiety expressed from people outside those areas around Kingaroy and the Atherton Tablelands—that is, areas outside those headline cropping areas where they have not fit the mould that was designed for the broadacre cropping areas. It is easy to throw rocks at it, but, no, ultimately we do not have an alternative model that we can point to and say, 'Use Preparation H.'

Mr DEMPSEY: Mr Barger, you mentioned earlier the uncertainty of the strategic cropping land, particularly for the applications going through to having approvals and the transitional period. Can you elaborate further in relation to that uncertainty and the impact on the different groups at QRC?

Mr Barger: I am happy to try to do so. I guess the way I would characterise it is that the policy was always cast in terms of drawing a line in the sand and saying that new developments will be assessed under these rules so there will be a process of identifying the best cropping land in Queensland and ensuring it is protected. The way the bill has been constructed, it creates the opportunity for existing projects to be drawn back into that process. The trigger map process was essentially around looking at some rainfall and cropping history to identify a likely area for the best cropping land in the state. As all those high-level processes do, it threw up anomalies where it was picking up what was clearly the bottom of mine pits as potential cropping land, because it was using high-level aerial photography.

The process of identifying the cropping land has always been a bit fraught. I guess the issue for the industry is that, because it is not that black and white, because there is that backwards, retrospective creep into existing projects, there are genuine questions about the transitional projects that clearly meet the transitional criteria but cannot see a pathway through the legislation to say, 'Well, I can't see that this conditions my project to minimise my impact on cropping land. It looks to me like it is saying my project has to stop.' That is of enormous concern, particularly if your project has continued to develop. Perhaps you have some sales contracts or some infrastructure bonds built around an assumption of having a project ready at a certain deadline. There is an enormous impact on the net present value of a project if suddenly, through uncertainty, there are six or eight months lost where you might have to undergo a validation process or start negotiating with landholders to get access to land to conduct strategic cropping land tests when that was not built into your project pipeline.

Mr DEMPSEY: Will projects be lost because of that uncertainty?

Mr Barger: There is no doubt that the nature of the bill is to shunt resource development off the best cropping land. Clearly, the purpose of the bill is to lose some resource projects or, hopefully for the state's benefit, find somewhere else that they can operate or give them an opportunity to demonstrate that they can work with the qualities of the soil and still generate value for the state. The risk that we have is that, rather than that impact being felt on the future pipeline of projects for the state, it bites on the ones that we have now or that are under development. That is where I think the transitional issues are critical. I guess there is sort of a horrible, tragic irony in that the state, having done so much work with resource companies to understand that pipeline of development and try to develop a transitional mechanism, in the rush to get something drafted, seems to have miscued the delivery of that intent.

Mr DEMPSEY: Just to finish off that question, the soil scientists we heard from today, from my perspective, created a bit of uncertainty as to the future aspirations of the scientific approach of identifying that strategic soil, and not just in relation to the content of the soil. I am not a scientist but, obviously with water content or irrigation et cetera, are there any additional concerns that the goalposts will be moved again?

Mr Barger: I think it is a very real concern that with the bill as drafted, creating the ability for regulatory change to create new zones, the goalposts will be shifted and we will see strategic cropping land created in areas where we do not currently have it. It may well be that that is an appropriate development, that we see recognition of perhaps smaller, more intensive types of cropping that have particular soil characteristics that were not anticipated in the development of the criteria. I guess the risk is that in the looseness that that introduces there is a real risk of what you see as regulatory creep, where the

scope of the current cropping land is expanded significantly in a broadacre sense and suddenly, instead of perhaps drawing circles around two or three per cent of the state, it is five, six or seven per cent and you start really hitting the pipeline of project developments for the next five to 10 years.

Ms FARMER: My question is to the Queensland Resources Council and I would also be interested in comments from the other two gentlemen here today. Thank you for your very thorough submission and presentation today. You referred to some recurring themes and some inherent conflicts in the responses that we are receiving today. My question is about the ability to rehabilitate land after mining has concluded. You will have heard previous stakeholders talk about this. In fact, I think the quote from AgForce was that no science has been published that shows that land can be rehabilitated. It seems to me that you would have an opposing view. I wonder if you could comment on that. Is there potential to essentially recreate strategic cropping land?

Mr Barger: I do not know whether I would say I would have an opposing view. I guess what I heard AgForce say was that they have not seen any peer reviewed science of rehabilitation in Queensland of strategic cropping land.

Ms FARMER: I think they said in the world.

Mr Barger: Echoing that, the soil science association and also Geoff Penton from QMDC talked about having seen some good examples of rehabilitation but not on the peculiarly self-mulching cracking soils that we see in the Darling Downs and the golden triangle. Within the protection zones, I do not think there is any question that you have unusual soil. Again, I am not a scientist or agronomist, but when you talk to people from that area they will highlight—and you will probably hear from people this afternoon—that they are floodplains so the way the water moves through that countryside is really important and they will talk about the self-mulching ability of the soil and the depth of the soil, too.

What was missing in the discussions earlier around this question was people saying that in Queensland the industry has only rehabilitated back to grazing land, but largely industry has only operated in grazing land, so the rehabilitation has been in accordance with what was the land use before the industries operated. If you asked me if I could put my hand on my heart and say that I could categorically guarantee that it would be absolutely 100 per cent schmick if you went into the best, most productive acre of Queensland and dug it up and whether in 50 years it would it be back to where it is, I would say that I do not know. But I think it is important that the bill should create the ability for new technologies and new approaches to demonstrate that capacity.

I think something that is lacking in the bill is the ability to condition the way the two industries operate so that you are not immediately leaping into the most productive paddock in the farm—an ability to say, 'Look, you've got a valuable resource sitting under your property. It belongs to the whole state. There is an incredible stream of wealth that we can generate for the state from accessing that, but let us start over in this part of the property that you are not using as intensively and demonstrate our bona fides by being able to rehabilitate that.'

If you look at some of the examples closer to home, Geoff talked about some stuff that was being done in Western Australia. I am aware of some really good rehabilitation that Rio Tinto did in the Hunter Valley. It was floodplain country, it was deep topsoil and they rebuilt it layer by layer. It is now back to producing better than it was before. The other side of the scientific coin is: if you talk to the agronomists about the soil profiles in the protection areas and you delve into the technical manual, one of the problems that bedevils cropping in Queensland is that there is a salt bowl. It depends where you are, but typically it sits 60 to 120 centimetres below the surface area. Depending on what you are growing, the crops can reach into that salty zone and you start to have problems. I do not think I am being Pollyanna, but potentially if you are preserving the layers of the soil and you have an ability to stockpile that and maintain the organic content of it, there is also the ability to address the current failures of the soil in terms of removing that salty sublayer, putting in a more neutral or benign layer and then carefully rebuilding up the topsoil over the top. Perhaps you will have something that is better than it originally was.

That was a really longwinded, roundabout way of saying no, but I think part of saying no is that I am concerned that the bill says no. It does not create an ability for projects that are interested in doing this sort of work. Ironically, at the same time it is setting up a remediation fund to fund this sort of research, but it is very difficult for projects to enter into a partnership with a farmer and say, 'Let's do some demonstration work. Let's show how we can increase the cropping productivity of this soil and actually leave a better legacy for the future'.

Ms FARMER: Madam Chair, may I ask for a comment from the other gentlemen?

Mr A Johnstone: On the same question, with quarry operators for hard-rock quarry, sand and gravel operations, there is a requirement that they remediate and rehabilitate the land from which they draw the construction materials. In many cases that rehabilitation is better than what was actually there in the past. For example, you might have had a quarry on what was grazing land previously. A quarry operates through progressive clearing and rehabilitation as the life of the quarry is developed over a 10-, 20- or 30-year period.

With sand and gravel resources, that rehabilitation time frame is a lot quicker. It is often five to 10 years in which you can see much greater returns or even earlier—two to three years even—on some of that rehabilitation. In terms of does it go back to the original strategic cropping condition, again, the jury is

probably still out on that. More likely than not it probably does not go back to the original strategic cropping condition. But the overall footprint is very small, and we would argue that that is another public good for the state in terms of the material it provides. So, in short, it probably does not go back to the original cropping condition, but the footprint is very small.

Ms FARMER: You were talking about rehabilitation of cropping land. Do you have specific examples of working on cropping land rather than on grazing land?

Mr A Johnstone: In terms of cropping, there are quite a few operators who have rehabilitated on cropping type land. I would probably need to take that on notice. I cannot recall any specific examples where it has been on cropping land. The advice that has been provided to me from members is that generally it does not go back to its original cropping condition. But it is a relatively small footprint as well.

Ms FARMER: I would be very interested to see some examples.

Mr A Johnstone: Sure. I can provide examples.

CHAIR: The member for Hinchinbrook has a question.

Mr CRIPPS: My question goes to the Queensland Resources Council and the part of your submission where you express concern about a particular section, section 135(1) (e) of the bill, which focuses on the benefit to a number of agribusinesses rather than restoring the productive capacity of the land that was impacted on by a project. The concern expressed by the QRC that the objects of the bill seek to preserve the productive capacity of the land rather than to benefit agribusinesses in general is a fairly well-made point and a point that, although not identical to the point made by other witnesses today, is along the same lines of wanting to continue to focus on the objects of the bill.

The example that the other witnesses gave in terms of the bill straying from its objects was along the lines that there were two criteria outside of the eight soil criteria that allowed for land that would otherwise be deemed to be strategic cropping land to be set aside. So on two occasions now there are examples—one demonstrated by yourself in terms of the benefit to the number of agribusinesses rather than the productive capacity of the land and the other one being the example of the non-soil criteria test being applied—where the bill strays away from its objects. That seems to me to be a legitimate criticism of the drafting of the bill. Did you have any other examples of any other provisions where the bill seems to stray from its objects?

Mr Barger: I glance at the clock and take a deep breath, having already talked far too much. That is a good question, and congratulations on wading through our submission to get to the comments on section 135. That is a pretty impressive feat of stamina. That specific clause talks about the mitigation principles. So that is more to do with the process of trying to restore the soil to its original productivity.

But to take your question about where the bill has sort of wandered from that path of focusing on Queensland's cropping productivity: I have heard a lot of frustration from agricultural landholders that they were looking for something that was more like a food security bill or was about agricultural production security and that what they have got is more a conservation style protection of the soil resource. That narrowing of focus to say that the state is deeming itself to have an interest in your farm now because it is productive is a bit of a two-edge sword. I think the risk is that, once the process is bedded down—and we may well end up with a more elaborate system of strategic cropping land—in protecting and preserving that land the state might also start to peer over the shoulder of farmers and say, 'Well, hang on. Is that really the spraying regime you want to use? How does that affect the soil?' With the flexibility that is built into the drafting to amend in future regulation zones and criteria, I think there is the potential to open up some of those issues.

But broadly where I see the bill as having strayed from its intent is probably with the main six issues that I tried to call out in my opening comments. There is a litany of them throughout the process, but I would characterise that as a product of complexity and haste, rather than malice. I do not think people are playing games with the process. It is just that if you try to write such a big complicated bill in such a short amount of time things are going to fall through the cracks. Given it is such an open question, I really do not want to go chapter and verse into the concerns that I have. But I am happy to field questions on any of them if they are not clear.

Mr DEMPSEY: My question is to Aaron and Andrew. Has there been any estimated cost to your sectors?

Mr A Johnstone: We have not quantified the estimated cost to our sectors. The cost that has come into play for our sectors is where operators have identified a landholding or have held a landholding and have put a lot of time into developing that landholding in preparation to lodge a development approval with local government authorities. They will not have any return on that cost should the bill go through and should the landholding be subject to strategic cropping land. Obviously there is the opportunity cost for the state in terms of losing access to resources which are needed for the construction of the state. In terms of actual quantification of costs, we do not have that.

Mr Barger: It is a good question, but it is a difficult one to answer. In terms of the impact on the industry, we did survey our members when the first version of the trigger map was promulgated. We said to our members, 'In terms of these maps, have a look at your tenures and the projects that you have under development and give us an idea of the value of those projects.' The result that came back was

extraordinary. We had $22 billion worth of development sitting in the pipeline that was affected. So one dimension of the project is: what is the value to the state of those projects that have had some uncertainty injected into their process?

The other point that is hard to quantify is: if you have created a 12-month delay in a project, if they have had to do some processes that were not anticipated, what is the likely cost of that? Aaron was talking earlier about a typical coalmine. We had a look at a typical coalmine and said, 'If you delayed that by 12 months, what are the benefits to the state that you miss out on?' It is in the vicinity of $85 million in state royalties and around $1 billion in export revenue, and you are delaying the creation of about 325 jobs. So there are big economic costs from what are relatively small delays for these projects.

Then there is the other question which the department talked about this morning in their regulatory assessment process about the costs of applications and how they will work. There are some black and white figures there for the committee about the costs of recovering the department's administration through fees, and you have heard from the Local Government Association, farmers and others about their concerns about the quantum of those costs. They are significant.

It is a difficult one because, by the time you start to factor in what is the value of the projects that this has implications for, what is the cost of delay and what is the actual cost of administration, you start to get some pretty alarming numbers. I would echo the sentiments of some of the speakers from the earlier sessions that, from an agricultural point of view, there is an awful lot of effort and time and energy from peak agricultural bodies that has gone into working on this policy. Their willingness to sit down and talk through the details has been extraordinary.

CHAIR: Does anyone else want to make any further comment on that? Do you have a supplementary question?

Mr DEMPSEY: Yes. Words like 'inconsistencies' and 'uncertainty' have been mentioned in terms of the bill. In relation to the purpose of the bill, a number of groups have highlighted that they agree with the bill but they are not happy with what is actually projected in the bill. From QRC's perspective, do you think that this bill achieves what it set out to achieve when it started over two and a bit years ago?

Mr Barger: As drafted at the moment?

Mr DEMPSEY: As drafted, and I note that in your submission you have mentioned inconsistencies in relation to changing the wording from 'the best cropping land' to 'land highly suited for cropping' and a number of errors and so forth.

Mr Barger: I will hedge my bets a bit in answering the question. Once the government had made a policy decision that they wanted to inject a new decision process at the point of applying for tenure, having made that policy decision in 2009, you really need something that looks like a strategic cropping land bill. Absent that policy decision, you could easily envisage an alternative approach where you conditioned environmental impact assessments or you empowered regional planning or you funded the department of primary industries to get out and do some really good soil work so you had a basis for making decisions.

Once you have narrowed the field by saying, 'We think we need to inject a new decision point into the process where we explicitly consider soil values,' then, yes, I think you need a strategic cropping land bill. Having said that, I do not think you would get the interest and the number of submissions that you have had if it were a bit more ideal. So I think what we have is probably the right model for the decisions that we have taken, but I think it still has a lot of lumps on it and it needs some refining if it is going to work properly and not have unintended consequences where we have perverse affects for both sectors, for both agriculture and resources.

CHAIR: If there are no further questions, thank you very much, gentlemen, for your time this afternoon.

Proceedings suspended from 3.13 pm to 3.32 pm

BRADFORD, Ms Lizzie, Secretary, Arcturus Downs Ltd and Central Queensland Golden Triangle Community

WHAN, Mr Ian, President, Friends of Felton

WILSON, Mr Charles, Co-Chair, FutureFood Queensland

CHAIR: Hello Lizzie, Ian and Charles. It is Carryn Sullivan here, the state member for Pumicestone and I am chair of the EAREC committee. We are having a bit of difficulty getting Aletta Nugent on the phone, but they are certainly going to continue trying. I will let you know who is here. We have Andrew Cripps. He is the member for Hinchinbrook and deputy chair. We have the member for Bundaberg, Jack Dempsey. We have Di Farmer, the member for Bulimba and we also have Peter Lawlor, who is the member for Southport. For your benefit, we are actually broadcasting this hearing. So as you make a statement please say your name for the benefit of Hansard. If you could each outline the very brief key points in your submissions for a couple of minutes each and your key concerns and then we have a couple of questions we would like to ask. Who would like to start?

Mr Whan: I will start if you like. My name is Ian Whan. I am president of Friends of Felton. I will make a short statement and then a few requests at the end. The strategic cropping land legislation should act as an absolute barrier to entry by mining. This is what Friends of Felton has been campaigning for since our formation over 3½ years ago. But the compromise implicit in the proposed framework is proof that mining and agriculture do not and cannot coexist. What you give to one you take away from the other. If the government's objective is to protect strategic cropping land, then the miners' wish to have access to all land has to be denied. Miners have no interest in protecting strategic cropping land. So why are they involved in deciding the definition of strategic cropping land? It is obvious that their involvement is leading to excessive compromise that undermines the integrity and value of the government's original aims and objectives.

It is imperative that the trigger points which define strategic cropping land accord with reality. Those currently proposed do not. The minimum changes we demand are as follows. Firstly, the minimum accessible farm size on the eastern Darling Downs is currently proposed as 50 hectares. This is way too high. It should be reduced to 10 hectares because we already have farms that are quite viable and have areas far less than 50 hectares. So 50 hectares is a wrong figure. Secondly, the maximum slope is currently set at five per cent. That is way too low. It should be at least eight per cent. There are lots of highly productive horticultural farms on the Darling Downs with slopes far more than five per cent. Thirdly, buffer zones should be proportional to the externalities generated by the proposed development. For an open cut coalmine, for example, the buffer between its boundaries and any strategic cropping land should be at least 10 kilometres. That is the essence of my short statement.

CHAIR: Thanks very much. Who is next?

Mr Wilson: I am Charles Wilson. I am co-chair of FutureFood Queensland. We are an organisation that was set up in direct response to the loss of prime agricultural land in Queensland three years ago. We have been very active right through the whole process. Generally, my committee is quite comfortable with the legislation for the protected area. We do have a lot of concerns, however what we have there is generally something we can start with. I say that in relation to subsidence, which we are very concerned about.

If I can just work through my submission, the first thing I will comment on in terms of recommendations is the Springsure Creek Bandanna proposal that has been put into the legislation. We are totally against that. We believe that allowing an individual company to get a free ride from the legislation makes a mockery of it. We are urging your committee to exclude that from the legislation. It clearly did not submit its impact assessment inside the 31 May guideline. We believe that it should not be given any special treatment.

The second area is the management areas. We believe there are a lot of issues in that part of the legislation. As I said before in relation to the protected areas, we have some comfort there. We believe that the management areas should be phased out over time. The department has the capability to map the rest of the state and as they map the rest of the state it should be brought into the protection area. That is our belief.

I will move onto the next section of my recommendation. We support proposals at the same time to strengthen protection of land in the management area by making these conditions the same as the protection area. So if we are going to leave it as it is, we would like to take away a lot of the offset type arrangements that are in the management area and make it the same as the protection area. We would also like to support changes to the legislation ensuring that money that is taken from the mitigation fund is used exclusively for the benefit of cropping lands. In a lot of cases we see that money collected goes straight into general revenue and never goes back to where it was meant to go.

In the area of planning, it is a broader mining-farming-grazing issue and it is something that is very dear to our heart. We recognise that initial landscape planning is not done in this country. It should be done. Master planning of mine sites should be done. It is done overseas. Any mine overseas can master

plan for the future. I say in my submission that in a lot of cases in the US and Europe where mines operate, the landscape is left in a better way than it was in previously. We have a lot of NRM groups out there. So we should really be working with NRM groups and looking at regional plans, protecting assets and building plans at the initial stage. Xstrata has a very big coalmine going in at Wandoan in the Central Highlands, which is part of the Fitzroy Basin. It will result in 20,000 hectares of prime grazing land—some of the best grazing land in Queensland—being lost. That equates to 100,000 bullocks that graze on that land being lost to future production for the next 300 or 400 years. There is no master plan providing for any reclamation—of any really good scale, anyway. The reclamation that is done by mining companies is bringing it back to third or fourth grade grazing land.

The final recommendation is around underground mining. The legislation gives mining companies the opportunity to underground mine under strategic cropping land. Our experience in the Emerald area shows that, although you do rehabilitate the top, the land there that has been mined underground is now not suitable for cropping; they have gone back to grazing land. We are suggesting that bonds be held and that companies be made liable—substantial bonds. Thank you very much for that. I would like to commend the committee for this process. I think at least we are getting a bit of a chance to have a say.

CHAIR: Thanks very much. Lizzie, are you there?

Ms Bradford: Yes.

CHAIR: Would you like to make your comments now?

Ms Bradford: Thank you for giving me the opportunity to do this. I am a representative of the Golden Triangle Community Group located in Central Queensland. The golden triangle is an area that is located within the central protection zone. It is a highly productive area which has dryland farming, irrigation and grazing. Our biggest concern with the legislation in its current form is the inclusion of clauses 282 and 283 which refer to the special transitional arrangements given to the Springsure Creek coal project or EPC 891. This area makes up more than 10 per cent of the total area identified as strategic cropping land in the central protection zone. So it is significant. The clauses seem to be a contradiction of what the bill is about: the protection of strategic cropping land.

On top of that, the Springsure Creek project was given special transitional arrangements regardless of the fact that it did not meet any of the criteria for the special transitional arrangements, those criteria being a finalised terms of reference for an EIS as at 31 May, a certificate of application for a mineral development lease as at 31 May, demonstrated exceptional circumstances such as the development of a strong public significance or the resource cannot be found elsewhere in the state.

So in terms of that, this project did not have a finalised terms of reference as at 31 May. It did not have a certificate of application for a mineral development licence as at 31 May. Bandanna Energy had only just applied to the mining registrar on 17 October and, as far as I am aware, they have not received that certificate of application yet. They certainly had not received it when we lodged our submission last week. It is not a project of public or state significance. There is certainly coal available elsewhere in Queensland.

I would just add to that that there is no evidence that cropping land of this type can be or ever has been successfully rehabilitated. Subsidence of up to one metre is not manageable, as suggested by Bandanna Energy. There has also been a lot of public statements saying that Bandanna is committed to the protection of the agricultural land because it has changed its plan from being an open-cut mine to an underground mine. Springsure Creek is and always was an underground mine. So there does not seem to be any commitment to the policy there.

For me on a personal level, I live on a property called Arcturus Downs, which is located within the Springsure Creek project. So this decision obviously has an impact directly on me and my family and this business. We have not had a single visit from a minister. We have had no public consultation with Bandanna Energy. Arcturus Downs is located within the area that is actually within the map for the mineral development licence yet Bandanna has made no attempt to have an access agreement with us and, as such, has no access agreement. We have had no direct contact with them since July 2010. They did send us an email in April 2011.

There has been no exploration done on this property since 2009. We have exploration holes that have remained unrehabilitated since 2009 which, in itself, just shows a complete disregard for the existing legislation. But when you look at the plans for the Springsure Creek project, the underground longwall mine covers a large area of this property and it also looks to go straight underneath our station complex. So I guess what I am trying to do is illustrate to you as a person on the ground why we have concerns about the inclusion of 282 and 283 and the processes that have allowed this project to progress to the stage where it is, the reality being that we would like clauses 282 and 283 removed from the legislation.

CHAIR: Thanks very much. Are there any questions at all from any of the members? No. Your answers were so good that we have no further questions for you. Can I say as the chair that I very much appreciate your time this afternoon. That brings a close to our hearing. Thank you to everybody who appeared as well. The draft transcript of this hearing will be available from the parliament's website as soon as it is finished. I now declare this meeting of the Environment, Agriculture, Resources and Energy Committee closed. Thank you so very much. Goodbye Charles, goodbye Ian and goodbye Lizzie.

Ms Bradford: Thank you very much.
Mr Wilson: Thank you.
Mr Whan: Thank you.
CHAIR: Our pleasure.
Committee adjourned at 3.49 pm.