

**AGFORCE QUEENSLAND**

# **NORTHERN DEVELOPMENT REPORT**

**JULY 2023**





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# 6 KEY RECOMMENDED INITIATIVES TO FOSTER DEVELOPMENT IN NORTHERN QUEENSLAND

## 1. SUSTAINABLE LANDSCAPES AND VEGETATION MANAGEMENT

AgForce need to continue to provide significant policy & campaign support around vegetation management that will allow sustainable development on prime agricultural land in the north. Key areas for resolution include:

- ◆ Taking a landscape management approach to reform of the *Vegetation Management Act 1999* including reintroduction of staged and targeted high value agriculture pathways to enable timely and cost-effective development.
- ◆ Streamlining of Coordinated project and Development Approval processes if reforms are not forthcoming.
- ◆ Progression of properly made applications under the Act prior to removal of HVA avenue.
- ◆ Improved integration of state and federal environmental legislation and communication with landholders interested in sustainable development on requirements.
- ◆ Promoting Natural capital approaches and markets in delivering landscape level environmental and economic outcomes.

Biosecurity integrity protection is essential and a high priority for AgForce. Identified initiatives include:

- ◆ Commit to adequately resourced, ongoing biosecurity risk assessment processes and implemented actions, including alignment with national plant and animal strategies.
- ◆ Partner with industry and engage with existing individuals/groups to boost the biosecurity surveillance network, including continue resourcing the effective Northern Australia Quarantine Strategy (NAQS) for early warning of unique biosecurity risks.
- ◆ Invest in relevant biosecurity RD&E including remote sensing and alternative management solutions for birds.
- ◆ Support for coordinated vertebrate pest control and harvesting programs and effective inclusion of state land including national parks and world heritage areas.
- ◆ Exclusion fencing grant support for high value agricultural areas in the North.
- ◆ Effective and timely weed outbreak management in National Parks and conservation areas.

Reforms towards more secure land tenure promote investor confidence and land stewardship. Initiatives include:

- ◆ implementation of a tenure conversion program aimed at improving tenure security for term leases, while also recognising Native Title and delivering shared socio-economic benefits.
- ◆ The State Government is encouraged to progressively release property rights to landowners.
- ◆ For planning certainty, any changes to state taxes and charges should be introduced gradually.
- ◆ protections against undue rent increases under the *Land Regulation 2020* needs to include consultation with industry and provide certainty for a greater period of time.
- ◆ Identify win : win opportunities for ag land development and indigenous interests to work together, including more employment, new enterprises and integrating knowledge.
- ◆ ensuring an effective, affordable, certain, and timely cultural heritage framework operates.

Land use competition needs to be addressed proactively by stakeholders and government and deliver:

- ◆ mutually beneficial relationships between landowners and resource sector and others who seek access to land are achieved and that agricultural land and water assets are protected for current and future generations, with impacts avoided, or minimised if unavoidable, wherever possible. AgForce's land use protection principles should inform this approach.
- ◆ Minimum negotiation, access and conduct standards for all alternative land uses seeking to coexist with agriculture should be implemented through legislation or regulation rather than voluntary guidelines.
- ◆ Landowners should be empowered to negotiate acceptable outcomes including through:
  - ◆ the provision of enabling science-based information.
  - ◆ supported by free independent legal advice.
  - ◆ accessible, relevant and fair dispute resolution and court determination processes.
  - ◆ transparent compliance enforcement.
  - ◆ their interests (business and family) being respected and access to their property not granted until agreement is achieved, or due process fairly resolves the matter.
- ◆ The ultimate solution is to collectively deal with the multiple coexistence issues in a whole-of-government review of regulatory frameworks linked with approval of projects with competing interests on agricultural lands.
- ◆ AgForce welcomes a collaborative review of the 'Good Neighbour Policy' to ensure it is efficient and effective in enabling a collaborative approach to land management activities with the State Government, neighbouring landholders, and First Nation managers.

## 2. FUTURE FARMING

A key component to sustainable development of agriculture in the North is ongoing investment into understanding through RDEA the production systems that will work profitably and supported by productivity lifting initiatives and enabling technology.

Supported initiatives include:

- ◆ Using a 'for industry, by industry' co-design approach in which Government, RDCs, industry and other commercial ventures collaborate to achieve integrated local R&D solutions, such as the Central Queensland Smart Cropping Centre with satellite offices in northern locations delivering ongoing extension and adoption support.
- ◆ Increased public RDEA funding and private investment incentives including partnerships, and investment into resource assessments and Land Capability Audits
- ◆ Greater integration between government and peak bodies, such as co-locate staff, and increased operational, policy and management linkages.
- ◆ Engaging Research and Development Corporations on local grower groups, encouraging establishment of private agronomic enterprises, northern agronomic sites and projects, and supporting grains-specific extension services to new and existing farmers

Support initiatives aimed at attracting and developing the skilled workforce needed to drive innovation, including CRCNA's post-graduate scholarships, subsidies from the Office of Northern Australia in agricultural higher education, address graduate shortfalls within agricultural science, including soil, crop and animal scientists, and promote agricultural apprenticeships in technology heavy sectors. Inclusive in this is a focus on RDEA career structures and professional development needs such as mentoring programs, more reliable funding streams for early career researchers.

- ◆ Implement a digital inclusion for Northern Australia strategy.
- ◆ Collaborative review and analysis of past experiences in crop area development in Queensland including the Darling Downs, the Central Highlands and/or Lakeland.

### 3. WATER ACCESS

AgForce supports the further release of water resources at a local or regional level where this is environmentally sustainable and does not result in significant adverse impacts on existing users in order to maintain investor confidence. Initiatives to support this include:

- ◆ Further development and use of objective, scientific information to guide water resource management decisions, including the release of unallocated water. Catchment-level assessments should be continued by governments for prospective regions. Assessments and planning should take a 'risk neutral' rather than 'risk averse' approach.
- ◆ The federal and state government should commit to an ambitious, bipartisan, evidence-based infrastructure investment program, particularly supporting local benefits, and recognising wider, longer-term flow-on benefits in cost/benefit investment calculations.
- ◆ The government should continue to promote greater use of existing water supplies and reserves, such as through enabling fixed price releases and trading, and provide incentives towards promoting greater water use efficiency. Release processes should include reasonable time frames to deliver on-ground development while ensuring progress occurs in a timely way.
- ◆ AgForce acknowledges that the ownership framework for Indigenous water entitlements for contemporary economic use is a matter for governments and Indigenous peoples, however additional restrictions that unnecessarily constrain use and trading should be removed.

### 4. ROAD AND TRANSPORTATION INFRASTRUCTURE

AgForce will continue to engage with all levels of government and other stakeholders towards coordinated transport policy, infrastructure prioritisation and dedicated investment programs. Initiatives include:

- ◆ With other stakeholders develop a coordinated transport infrastructure investment plan for delivering cost effective and disaster resilient freight networks using tools such as CSIRO's TrANSIT modelling.
- ◆ Improve access of grain to port facilities using the existing rail system through modernising rail gauges, rapid loading capability, and depot efficiency and upgrading.
- ◆ Upgrades of major arterial roads enabling freight-efficient heavy vehicles safe access directly to processing facilities and ports
- ◆ Improve efficiency of livestock transport, handling and processing infrastructure and synergies between cross-industry infrastructure assets.
- ◆ Investment in ports, such as Weipa as a live export location, and transformational change of port facilities to minimise transport costs.

### 5. ATTRACTING AND RETAINING A WORKFORCE

Essential to agriculture's prosperity, supplying, retaining and replacing an adequate and skilled workforce is a multi-faceted challenge which requires coordinated approaches by the sector and other stakeholders in both the short and long term. Initiatives supporting development include:

- ◆ access to reliable, and affordable digital communications platforms for safety and interpersonal connection
- ◆ development of all weather road networks in the north
- ◆ incentivising supply and improvements to workers accommodation, such as tax incentives
- ◆ Promoting Northern Australia as a working holiday destination
- ◆ Securely fund the Schools to Industry Partnership Program (SIPP) which connects students to agriculture.
- ◆ Address shortfalls in healthcare, education and social/recreation services in rural and remote areas
- ◆ providing access to financial literacy through to higher-order business skills training or advice, with a view to increased economic resilience and 'investment readiness'.
- ◆ Incentives for employing Apprentices and Trainees in agricultural fields, such as wage subsidies. Focus on machinery operations, feedlot operations, station hands (pastoral) and wool handling.

Access to capital solutions:

Producers across all stages of the business lifecycle can benefit from progressively growing their business management capacity, their investment readiness and having a range of viable financing options available. This can be supported by:

- ◆ Understanding profit drivers in the business, and improving climate risk management and business resilience
- ◆ Establishment of affordable insurance products to help 'de-risk' operations.
- ◆ Ongoing availability of advanced agribusiness skills training packages, investor advice and financial analysis services.
- ◆ Advocate for farmer-friendly access to finance, including lending practices (loan terms, risk premiums, staff lending incentives, management of distressed loans including penalty rates, etc.) and government loan guarantees for new entrants.
- ◆ Ensure availability of succession planning and legal advice - facilitating transfer of farming enterprises to a new generation of skilled, professional producers including abolishment of transfer duty on intergenerational rural property transfers regardless of business structure.
- ◆ Creation of 'off-the-shelf' financing agreements or fair and equitable business structures (reverse mortgages, private equity partnerships, long-term leasing, or share-farming agreements).

## **6. MARKET DEVELOPMENT AND ACCESS**

The profitable creation of agricultural products from the north and value adding of them locally, depends on understanding the needs of current and emerging customers and ensuring we maintain our social license for our production systems. Marketing outcomes can be supported by:

- ◆ Protection of existing market access through effective trade promotion and maintaining biosecurity integrity and effective biosecurity incursion prevention and management
- ◆ Supporting new market access through trade promotion and enhancement services in collaboration with industry, including for niche high value markets.
- ◆ Collaborative investment into understanding receiving markets and their requirements, including greater communication and the preparedness to alter our production, processing and supply chains in order to deliver in a reliable and trusted manner.
- ◆ Support a greater focus of government trade enhancement services (like Austrade) at the farm-gate and final customer points and ensure experts with farm-gate knowledge are involved in representations and trade delegations.
- ◆ Continue to strengthen global export demand and position through securing trade agreements and addressing export barriers, including technical barriers to trade (TBT) in the red meat sector.
- ◆ For new local abattoirs, a program initiative to assist primary producers through the development application process and reduced time frames to enable projects to progress quickly.
- ◆ Government to investigate the feasibility and limitations of shipping boxed beef directly to international markets from ports such as Gladstone, Townsville and Rockhampton in Queensland.

Social license outcomes can be supported by communicating:

- ◆ a positive narrative of sustainable agriculture and the benefits of investing in natural capital markets and effective environmental management outcomes.
- ◆ carbon positive projects and outcomes of AgCarE assessments in northern Queensland and the positive natural capital condition scores being recorded.
- ◆ the positive approach by agricultural industry to coordinated fire management planning and engaging First Nations representatives on traditional burning practices.
- ◆ Improved animal welfare resulting from High Value Agriculture
- ◆ Growing healthy, thriving communities including local employment for young people and the presence of First Nations people and their insights.

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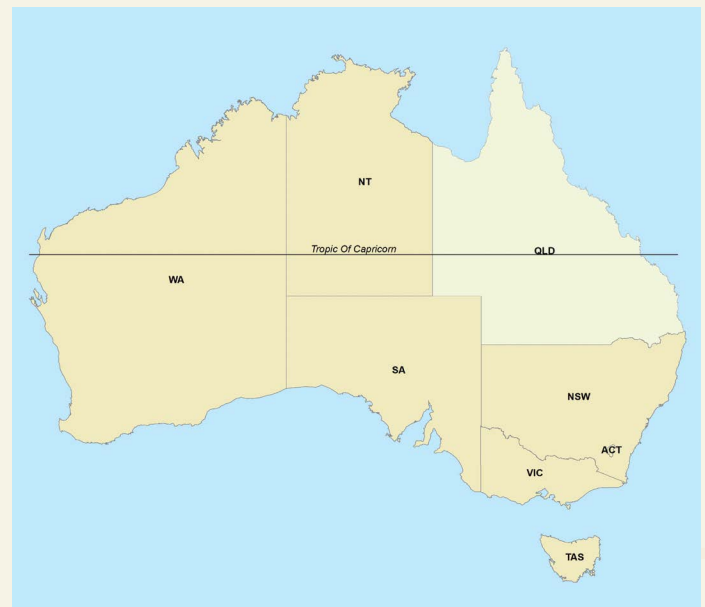


## SUMMARY

AgForce is a peak organisation representing Queensland's cane, cattle, grain, and sheep, wool and goat producers. The cane, beef, broadacre cropping and sheep, wool and goat industries in Queensland generated around \$10.4 billion in on-farm value of production in 2021-22. AgForce's purpose is to advance sustainable agribusiness and strives to ensure the long-term growth, viability, competitiveness and profitability of these industries. Over 6,500 farmers, individuals and businesses provide support to AgForce through membership. Our members own and manage around 55 million hectares, or a third of the state's land area. Queensland producers provide high-quality food and fibre to Australian and overseas consumers, contribute significantly to the social fabric of regional, rural and remote communities, as well as deliver stewardship of the state's natural environment.

AgForce has had considerable interaction for more than a decade with members who are excited about the potential to develop a significant broadscale farming and grains industry within North Queensland. For the purposes of this report, northern Queensland is defined as the area of land within the state of Queensland above the Tropic of Capricorn. It has been recognised by many stakeholders that the potential of North Queensland remains largely untapped, and it is maintained by AgForce members that 'we need to harness the potential of the North', and importantly do so in an environmentally sustainable, financially viable, and scientifically supported way.

AgForce is determined to advance the progress around developing agriculture and specifically farming in the North, from one of identified potential as displayed through several studies and the Northern Australia Cooperative Research Centre (NACRC), to one of practical actions. Agricultural industry seeks to progress a path for meaningful and beneficial development – socially, environmentally, and economically – for the benefit of landowners, regional communities, a sustainable environment, and for the people of Queensland. Securing this can not be done in isolation and it is vital that governments also have a clear vision for sustainable agriculture, with effective policies and targeted regulation that support its achievement. This clear vision and supporting action is currently lacking.



It is also the aim of AgForce to secure sustainable vegetation management facilitated by practical legislation, and that landowners need to be rewarded for the management of sustainable landscapes. AgForce has had a long-term focus on the role of the *Vegetation Management Act 1999* (Qld) (VMA) in facilitating or preventing development in the north, and has provided significant policy response support to the Queensland government, including members of the vegetation management unit, and Executive Director, or now valuer general of the Department of Resources around the application of the High Value Agriculture instrument within the VMA.

In early 2021, the AgForce Grains Board proposed a research trip to North Queensland to learn from stakeholders the impediments on development in the region, and dryland and irrigated cropping opportunities. In September 2021, the AgForce Northern Development Tour began in Weipa, and passed through Coen, Laura, Lakeland, and Georgetown. It progressed up to Karumba, and then down through the Four Ways, Julia Creek, Richmond, and Hughenden, before travelling to the Burdekin. Each day of the trip saw consultation with landowners, industry stakeholders, decision makers, and change makers, who all provided first-hand insight into the opportunities and what is holding individual project ideas, development permits, and industry back. The Tour saw firsthand the innovation, collaboration and determination of industry right across the north.

Predominant themes across all regions of policy issues limiting development include:

- ◆ The *Vegetation Management Act 1999* (Qld) (VMA)
- ◆ The *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC)
- ◆ Reef regulation restrictions
- ◆ Tenure uncertainty
- ◆ Stalled application and approval processes
- ◆ Limited farming knowledge, education and extension support
- ◆ Underdeveloped marketing of new commodities and products
- ◆ Lack of infrastructure and transport logistics limitations

#### ◆ ENABLERS OF DEVELOPMENT

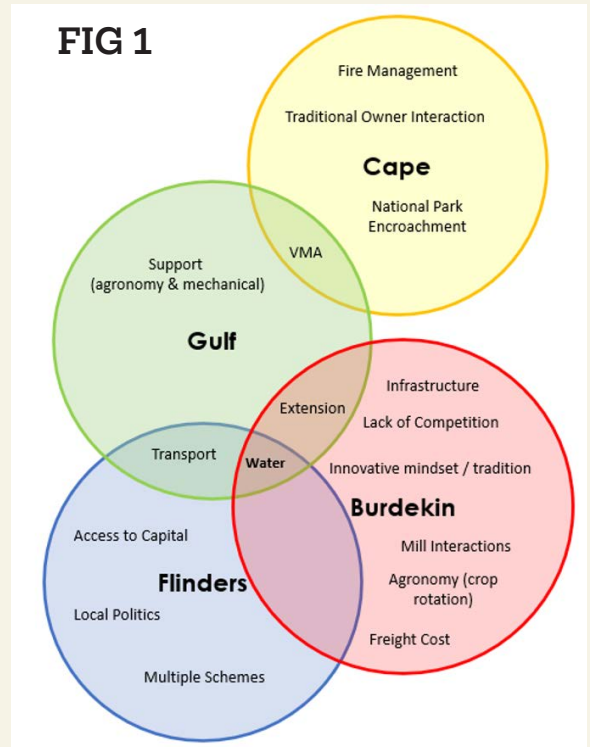
AgForce seeks to develop and support new and emerging industries and support existing growth and expansion. To enable future development in the North, there must be cohesion, and strategic cooperation between all commodities and all levels of government. The recently announced Cotton Grain Cattle Program in conjunction with the GRDC, CRDC and MLA is a great example of a RD&E program recognising and focusing on collaboration and regional impact and moving away from isolated research to achieve cohesive farming systems. Industry alignment with the GRDC, CRDC, MLA, among other organisations will ensure continued innovation.

Other enablers include the Northern Australia Development program which provides funding for small to medium enterprises across Northern Australia to strengthen business capabilities and resilience through diversification. AgForce continues to lobby government for extension of the program.

Additionally, the formalisation of northern grower groups to channel levy funding and grants into northern development for pastures and cropping is continually supported by AgForce and is recognised as an enabler of development.

#### **FIGURE 1: Highest Priority identified Issues by Region\***

\*It is noted that some of the high priority issues affecting a region, as identified within the diagram, do affect all regions, but were found to be especially prominent within certain regions compared to others.



## ISSUES IMPACTING DEVELOPMENT

The key issues impacting agricultural development within North Queensland are impeding the region's economy, biosecurity, environment, and growth.

North Queensland's potential for development is unique. Given the region's proximity to Asia and the Tropics, it is ideally situated to be a trade gateway for Queensland, and for Australia. A quarter of Queensland's agricultural output is produced in North Queensland.<sup>1</sup> Furthermore, the north has significant land and water resources that have yet to be effectively but sustainably utilised. The issues handicapping North Queensland's potential need to be addressed and solutions realised to enable the region to grow and prosper.

<sup>1</sup> <https://cabinet.qld.gov.au/documents/2018/Mar/AgRMap/Attachments/Roadmap.PDF>

This report aims to discuss the relevant issues impacting development in North Queensland, and to identify industry relevant solutions.

## ◆ LEGISLATIVE AND REGULATORY OBSTACLES

The heavy imposition of statutory limitations, predominantly from the *Vegetation Management Act 1999* (Qld) (VMA)<sup>2</sup> and the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC),<sup>3</sup> along with limited support from Department of State Development, Infrastructure, Local Government and Planning, are thwarting North Queensland's sustainable development potential.

If policy reflected the specific 'state and condition' of Regional Ecosystems and their management attributes, rather than existing blanket Queensland-level legislation, the north could be developed in a way that is progressive and ecologically sustainable.

For example, the development of small areas of fodder and grain production on northern Queensland properties will enable landowners to bridge the protein drought that occurs annually after the wet season and broaden their options for marketing heavier and more consistent animals. This ability to develop small fodder/grain production areas reduces the pressures on the whole landscape and on animal health and welfare, with minimal impact on Regional Ecosystems.

However, in order to obtain a tree clearing permit, a landowner must first obtain a declaration that the clearing is for a relevant purpose under the VMA<sup>4</sup>, such as a declaration that the development is for high value agriculture (HVA). Without this declaration (obtained under Section 22A<sup>5</sup> in the VMA), applications are unable to progress to the next stage of the approval process. However, the VMA currently does not permit clearing for the purposes of grazing or farming activities, thus denying agricultural industry the opportunity to advance and improve the resilience of production systems and the businesses they support. Restrictions on permitted small-scale clearing has limited the advancement of development in North Queensland.

A lack of alternative, accessible avenues provided by government has seen application for a Coordinated Project to be the only pathway available to landowners to obtain a permit to develop land. While the Queensland Government communicates that it is possible for a landowner to apply for a Development Approval through the accepted State Assessment and Referral Agency (SARA) process, evidence has shown that this is very detailed and expensive, requiring Environmental Impact Studies, Business Viability assessment and Land Suitability testing. The process has been described by landowners (who have unsuccessfully applied for a DA) as onerous, slow, and expensive, and is therefore beyond the reach of most agricultural enterprises.

In 2012 the Queensland government, to boost agricultural productivity, allowed clearing on freehold and indigenous land. Landholders were allowed to clear regrowth provided they complied with a self-assessable clearing code, namely the High Value Ag self-assessable code. The Queensland Government's changes reduced enforcement and added permits for irrigated high value agriculture that allowed limited broadscale clearing for cropping (including fodder crops). Landowners, whilst also needing to obtain approval from the State Government, also needed to consider any relevant federal legislation. The majority of landholders, when obtaining a HVA permit from 2012-2015, worked with consultants who identified that the EPBC legislation needed to be considered. The EPBC legislates that a person cannot take any action that has, or is likely to have, a significant impact on any matters deemed to be of national environmental significance without the approval from the Australian Government Minister for the Environment. The process is one of self-referral to assess whether the project does impact matters of national environmental significance (MNES).

<sup>2</sup> <https://www.legislation.qld.gov.au/view/html/inforce/current/act-1999-090>

<sup>3</sup> <https://www.legislation.gov.au/Details/C2016C00777>

<sup>4</sup> [http://classic.austlii.edu.au/au/legis/qld/consol\\_act/vma1999212/s22a.html#:~:text=22A%20When%20development%20is%20for%20a%20relevant%20purpose,-\(1\)%20This%20section&text=\(j\)%20for%20necessary%20environmental%20clearing,for%20a%20special%20indigenous%20purpose.](http://classic.austlii.edu.au/au/legis/qld/consol_act/vma1999212/s22a.html#:~:text=22A%20When%20development%20is%20for%20a%20relevant%20purpose,-(1)%20This%20section&text=(j)%20for%20necessary%20environmental%20clearing,for%20a%20special%20indigenous%20purpose.)

<sup>5</sup> [https://www.resources.qld.gov.au/\\_\\_data/assets/pdf\\_file/0003/1395201/relevant-purpose-determination-application-form.pdf](https://www.resources.qld.gov.au/__data/assets/pdf_file/0003/1395201/relevant-purpose-determination-application-form.pdf)

In 2015, Labor was returned to government in Queensland, and subsequently found most HVA projects had not self-referred under the EPBC Act. This was because these landholders had received paid advice from environmental consultants that their projects would have no impact and would therefore not need to self-refer and invoke EPBC assessment. However, the then Queensland government was seeking compliance action<sup>6</sup>, as reflected within the *Vegetation Management and Other Legislation Amendment Act 2018*,<sup>7</sup> and some landholders found themselves to be a political ‘football’, and referral processes an instrument for stalling assessments and preventing development progress.

The lack of correlation between the EPBC and state legislation, and the politicisation of the Act, left landholders finding the process to be tedious, overly political, and requiring double handling to meet the requirements of the various jurisdictions.

AgForce agrees that the North’s currently underutilised natural assets and resources can achieve increased and sustainable agricultural output when realised through allowing staged and sustainable development of northern Queensland.

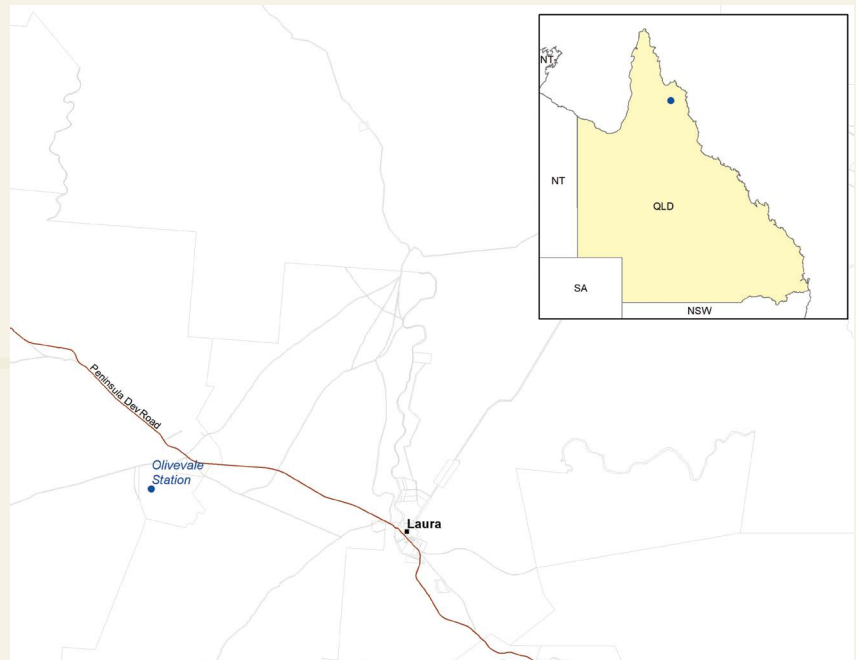
Consideration of planning needs within specific vegetation bioregions will allow for diversification and localised, targeted intensification. In comparison to southern bioregions, the north Queensland bioregions are substantively undeveloped and, in many instances, have up to 96% of their land mass covered in remnant vegetation which cannot be legally developed, despite the potential to do so on an environmentally sustainable basis. To achieve this potential, amendment is required to the VMA, which largely involves reinstatement of the HVA instrument which was removed in 2018. To improve certainty, a clear and secure framework needs to be established so producers can manage their vegetation in a timely and cost-effective way.

Following are case studies of properties visited on the 2021 AgForce Northern Development Tour that highlight different issues with the regulatory framework that inhibit property-based development.

### CASE STUDY: ‘OLIVEVALE’, PAUL AND SCOTT RYAN

Paul and Scott Ryan, owners of Olivevale on Cape York near Laura, contracted environmental consultant Peter Spies, and were successful in being granted a HVA permit for 31,850ha in 2014. With the change of State Government in 2015, Olivevale became the focus of attention for environmental activist groups, as it and another property ‘Strathmore’, were two large HVA projects approved by the previous LNP administration.

After development had commenced, following the initial approval, the Queensland Labor government, which had just come into power, allegedly received images taken from low-flying fixed-wing aircraft across the development (Note: the aviation company was penalised for illegal low flying – Pers Comm Paul Ryan). The Deputy Premier, Jackie Trad called on Federal Environment Minister Greg Hunt to enforce the EPBC Act on Olivevale and Strathmore<sup>8</sup>. This triggered negative public media. Consequently, further



<sup>6</sup> [https://www.aph.gov.au/~media/Committees/ec\\_ctte/estimates/add\\_1516/environment/Tabled\\_doc\\_Senator\\_OSullivan.pdf](https://www.aph.gov.au/~media/Committees/ec_ctte/estimates/add_1516/environment/Tabled_doc_Senator_OSullivan.pdf)

<sup>7</sup> <https://www.legislation.qld.gov.au/view/html/bill.first.exp/bill-2018-010>. The Bill aimed to provide enhanced compliance measures that will assist with enforcement of vegetation management laws consistent with other similar contemporary natural resource legislation.

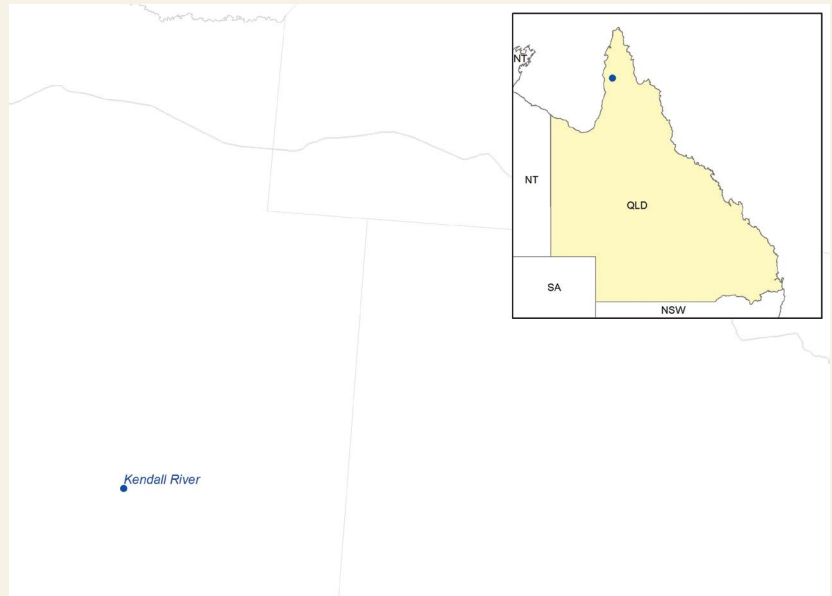
<sup>8</sup> <https://www.abc.net.au/news/2015-06-04/queensland-government-steps-in-to-stop-olive-vale-land-clearing/6521928>

implementation of the 'Olivevale' project has come to a halt, as the Ryan family understandably does not want to be a political 'football' and regarded as social pariahs. This could be avoided with clearer integration between jurisdictions and legislative frameworks and their application.

Subsequent to the Ryan's being granted a HVA permit, this instrument was removed from the *Vegetation Management Act 1999* (Qld),<sup>9</sup> thereby rendering further development of agricultural projects in northern Queensland almost impossible. The option of applying for a Coordinated Project remains available to agricultural proponents, however, there have been no applications for such projects in recent times. The impasse between State and Federal political agendas has only further restricted the possibility of sustainable agricultural development in northern Queensland.

## CASE STUDY: 'KENDALL RIVER STATION', GEORGE MUIRHEAD

George Muirhead, owner of Kendall River Station, has dedicated approximately 8,000ha to the development of a proposed Pongamia plantation, to be harvested for biodiesel, cattle meal, organic matter and carbon sequestration. Pongamia is a second-generation biofuel producer which does not compete with food production, and is a legume which supplies its own nitrogen, has low ongoing management costs and has high energy efficiency. A high-protein meal can be produced when oil is extracted from the Pongamia seed.



George Muirhead developed biodiesel processing plants in Sydney and Brisbane and has a national and international profile in relation to production of biodiesel. He also has developed the property Rangeview as a HVA project and sold it to Cargill. George has conducted long-term personal research in Pongamia and has linked with the University of Queensland (UQ) and others to progress this (See Wylie et al. 2021).<sup>10</sup> Findings identify that the break-even point for a Pongamia project is 5,000ha for the economy of scale to allow the building of a processing plant and the export of oil for biodiesel and meal for cattle feed.

The proposed project is carbon positive, and is creating a new, sustainable avenue in the biofuel market. The Pongamia tree can produce a renewable transport fuel, meeting the demand for renewable diesel in the future. Methane from livestock can be reduced by feeding protein meal, which improves the quality of the feed, and improves livestock performance in winter, reducing the time to turnoff/sale by as much as a year. Pongamia meal, if it became affordable and abundant, would likely have positive economic outcomes because of these characteristics. Overall, this is a carbon positive, circular economy project that supports local employment and does not degrade the landscape.<sup>11</sup>

The project was stalled due to State Government refusing to consider Muirhead's proposal, with continuous re-questions for information, despite Muirhead investing significant funding into the application process. Section 22A of the VMA, dictates the Department of Resources must rule the clearing application is for a relevant purpose before it can proceed to the State Assessment and Referral Agency. There are no means of appeal available under that process, locking landholders into a continuing cycle of information requests. As the project was stalled due to State Government S22A refusal, it will need to go through a Coordinated Project process<sup>12</sup>, which is expensive and time consuming. The denial of a HVA permit for this project

<sup>9</sup> <https://statements.qld.gov.au/statements/84354>

<sup>10</sup> <https://www.agrifutures.com.au/wp-content/uploads/2021/08/21-085.pdf>

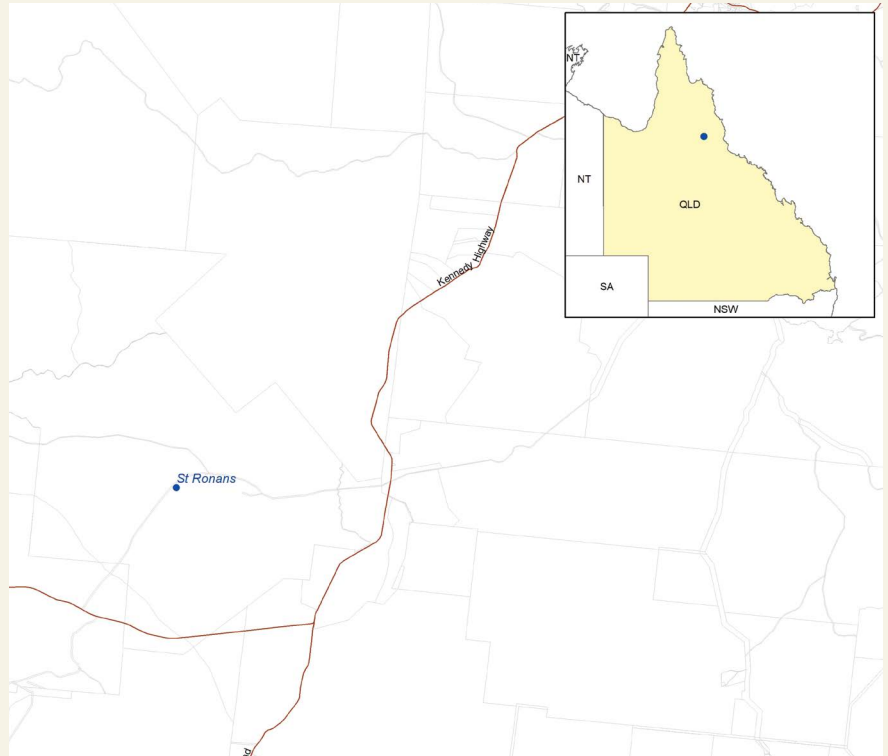
<sup>11</sup> <https://www.agrifutures.com.au/wp-content/uploads/2021/08/21-085.pdf>

<sup>12</sup> See: <https://www.statedevelopment.qld.gov.au/coordinator-general/assessments-and-approvals/coordinated-projects/the-coordinated-project-process>

hinders potential to breakthrough into a new market, and will hamper this, and potentially other, viable bio-fuel initiatives in the north. AgForce believes this thwarts innovation, the development of positive carbon narratives in north Queensland and hinders sustainable development. This serves to reinforce the fact that the VMA does not support even those projects which are carbon positive and sustainable.

### CASE STUDY: 'ST RONANS', DAVID STATHAM

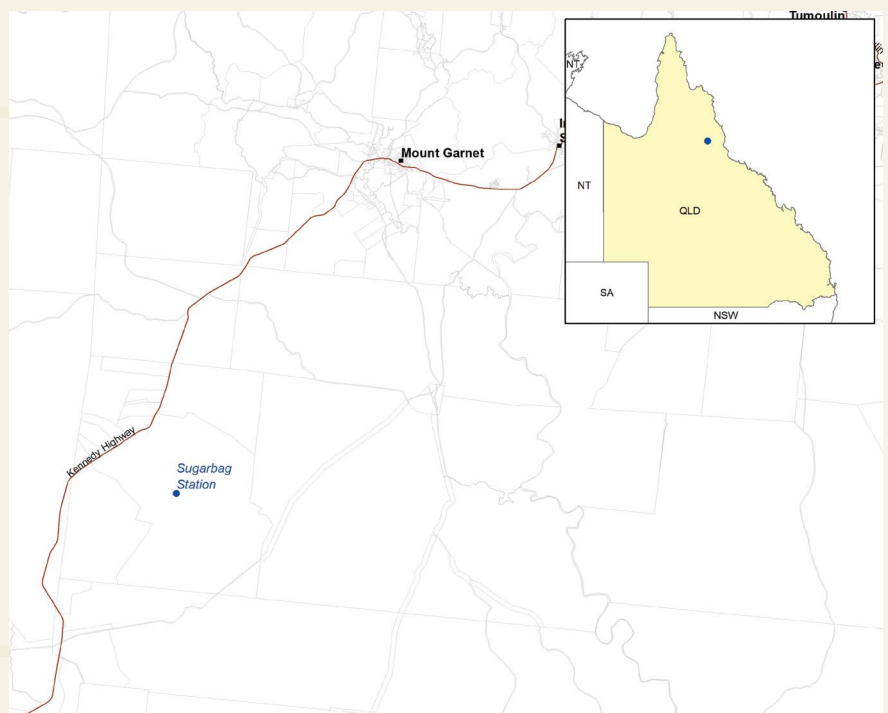
David Statham is owner of Sundown Pastoral Company, a privately owned Australian agricultural and pastoral enterprise. St Ronans was purchased by Sundown Pastoral Company in 2019 and is a 43,707 hectare cropping and cattle property near Mt Garnet in far north Queensland. Sundown Pastoral is successfully pioneering cotton and other crops alongside a large-scale feedlot that has the capabilities of hosting 10,000 head of cattle. Currently, the VMA, through the landowner's understanding, is preventing the development of a dam to support irrigation infrastructure, that will improve productivity and reduce the risks associated with dryland farming practices. However, the act of damming existing drainage lines will see some trees flooded, which are currently mapped as remnant vegetation by the Queensland Herbarium and thereby Category B under the VMA.



This case study shows how through preventing damming for the supply of irrigation water, the VMA is restricting the advancement of resilience creating development of small areas with high value agricultural potential.

### CASE STUDY: 'SUGARBAG', ROBERT AND BRIAN HENRY

Robert and Brian Henry, owners of Sugarbag Station, southwest of Mt Garnett, have a vertically integrated project proposal, which progresses from cattle breeding through to fattening, and then to a feedlot, through to an abattoir, all on 'Sugarbag', before exporting beef via the Port of Cairns. The property contains feedlot spelling yards, a recently purchased kill chain for the abattoir, and a dedicated site selected (including assessment of hydrology and effluent management requirements), with arrangements already negotiated with the Port of Townsville for the export of beef quarters. 2,000ha were proposed for development to improve pasture



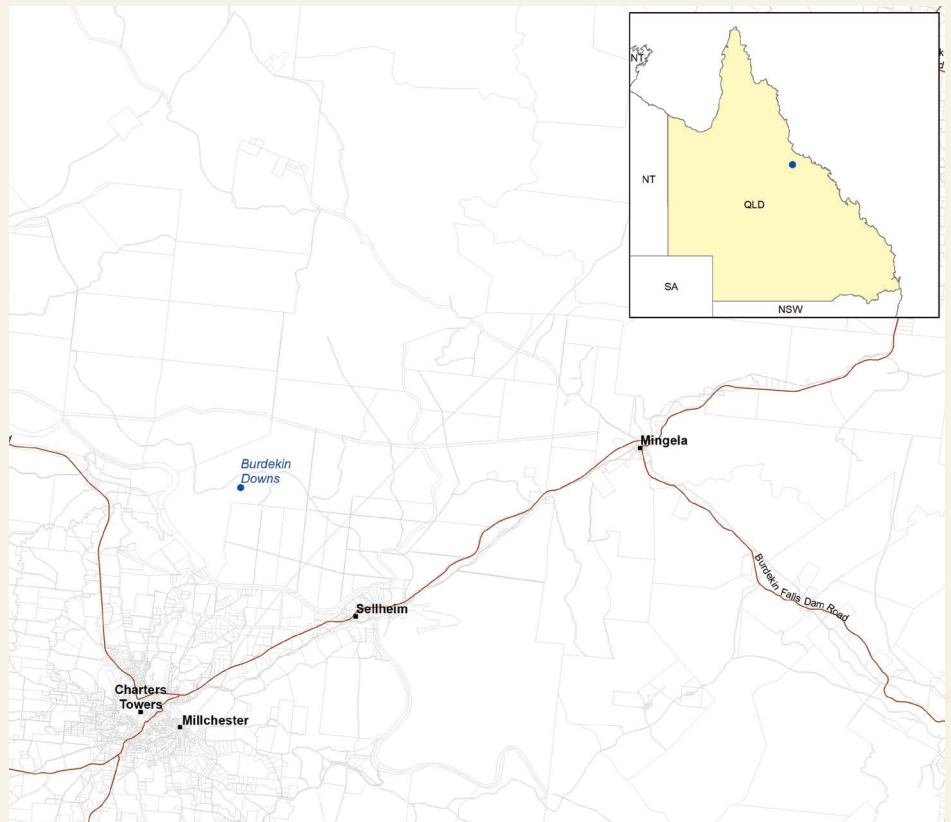
and fodder crops to help support a year-round breeding, growing, fattening program able to sustain a continuous supply of livestock for the kill floor.

A formal application to the Queensland government was made in 2021 prior to considering the development of the full project proposal. However, in preliminary meetings, the Henry's were told by the then Department of Natural Resources, it would not be advisable to prepare a project application as it would not be considered because of the VMA. This is despite the Queensland government assessing the soils in the development area on Sugarbag, through the Land Suitability Assessment process, as Class 1 and 2 high quality agricultural soils.

AgForce recommends contact with state government Ministers to consider the 'Sugarbag' project. The project has been recognised by the AgForce Natural Resource Committee (NRC) as the most integrated development project included in the northern tour, with low environmental impact and high benefits for labour and local community.

### CASE STUDY: 'BURDEKIN DOWNS', BLAIR KNUTH

Blair Knuth is owner of Burdekin Downs, located near Charters Towers. In 2014, Burdekin Downs applied for a HVA permit to clear land for dryland and irrigated agricultural development, prior to the state election and change of government. The application was correctly submitted in 2015, however receipt of the application and registration for assessment was not formally communicated to the Knuth's. The legal obligation of the Queensland government was then to process the application in line with the existing regulations that were in force at the time of submission. However, with the change of government following the election, the application was then progressively delayed from being assessed. This required Knuth to take the matters to court to establish he had submitted a properly made application, pursuant to section 22 of the VMA. This legal proceeding, also in 2015, was successful, and the application would need to be assessed by the prevailing regulations at the original time of submission.



In 2017, Knuth then had to take a PMAV application to QCAT to ensure the Queensland government would undertake due process and assess his application. As of 2022, there has been no assessment made. Knuth has spent significant funds through having to employ soil scientists, agronomists and others to fulfill the information requirement demanded by the Queensland Government. The Queensland Government continues to stall the process. Intergenerational effort has been invested into the QCAT appeal process, and it is disappointing to see potential development stagnate when due legal process should prevail.

Burdekin Downs is an example of the detrimental impacts on development potential in the north for relatively small agricultural developments due to changing government policies, and the politicisation of vegetation management regulatory frameworks.

## AGFORCE LANDSCAPE MANAGEMENT POLICY SOLUTIONS

Informed by circumstances such as the above case studies, AgForce commodity board and committee members have voluntarily contributed significant amounts of time into the consideration of policy needs and priorities for sustainable agriculture and landscape management in the north.

This has resulted in policy positions endorsed by the AgForce Board as AgForce policy, including a policy on High Value Agriculture and priorities for regulatory reform.

With regard to northern development, key landscape management policies that are relevant include firstly a Proposed Landscape Management Regulatory Framework, which includes a description of the issues landowners face for land management and development, the lack of trust between many landholders and governments, as well as recommendations for regulatory review and legislative amendment. While full details can be found on the AgForce website<sup>13</sup> a policy recommendation summary is as follows:

1. 15yr Landscape management plans – at property level across jurisdictions (federal, state, local)
  - a. Agreed vegetation and landscape area management plan that can be adapted by landholder through application to government over time.
  - b. Open government involvement in the setting and implementation of the plan.
  - c. At the end of 15 years, review and renegotiate.
2. High level communication and involvement with government for landholder certainty and trust
3. Specific policy positions on a range of landscape management areas (expanded below):
  - a. Removal of Category C – High Value Regrowth claimed without compensation.
  - b. Private Native Forestry Code – Sustainable timber industry with new Category F Code.
  - c. Fodder Regeneration Code – Sustainable regeneration of renewable resource.
  - d. Landscape Restoration Code – Currently Thinning and Encroachment Codes.
  - e. Drought Mitigation Business Stabilisation Code – Previously High Value Agriculture.
  - f. Securing consistent PMAVs under State, Local and Federal legislation – Complete with a definition of Category X and prevention of regulatory encroachment.
  - g. Quality assured science – Evidence based policy for conservation and production and investment to improve sustainable agricultural science and accurate RE mapping.
  - h. Coordinated Fire Management Planning – Local decision-making for landscape outcome.
  - i. Regional Vegetation Management Planning – Re-engaging ownership of RVMPs.
  - j. Introduction of Baseline Area Management Plan instrument within the VMA.
  - k. Removal of Protected Plants regulatory penalties in the *Nature Conservation Act 1992*.
  - l. Natural Capital – Measurement of land condition and payment for ecosystem services.

<sup>13</sup> <https://www.agforceqld.org.au/knowledgebase/article/AGF-01120/>



## Proposed future actions

1. Review of EPBC, NCA, VMA, FES Acts, Reef regulations and links with Planning Act and other legislation
2. Repeal (or large revision of) of VMA, NCA and EPBC as well as revoking local Planning Schemes
3. Simplification of regulatory requirements, e.g. Simplifying DA application and Self-Assessable-Codes
4. Engage with urban people to increase understanding of sustainable landscape management
5. Introduction of Natural Capital approach to building economic prospects for rural landscapes

Secondly, taking a Natural Capital approach to landscape management was endorsed by the AgForce Board in 2018 as a proactive initiative which enables broadacre agriculture to attribute value to natural assets and support sustainable development of agricultural landscapes. The AgCarE methodology ([www.agcare.org.au](http://www.agcare.org.au)) is supported as a primary vehicle for landowners to measure Natural Capital condition at property level and is intended to enable entry into carbon, biodiversity and environmental offset marketplaces. Access to Natural Capital markets will be a large opportunity for extensive properties in north Queensland.

## EDUCATION/EXTENSION

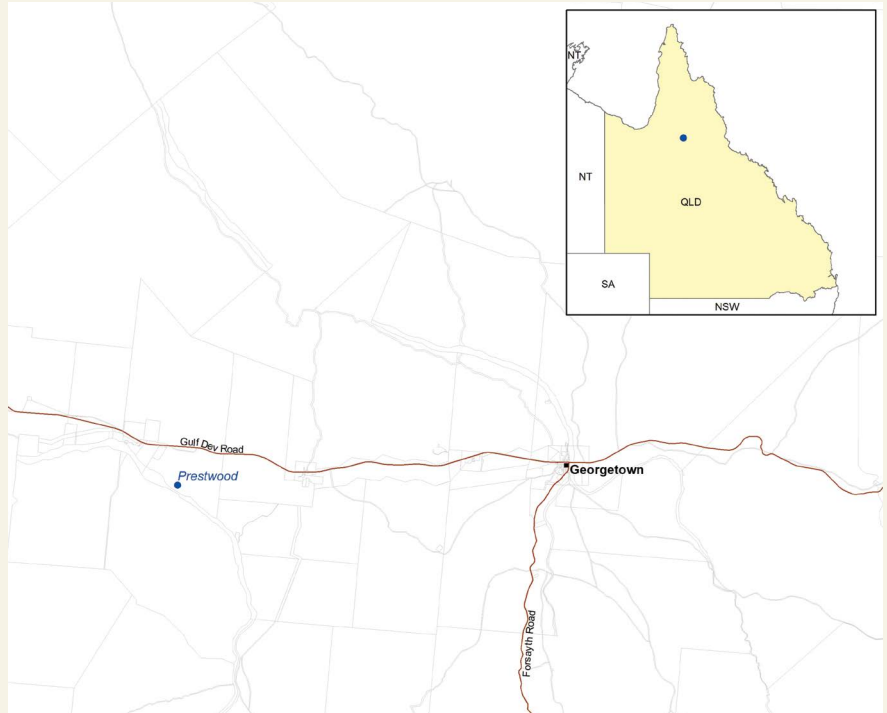
Currently, there is market failure in the provision of information and support in industry development available to broadacre primary producers across the State, however this is particularly evident in North Queensland. Extension services are critical to maximise the economic contribution of Queensland's agricultural industries. It must be evidence based and geared to the needs of local industry and backed by cutting-edge technologies that are sustainable. While Queensland's north has significant land and water resource opportunities, the Northern Tour identified that there is a large deficiency in readily available information and support for agricultural development. Investment in co-operative and 'user-designed' extension programs with leading Queensland universities, State and Federal Governments, industry Research and Development Corporations (RDCs), NRM Regional Bodies and local industries can drive innovative approaches to agriculture tailored for northern Queensland. Given the location of the region, the challenge is whether there are sufficient 'pipelines' in place to deliver, develop and replace extension officers, researchers and other experts to build capability and skills within agriculture.

AgForce believes the Queensland Government needs to address this market failure and invest in providing greater opportunities for education and extension. A primary producer's ability to make strategic decisions is limited by the availability and adequacy of information, ideally built on locally relevant knowledge and experience. Producers with experience in agricultural commodities outside northern Queensland require confidence, knowledge, skills, and support to make decisions about the best agricultural products to develop in northern Queensland, and to experiment and branch into new agricultural commodities in the north. Extension fosters information sharing, learning and change on farms and leads to the innovation required for diversifying agricultural commodities across regions. While this is an excellent opportunity for all producers across the State, it is essential to give new and existing producers in northern Queensland the confidence and skills to manage risk and participate in a newly developing agricultural region and marketplace.

Agriculture industry has a role to play in education services. This can include extension support through programs such as AgCarE. Extension engagement with landowners prior to, during, and especially after the following up of an AgCarE assessment are critical for assisting landowners in understanding the natural capital condition and their ability to access broader income streams for their property.

## CASE STUDY: 'PRESTWOOD STATION', REG AND BEVERLY PEDRACINI

Reg and Beverley Pedracini, owners of Prestwood Station located near Georgetown, have access to irrigation water from the Gilbert River and were provided a 2,800ha HVA permit in 2014 and have all the necessary infrastructure required for cropping. The property has strong growing potential due to good soils and access to water but the owners have little access to any extension support, and regularly battle crop pests. The installation of an irrigation centre pivot and cropping of the area was successful, however the erection of fencing proved to be inadequate for preventing small wallabies and feral pigs from destroying crops. Damage from birds added to the result that the crops were not worth harvesting. Despite the presence of a Government and University research trial site on their developed area, the lack of available information and support to assist their implementation of effective pest control, agronomic practice and commodity marketing has halted production from the Pedracini's HVA development.



## CASE STUDY: ETHERIDGE SHIRE

Etheridge Shire has local planning instruments in place for development to be progressed, and for regional planning and on ground developments to be implemented. However, there is a need for extension support for agronomy, marketing and pest control to support the success of subsequent developments. A current development in the region is the Gilbert River Irrigation project<sup>14</sup> which, while in early stages of development, has large potential to provide irrigation for a range of viable crops. DAF and CSIRO have been conducting research in the area for over thirty years. In the past, extension groups from DAF have come to the region with trial plots, and then leave, providing no ongoing extension support to the region. Further investment is required in coordinating industry-development extension support in the Gilbert River project to enable new and existing farmers to build their knowledge and capacities for initiating new agricultural projects in the project area.

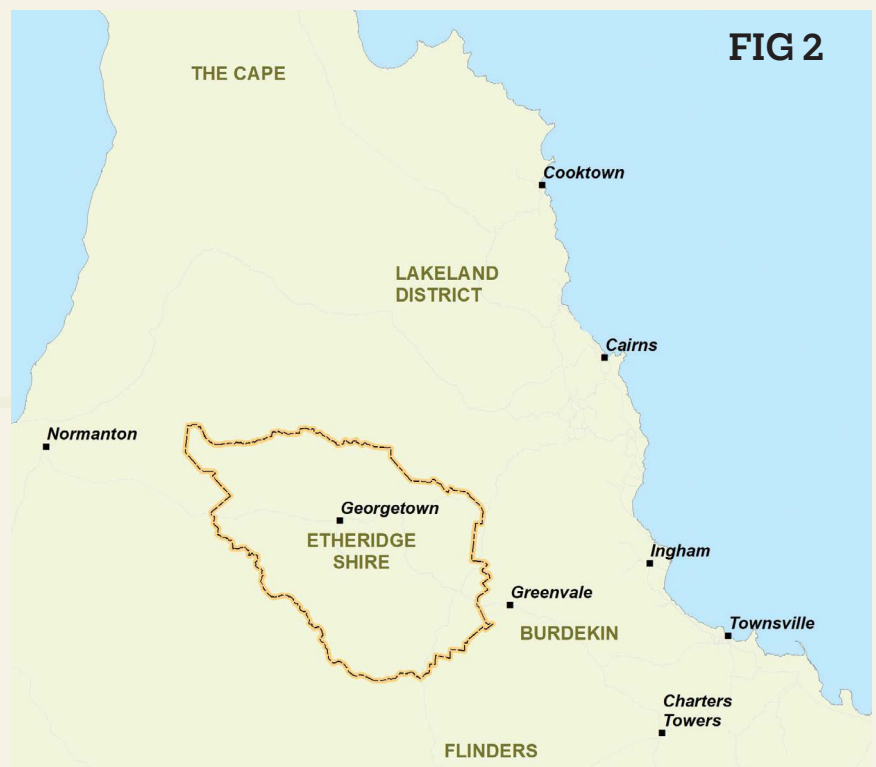


FIG 2

### FIGURE 2: AgForce North regions identified

<sup>14</sup> <https://www.etheridge.qld.gov.au/downloads/file/993/gilbert-river-irrigation-project-summary>.

## ◆ **AGFORCE RESEARCH, DEVELOPMENT AND EXTENSION SUPPORT SOLUTIONS**

### ***Using Central Queensland Smart Cropping Centre as a home base for satellite offices in northern locations:***

- ◆ The model used within the Central Queensland Smart Cropping Centre takes a 'for industry, by industry' approach in which Government, RDCs, ag industry and other commercial ventures collaborate to achieve integrated local industry and farm solutions.
- ◆ This model needs to be replicated in satellite offices located where integrated extension solutions to agricultural development can be provided in a collaborative model in locations potentially including Hughenden, Cloncurry, Julia Creek and a more northern outpost such as Georgetown, Mt Garnet and/or Coen.

### ***Research, Development and Extension (RD&E):***

- ◆ The above satellite centre model will be most effective as an integrated RD&E investment and function, with emphasis on R&D for location-specific development challenges and overarching extension support for adoption of solutions and broader knowledge and capacity building needs.
- ◆ Increase public funding and identify and provide incentives for private R&D investment including through more diverse public/private investment partnerships or taxation settings. AgForce called on the Productivity Commission and Australian Government to increase rural R&D co-partnership funding. The Government held the current \$ for \$ co-contribution, but did not increase funding.
- ◆ Research and Development Corporations have large opportunities for supporting agricultural development in local centres. For example, as a partner within the above satellite centre model, GRDC could significantly benefit the development of the northern grains industry through funding grower groups, northern agronomic sites and projects and supporting grains-specific extension services to new and existing farmers.
- ◆ A significant focus of GRDC investment will result in best value through encouraging establishment of private agronomic enterprises to support integrated RD&E outcomes as well as boosting local labour and communities.
- ◆ Work with state governments, private providers and industry bodies to overcome barriers to adoption of existing research and innovation, and include stronger expectations and objective milestones around adoption within co-funded programs.

### ***Industry and government collaboration:***

- ◆ Within the above satellite centre model agricultural industry and government need to ensure collaboration is the central theme to extension service co-design, investment and operations. Such thinking informs the Drought Hubs promoting innovation in north Queensland.
- ◆ Where possible, it will be highly advantageous to co-locate staff from Australian and Queensland Government with AgForce, Queensland Farmers Federation (QFF) (including members such as Growcom), Cotton Australia, and other relevant industry bodies.
- ◆ This collaboration needs to extend to operational, policy and management linkages in Brisbane across Australian and Queensland Government with AgForce, Queensland Farmers Federation (QFF) (including members such as Growcom), Cotton Australia, etc.
- ◆ AgForce welcomes programs aimed at attracting workers to the north from southern Australia and overseas however, we also acknowledge the role played by government in retaining the existing northern population. We therefore support initiatives aimed at reducing or reversing the 'brain drain' from the north to the south, such as the CRCNA's post-graduate scholarships. This could be expanded by industry-targeted skilling for workers through subsidies from the Office of Northern Australia in agricultural higher education programs or ag colleges. An extension of traineeships or apprenticeships would also bolster boots on the ground and would provide practical outcomes as a workforce solution. We also need to address graduate shortfalls within agricultural science, including

soil, crop and animal scientists. Promotion of agricultural apprenticeships for operational roles is also essential.

- ◆ Federal government to lead and implement a digital inclusion for Northern Australia strategy, and deliver public awareness/education campaign(s), which could be co-funded by telecommunications companies.

### ***Large and continued support from government based on the learning from previous developments such as central Queensland:***

- ◆ A key focus on industry and government collaboration needs to pragmatically draw upon the lessons from reviews of previous agricultural industry development experiences such as the Darling Downs (Oakey, Dalby, Chinchilla, Roma) and southern inland Queensland, the Central Highlands (Emerald, Kilcummin, Moura, Rolleston) and/or Lakeland.
- ◆ Accelerators and inhibitors need to be identified collectively by industry and government in these past schemes to assist and streamline efforts to develop north Queensland.
- ◆ Inclusive in this is a focus on career structures and professional development needs. Implement policies that increase recruitment into agricultural research careers through school curriculum, clearer career pathways, mentoring programs, more reliable funding streams for early career researchers.
- ◆ Land Resource surveys as a continued land development support function by government. This could include an update of the Land Capability Audits and development and incorporation of new soil and natural capital data.

## **LABOUR – ACCESS TO A SECURE, SKILLED WORKFORCE**

The lack of labour in North Queensland sees that farmers do not have access to a secure workforce, thus choking the realisation of productivity and development in the region. State and federal governments need to remain committed to addressing the issue to support regional communities.

For example, the Pacific Australia Labour Mobility (PALM) scheme<sup>15</sup> helps fill agricultural labour gaps by allowing eligible businesses to hire workers from 9 Pacific islands and Timor-Leste when there are not enough local workers available. Workers can be recruited for seasonal jobs for up to 9 months, or for between one and 4 years, in unskilled to semi-skilled positions.

Primary issues which affect labour supply, as identified within the *Far North Queensland: Business Priorities Report*,<sup>16</sup> include a lack of accommodation, perceived isolation, connectivity, and critical infrastructure such as water and sewerage to support new and existing developments. Furthermore, labour costs in the March quarter of 2022 in the region increased significantly, resulting in further staff and skill shortages.<sup>17</sup> The ability to attract labour allows local communities to grow and is a huge economic opportunity for the viability of these communities.

### **CASE STUDY: LAKELAND**

***Refer to FIGURE 2 on page 18***

Agricultural developments in the Lakeland district are very positive with perennial fruit and vegetable crops as well as perennial tree crops. Lakeland has been identified under the Agricultural Land Audit<sup>18</sup> as an Important Agricultural Area (IAA), with increased potential for sustainable agriculture through having rich soils, and a growing producer presence. The advantages to agriculture in the Lakeland area are minimal disease loads and good soils. Agronomic and supply infrastructure are adequate for existing developments, but will need to increase with the demands of greater development.

<sup>15</sup> [www.palmscheme.gov.au/](http://www.palmscheme.gov.au/)

<sup>16</sup> [https://aphref.aph.gov.au\\_house\\_committee\\_jscna\\_subs\\_sub0107attach%20\(1\).pdf](https://aphref.aph.gov.au_house_committee_jscna_subs_sub0107attach%20(1).pdf)

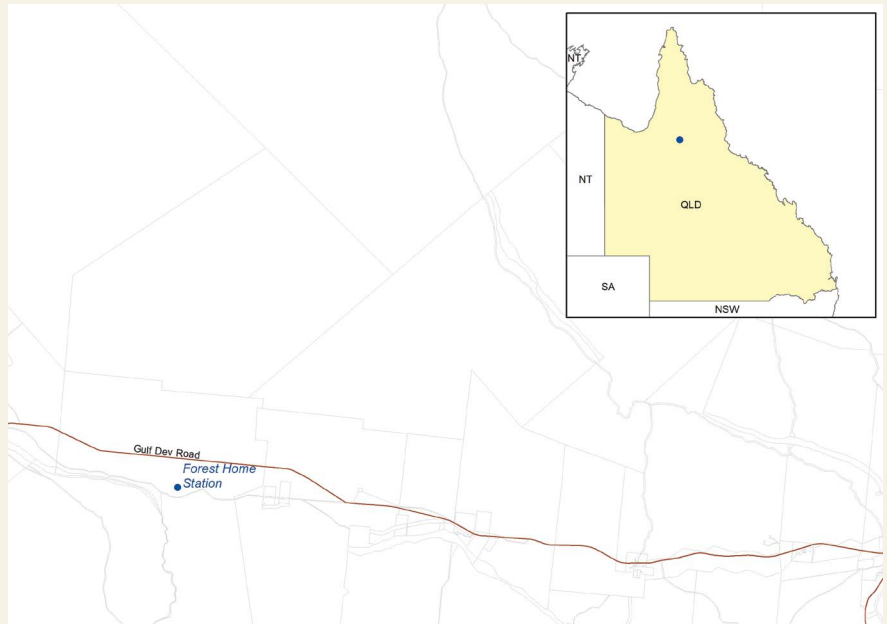
<sup>17</sup> <https://www.cairnschamber.com.au/files/media/original/623/5b9/d24/Pulse-FNQld-Mar22.pdf>

<sup>18</sup> <https://www.publications.qld.gov.au/dataset/queensland-agricultural-land-audit>

The town of Lakeland is also lacking in service infrastructure which is necessary to facilitate the expansion of the town. There is apparent reluctance by local government to development vacant land for infrastructure, due to the limitation with water access. However, if local government was to provide the infrastructure, accommodation would be more readily developed.

### CASE STUDY: 'FORREST HOME', KEN AND BRENDAN FRY

Ken Fry and son, Brendan Fry of Forrest Home located near Georgetown, are growing cotton and sorghum in what traditionally has been grass-fed beef production country. With a 6,000ha HVA permit, they have cleared 5,000ha, and have access to 7,000 megalitres of water for irrigation, but have only used a fraction of their entitlement so far. One of the key issues faced by the Frys', is the inability to retain new employees due to poor telecommunications connectivity. If they had this connectivity, it is expected they would be more able to retain employees.



#### ◆ AGFORCE IDENTIFIED LABOUR SOLUTIONS

- ◆ To successfully recruit and importantly retain workers in the north, there is a need to have access to reliable, and affordable digital platforms that will effectively keep them in touch with their friends, families and communities outside the one they reside in.
- ◆ Road accessibility and infrastructure is a key driver for population growth and the availability of workers. The development of all weather road networks in the north will increase the worker pool available to employers. It also creates easier, faster and more affordable access to towns and services.
- ◆ Housing plays a pivotal role in retaining a workforce. Regional, rural and remote (RRR ) communities often lack adequate housing options for single workers and families looking to relocate. On-station accommodation provision can also be challenging, with farmers often putting worker accommodation improvements at lower priority within their capital investments. AgForce seeks incentivising improvements to workers accommodation through instant asset write offs, such as those that have existed for water infrastructure and farm equipment.
- ◆ Promoting Northern Australia as a working holiday destination is fundamental for attracting temporary workers and offering incentives, such as extended visa periods or reduced visa processing fees, could assist with quick uptake.
- ◆ Support initiatives aimed at reducing the 'brain drain' from the north to the south, such as the CRCNA's post-graduate scholarships. This could be expanded by industry-targeted skilling for workers through subsidies from the Office of Northern Australia in agricultural higher education programs or ag colleges or apprenticeships.
  - ◆ Securely fund the Schools to Industry Partnership Program (SIPP) which connects students to agriculture through interactive and engaging curriculum and classroom resources.
  - ◆ Address shortfalls in healthcare, education and social/recreation services in rural and remote areas.

- ◆ Government has a role to play in providing access to financial literacy through to higher-order business skills training or advice, with a view to increased economic resilience and 'investment readiness' and increasing attractiveness to domestic and overseas investment partnerships.<sup>19</sup>
- ◆ Developing agricultural production in northern Australia will be built on innovative farming and grazing practices and this requires a well-skilled workforce and a well-funded RD&E program to drive the needed innovation and form the basis for a technical skills marketplace. Ag Innovation and technology is moving at a fast pace, and AgForce believes we need to ensure there are skilled lecturers, trainers and scientists available to meet this demand growth and technology. See the section on AgForce research, development and extension support solutions.

## BIOSECURITY - PESTS

An emerging and continuing issue for sustainable production in North Queensland is pests. Given the threat of foot-and-mouth disease (FMD), and lumpy-skin disease (LSD), biosecurity and pest management is at the forefront of producer's minds. Vertebrate pests are decimating crops, and threatening livestock, costing property owners time, money, and energy. North Queensland has the advantage of not having some pests found in southern areas, but unfortunately are still being devastated by many locally prevalent vertebrate and non-vertebrate pests.

Regarding birds, there is little available to the producer to prevent damage that has proven to be effective, sustainable and affordable over time. For on-ground pests, exclusion fencing is an option for landowners. Exclusion fencing has been seen as an important and effective component of pest management but is a significantly expensive method. Currently, there are no exclusion fencing grants being offered in the North. This is an excellent opportunity for the State Government to provide a feral pest solution, and to fill a gap where there is an obvious need.

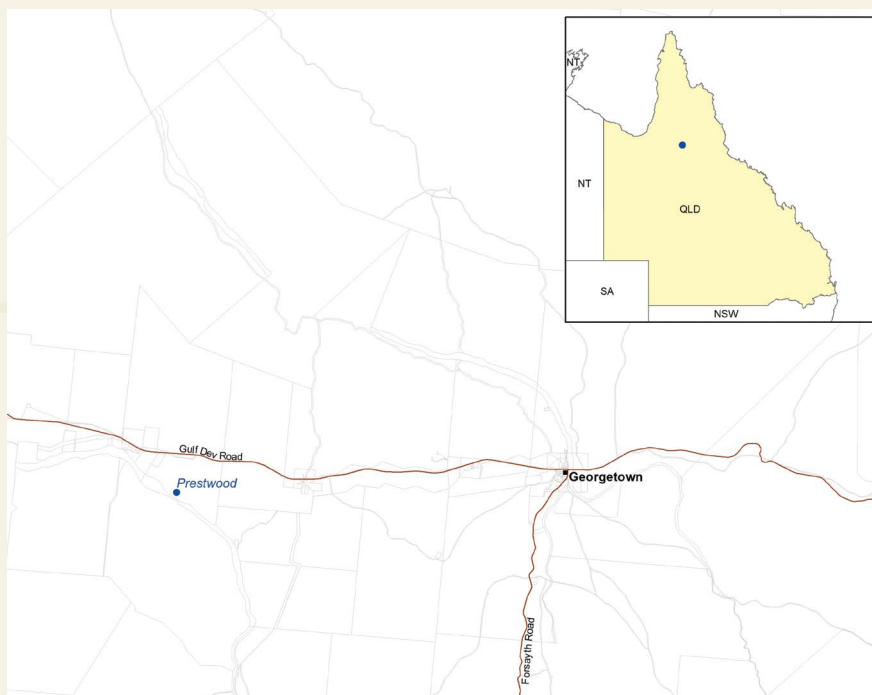
By mitigating the risk of transmission of disease from pest to pest, and pest to stock, producers can reinforce sustainable and efficient biosecurity practises, protecting local production and environments.

### CASE STUDY: 'PRESTWOOD STATION', REG AND BEVERLY PEDRACINI

Reg and Beverly Pedracini have a 2,800ha high value agricultural permit, a 250ML dam, and all necessary infrastructure but their crops are being decimated by the wildlife. Currently, the UQ is running a research trial on the property to identify best crop and management options. There is currently an exclusion fence in place to prevent pests from devastating crops, however this is expensive and provides no protection from birds.

#### ◆ AGFORCE IDENTIFIED PEST SOLUTIONS

- ◆ Cull program funding & feral animal harvesting support is sought from Government. This will reduce numbers of feral animals and provide a valuable protein source for export, ie. Buffalo.
- ◆ Implementation of the National feral pig action plan with future support and ongoing resourcing.



<sup>19</sup> e.g. MLA northern beef performance report

- ◆ Opening Wet Tropics world heritage listed areas and national parks to contract shooters who are targeting feral pests. Surrounding property owners cannot eradicate pests with significant tracts of breeding lands being left unchecked and uncontrolled.
- ◆ Exclusion fencing grant support for high value ag areas – extension of grants that are available in southern areas of the state. Potentially extending this to surround world heritage sites.
- ◆ Requiring National Parks and conservation areas to manage weed outbreaks effectively and in a timely manner to ensure minimal weed encroachment on neighbouring properties.
- ◆ Commit and adequately resource ongoing biosecurity risk assessment processes and implement actions. This is a very high priority to protect existing international market access and the delivery of future opportunity and product premiums.
- ◆ Align with overarching biosecurity frameworks outlined in the National Plant Strategy developed by Plant Health Australia<sup>20</sup> and Biosecurity Program developed by Animal Health Australia<sup>21</sup>.
- ◆ Engage with existing individuals/groups to boost the biosecurity surveillance network.
- ◆ Continue resourcing the effective Northern Australia Quarantine Strategy (NAQS) for border surveillance and early warning of unique biosecurity risks. Partner with industry on implementing effective national programs such as Farm Biosecurity, Bee Pest Surveillance and Emergency Pest Response plans.
- ◆ Continue to investigate the potential for remote sensing of biosecurity incursions.
- ◆ Prevent biosecurity risks such as feral pigs and crop pests posing economic impacts on new irrigated agricultural developments in the Flinders and Gilbert catchments through coordination of control programs and appropriate RD&E investment.
- ◆ Research into alternative pest management solutions for birds, such as projected laser patterns.

## WATER

Access to water is vital for life and all agriculture, and a consistent issue identified for the majority of development projects in North Queensland. To instil the confidence needed for making significant financial and personal investments, agricultural water users must know that their access to water is secure, their share of the available water is certain, and the future availability of water is understood. Environmentally sustainable water use planning is vital to the future production of food and fibre and releasing the full economic potential of northern Australia.

Through water resource assessments such as those undertaken by the CSIRO's Northern Australia Water Resource Assessment<sup>22</sup> and state water planning and reserve releases<sup>23</sup> the region has identified potential to enable irrigation and agricultural activities which will foster sustainable economic opportunities under development. Sustainable access to a reliable and affordable water supply capable of irrigating soils suitable to horticulture and broadacre cropping is essential in seeing the North develop. AgForce supports making further water available for economic development where this does not reduce the certainty, security and reliability of current entitlements, or increases the risk of adverse environmental impacts.

However, the northern prawn industry has reported significant reductions in yield over recent years, potentially due to changed runoff from agricultural lands, with industry bodies also referencing climate change as a causal factor. Juvenile prawns inhabit small creeks and rivers in sheltered mangrove environments and require reliable runoff in natural rivers, streams and estuaries to support larger yields. Agricultural development in the north needs to ensure that environmental flows are maintained including to help buffer yields for the northern prawn industry and to ensure that third party impacts, including on existing water entitlement holders, don't occur when making more water available for development.

<sup>20</sup> <http://www.planthealthaustralia.com.au/national-programs/national-plant-biosecurity-strategy/>

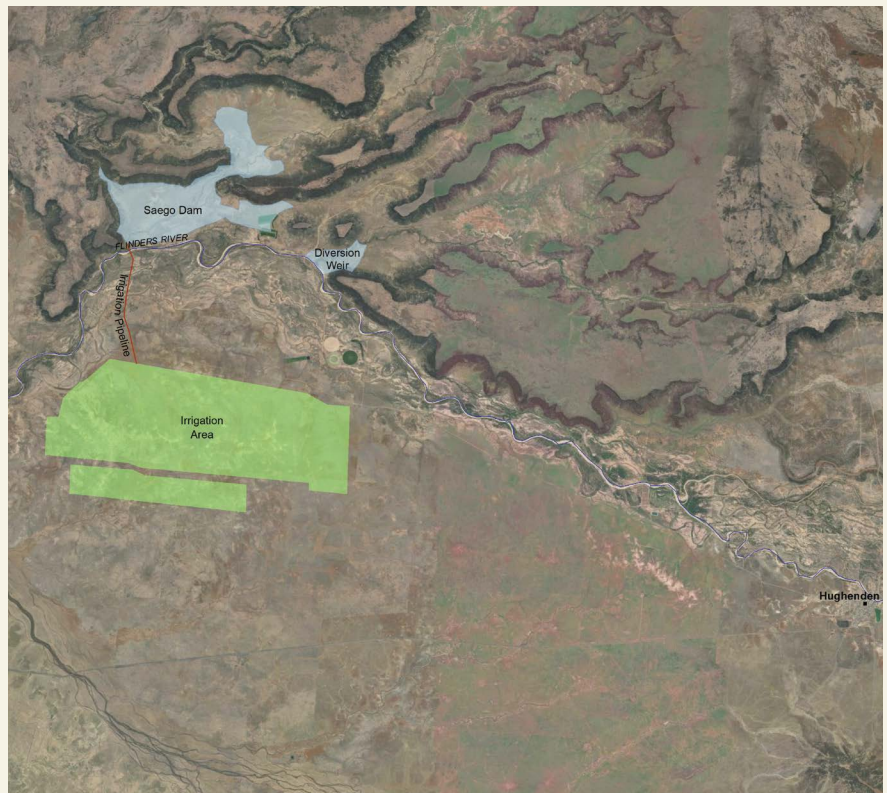
<sup>21</sup> <http://www.animalhealthaustralia.com.au/programs/>

<sup>22</sup> <https://www.csiro.au/en/research/natural-environment/water/Water-resource-assessment/NAWRA>

<sup>23</sup> <https://www.business.qld.gov.au/industries/mining-energy-water/water/catchments-planning>

## CASE STUDY: HIPCO

The Hughenden Irrigation Project (HIPCo), established in 2017, had the objective of identifying an appropriate dam site to support a viable irrigation scheme at Hughenden, servicing 11,000 ha with 4,800ha being used for high value horticulture crops and fodder crops. The scheme has the potential to transform the Flinders Shire communities into resilient agricultural and economic centres. Currently, government approval is pending, with a finalised Detailed Business Case (DBC) accepted by Government and a water tender bid made in June 2022 for purchasing the required water entitlements. Studies completed by HIPCo forecast the population of Hughenden will at least double during the construction period. Presently funding for the project has been deferred by the Federal government with a final decision to be taken once planning work is complete.



## CASE STUDY: LAKELAND

*Refer to FIGURE 2 on page 18*

The Lakeland irrigation scheme has been in existence for many decades however the major impediment to expansion of the 2,000ha that is currently under irrigation has been access to additional sustainable water supplies. Improved water security is essential for future growth of the region and is imperative to support sustainable agriculture. The proposed Lakeland Irrigation Scheme will see irrigated agriculture expanded by 8,000ha, and will significantly assist in the expansion of agriculture in the region. Government support is required to examine and decide on effective options for increasing access to irrigation water, such as from the Palmer River and other options.

Examination is required of the effectiveness of the process under the Cape York Water Plan by which water is released for consumptive use, including the Cape York Peninsula Heritage Area (CYPHA) reserve and associated licenses. To date AgForce members have sought to access water for modest irrigation projects but have been unable to progress securing access to CYPHA or general reserve water.

### ◆ AGFORCE IDENTIFIED WATER SUPPLY SOLUTIONS

- ◆ AgForce supports the cost-effective use of objective, scientific information, such as produced by the CSIRO for our northern catchments, to guide water resource management decisions including the release of unallocated water. Better understanding our northern resources is a key step. Catchment-level assessments should be continued by governments for prospective regions, including continued investments in understanding sustainable use of underground water from the Great Artesian Basin. Assessments and planning should take a 'risk neutral' rather than 'risk averse' approach as was shown in Cape York water planning processes.
- ◆ The federal and state government should commit to an ambitious, bipartisan, evidence-based infrastructure investment program, particularly support local benefits, and progress recommendations from the expert panel's report into the Bradfield and like schemes and to inform industry and investor decision-making.



- ◆ AgForce would like to see the wider and longer-term flow-on benefits of government investment in water to be recognised and included in cost/benefit investment calculations.
- ◆ The government should continue to promote greater use of existing water supplies and reserves, such as through enabling fixed price releases and trading, and provide incentives towards promoting greater water use efficiency. Release processes should include reasonable time frames to deliver on-ground development while ensuring development progresses in a timely way.
- ◆ Groundwater planning and management should ensure the security, reliability and quality of the supplies of primary producers, including at least maintaining associated water pressures. We support a continued partnership approach with government to sustainability efforts to complete remaining bore capping and piping work, including the use of positive incentives to participation for landholders.
- ◆ Allocation of water within unallocated reserves (including strategic, general and Indigenous) should be equitable across stakeholder groups and with a consistent methodology that is applied across the state.
- ◆ AgForce acknowledges that the ownership framework for Indigenous water entitlements for contemporary economic use is a matter for governments and Indigenous peoples, however additional restrictions to Indigenous entitlements that unnecessarily constrain use and trading should be removed.

Further data on available water resources, cost/benefit analysis of potential infrastructure investment and sustainable consumptive use levels is needed to ensure that further development will be resilient and sustainable.

Further progress in making current entitlements tradable and separate from parcels of land will enable more economic activity to occur, as will a greater focus on outcomes-based regulation, as long as introduced flexibility does not undermine confidence in security of entitlements. Queensland's water trading market is in its infancy, relative to the southern States, and will need to be supported to enable the movement of water to efficient purposes.

## **NEW / UNTESTED MARKETS**

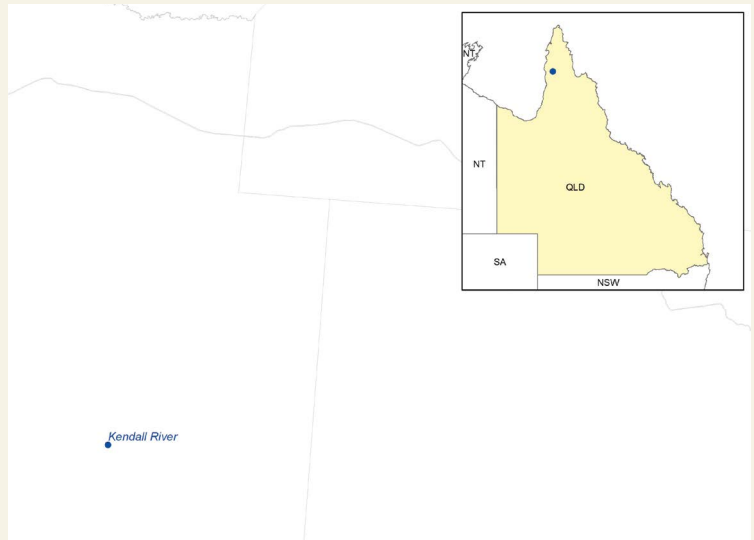
Further agricultural development in the North will depend on having reliable markets for newly created products that deliver adequate financial returns to overcome some of the identified challenges to northern production systems and their associated costs. Australia has built an enviable reputation for clean, environmentally sustainable and high animal welfare production practices and these are marketing advantages to celebrate and build on. However, we also need to back that reputation with robust data and ensure we maintain our biosecurity status and maximise market access.

The Australian agricultural industry does not have the capacity to supply the sizeable and growing demand of Asia and therefore will likely be better placed to supply high quality product into niche markets rather than aiming at supplying bulk, undifferentiated food and fibre commodities.

Further, RDEA is needed around novel products and by-products, their growing and management requirements and associated production systems, intelligence about current and future customer(s) requirements and preparedness to pay, business relationship development across the value chain, supply chain needs and relative opportunity costs against existing products.

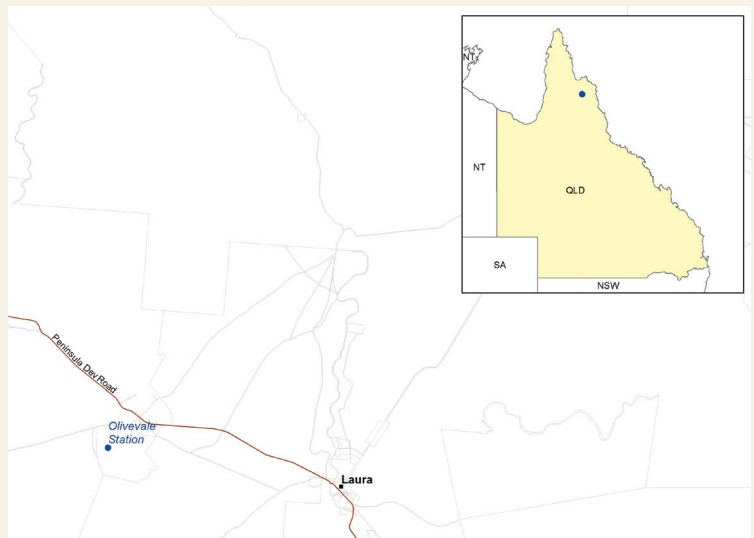
## CASE STUDY: 'KENDALL RIVER STATION', GEORGE MUIRHEAD

George Muirhead, owner of Kendall River Station, has dedicated approximately 8,000ha to the development of a Pongamia crop, to be harvested for biodiesel, cattle meal, and carbon sequestration. Muirhead has developed biodiesel processing plants in Sydney and Brisbane and has national/international profile with production of biodiesel. George has long-term personal research in Pongamia and has linked with UQ and others to progress this understanding. The break-even point for a circular-economy Pongamia project is 5,000ha for the economy of scale to allow the building of a processing plant and the export of oil for biodiesel and meal for cattle feed.



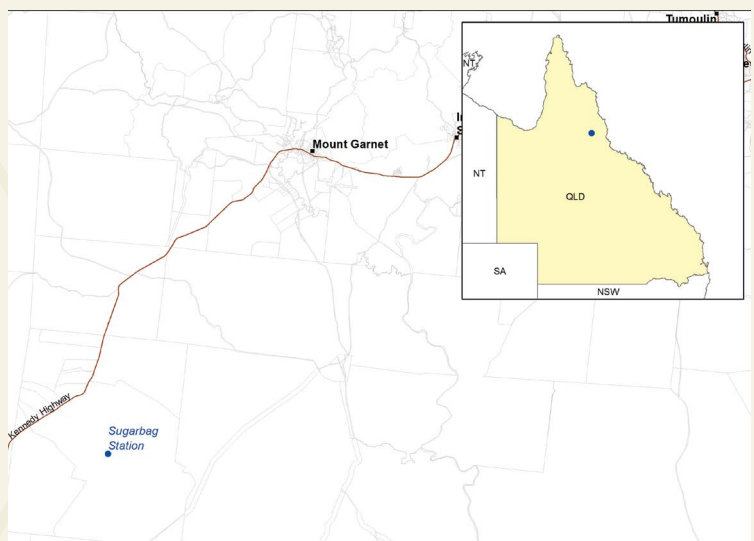
## CASE STUDY: 'OLIVE VALE', PAUL RYAN

Paul and Scott Ryan, co-owners of Olive Vale, are exploring novel crops including sesame and guar. This has included engaging with the DAF on trial work. The Ryan's have a fantastic circular economy proposal, involving breeding to fattening, grains export, and potential to grow cotton. However, they need support in terms of marketing to buyers of specialist crops.



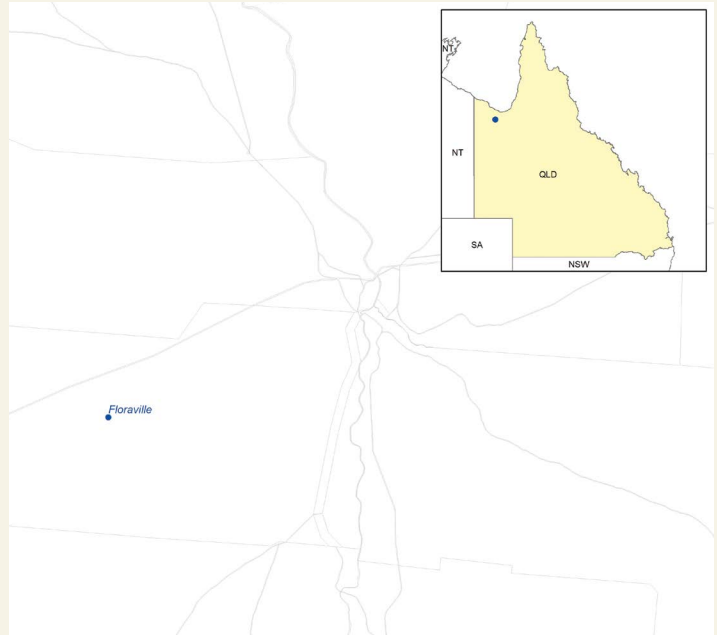
## CASE STUDY: 'SUGARBAG', ROBERT AND BRIAN HENRY

The development proposal made by Robert and Brian Henry would allow for a circular economy, involving low transport costs, community development, is an economic driver, and would see increased labour and jobs in the region. Sugarbag contains feedlot spelling yards, a recently purchased kill chain for the abattoir, and a dedicated site picked out, with arrangements already negotiated with the Mourilyan Harbour for the export of beef quarters. 2,000Ha were proposed to be developed to improve pasture and fodder crops to help support year-round growing, breeding, fattening program to be able to sustain a line for the kill floor. The Henrys really want and need assistance for considering their proposal as an integrated project, however their experience has been that there is no government facility dedicated to supporting developments that can provide any assistance to them.



## CASE STUDY: 'FLORAVILLE', ERNIE CAMP

Ernie Camp is the mayor of Burke Shire and has started the coordinated project process. He is part way through meeting the requirements for a development application for Floraville, which has approximately 60,000ha of plain grassland available for development. The Camp's recently celebrated a historic harvest of the first crop of sorghum in the Gulf of Carpentaria. The Gulf has traditionally been cattle grazing country, but with foot-and-mouth and lumpy-skin disease threatening Australian shores, it is presenting an opportunity for producers to diversify operations as a risk management option. Sorghum is a drought resistant grain and can be used in cereal, livestock feed, and biofuel. The Camp's successful crop is an example of how a sorghum industry in the north could bolster northern agriculture and meet global food demand.



### ◆ AGFORCE IDENTIFIED NEW PRODUCT MARKETING SOLUTIONS

Marketing outcomes for new products or developing a circular economy using existing products can be supported by:

- ◆ Protection of existing market access through effective trade promotion and maintaining biosecurity integrity and effective biosecurity incursion prevention and management
- ◆ Supporting new market access through trade promotion and enhancement services in collaboration with industry, including for niche high value markets such as sesame, guar, and hemp.
- ◆ Collaborative investment with governments (such as through Trade and Investment Queensland) into understanding receiving markets and their requirements, including greater communication and networking and the preparedness to alter our production, processing and supply chains in order to deliver in a reliable and trusted manner.
- ◆ Support a greater focus of government trade enhancement services (like Austrade) at the farm-gate and final customer points and ensure experts with farm-gate knowledge are involved in representations and trade delegations. The practice by DFAT of involving the National Farmers Federation (NFF), commodity peak councils and state farmer organisations at government-led trade negotiations is strongly supported and should continue.
- ◆ Continue to strengthen global export demand and position through securing trade agreements and addressing export barriers, including technical barriers to trade (TBT) in the red meat sector.

## TRANSPORT TO MARKET

As the North continues to develop and expand, a greater demand is generated for efficient transport services and infrastructure.. The current costs of transport to areas in North Queensland are crippling the viability of agricultural industries and are suppressing further development opportunities and projects.

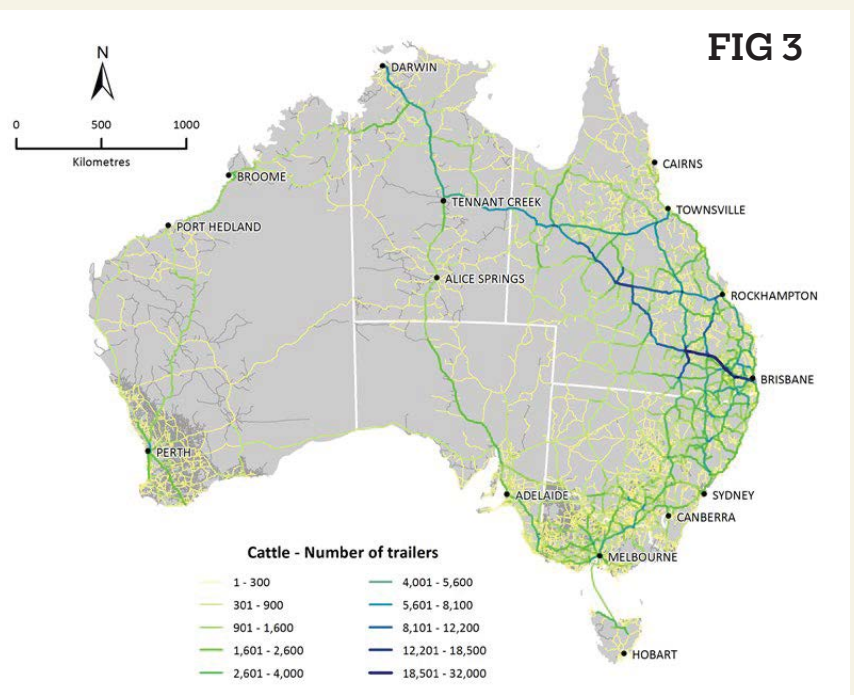
CSIRO identified that land transport costs compromise up to between 35 and 40 percent of the market price of livestock<sup>24</sup>. Produce grown in the north is mostly trucked to markets in the east or south of Queensland, with costs rising exponentially as distance increases. Figures 3 and 4 show the major freight routes for cattle and grain in Australia for 2017. For the northern beef cattle industry, and the northern grains industry, the distance between agricultural properties and processors or point of export is typically

<sup>24</sup> <https://www.csiro.au/en/research/animals/livestock/livestock-logistics>

much further than it is for southern producers. Given that the majority of Queensland's population lives in capital cities located in the south, northern products must travel further to reach domestic markets.<sup>25</sup> Reduction in the expenses associated with land transport of livestock (currently 35pc of market price) would significantly improve beef industry productivity and profitability.

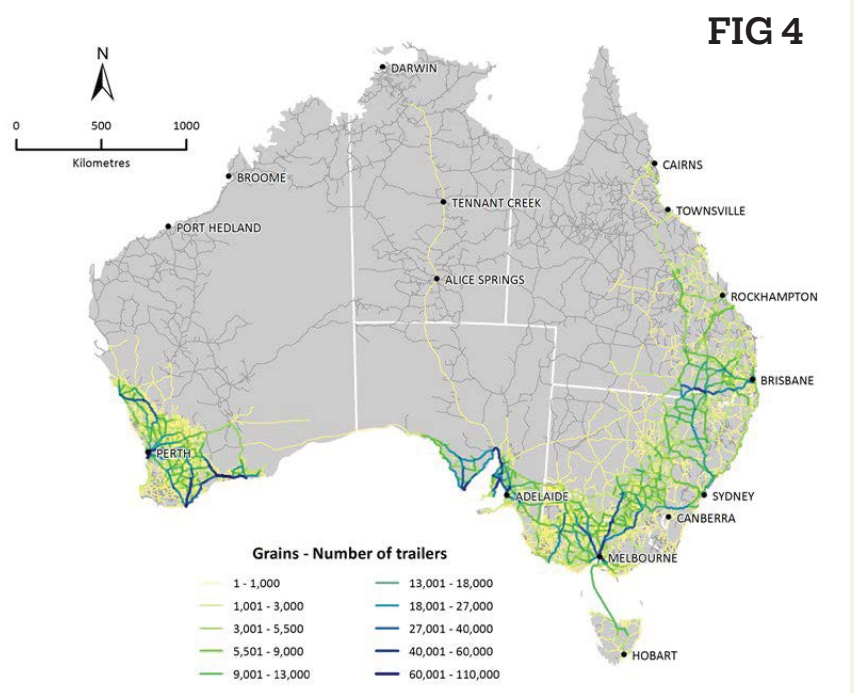
As more businesses look to diversify into cropping and beef finishing, and given the expenses of transport to market, there is a need for more infrastructure to be built in North Queensland, particularly if grains and other fodder crops are to be on-fed to livestock in the region. Currently, 80% of Cape York cannot be accessed by land-based transport during the wet season due to significant sections of the Peninsula Development Road yet to be sealed, and many low-level river crossings.<sup>26</sup> Resilient transport infrastructure would support a diversity of road users, increase safety, increase production levels, and would lower transport costs.

Rail freight is an alternative to road transport. In 2012-2013, approximately 200,000 head of cattle were moved by rail through to abattoirs, which is the equivalent to approximately 3,300 B-double truck combinations.<sup>27</sup> However, of cattle transported to abattoirs, rail only represented 10% of total cattle moved. So, while rail is an available alternative to some producers, it is underutilised, likely due to previous challenges with access points,<sup>28</sup> the prioritisation of other industries, and the need for further development of rail infrastructure to meet demands for more affordable means of transport.



**Figure 3: Major Freight Routes for Australian Cattle**

Source: CSIRO, 'TraNSIT: Unlocking Options for Efficient Logistics Infrastructure in Australian Agriculture, 2017.



**Figure 4: Major Freight Routes for Australian Grain**

Source: CSIRO, 'TraNSIT: Unlocking Options for Efficient Logistics Infrastructure in Australian Agriculture, 2017.

25 <https://www.agrifutures.com.au/wp-content/uploads/2019/05/19-005-1.pdf>

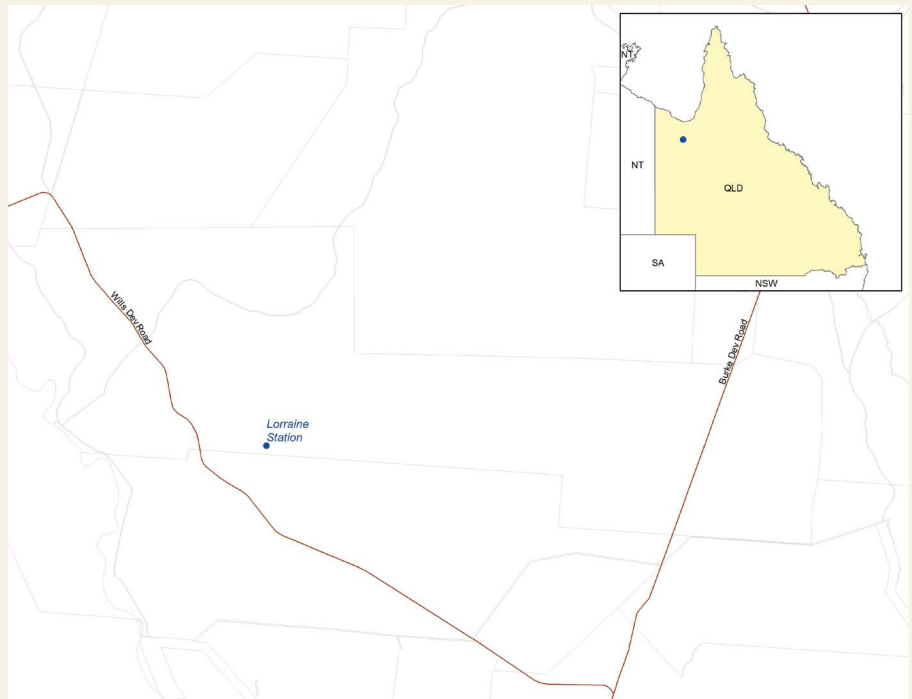
26 <https://www.fnqroc.qld.gov.au/files/media/original/005/1f2/d1f/6b8/FNQROC-Strategic-Goals.pdf>

27 <https://documents.parliament.qld.gov.au/tableOffice/TabledPapers/2014/5414T5368.pdf>

28 <https://www.beefcentral.com/news/north-qlld-rail-yards-set-for-4-26m-upgrade-after-other-yards-were-locked/>

## CASE STUDY: 'LORRAINE STATION', MICHAEL AND HANNAH CRISP

Lorraine Station, managed by Michael and Hannah Crisp, is a mixed operation with cattle, supported by irrigated farming and a feedlot. Crops such as hay and forage sorghum are grown. The property has access to a reliable water source and consistent labour, due to an excellent reputation allowing for ample choice of workers, and infrastructure allowing people to live comfortably on site. Lorraine Station is an example of a project that has stood the test of time and has had twenty years to test the economic benefits of irrigated high value agriculture in north-west Queensland. Furthermore, Lorraine Station is evidence that high value agriculture can be sustained in an extremely isolated part of Queensland. Currently, there is further potential for seed production. However, this may require agronomic support from seed companies who may be reluctant due to the distance in travel required.



The only transport option to the Far North is trucking. This is because the rail network is largely already fully subscribed/allocated to mining. Lorraine Station states they currently break even after the cost of transport. Typically, 20% of a cattle producer's total costs are made up by transport, with 40% for grain producers. The reality is distance and other transport challenges for higher value commodities like grain and finished cattle have cost impacts, ultimately diminishing financial viability and profitability. The longer-term evidence has shown that the most cost-effective irrigated agriculture options for Lorraine Station are the production of hay and forage crops for fodder for on-property use, and occasional manure crops for soil health and cereal crops for market or feedlots. Lorraine Station is an example of a business able to just combat these challenges, but the same cannot be said for other properties in the area.

### ◆ AGFORCE IDENTIFIED TRANSPORT SOLUTIONS

- ◆ With other stakeholders including local governments, develop a coordinated transport infrastructure investment plan for delivering cost effective and disaster resilient freight networks using tools such as CSIRO's TraNSIT modelling.
- ◆ Improve rail access - Improving ongoing and affordable access of grain to port facilities using the existing rail system through investing in modernising incompatible rail gauges, developing rapid rail and grain storage depot loading capability, and encouraging privately owned 'super depots' and the upgrading of GrainCorp depots. An example is providing facilities to rail freight cattle direct to the Roma saleyards and meat processing facilities. The rail service provider (Aurizon) and the grain bulk handler (GrainCorp) negotiate service contracts and there is currently no incentive for them to negotiate a fair per tonne price as these costs are passed straight back to growers. Policies to manage competition for rail access with other users must be effective.
- ◆ Improve road access - Where rapid rail transport is unavailable then upgrades of major arterial roads is required so freight-efficient vehicles can easily access processing facilities and ports and on and off loading minimised from farm gate to processing location or export point. Examples of this upgrading include:
  - ◆ Regional freight routes with B Double access and open access for 'Truck and Dog' vehicle combinations

- ◆ Thirty key sites have been identified for heavy vehicle access in Queensland with higher productivity combinations to be allowed, such as Type 2 Road Trains from Mitchell to Roma and Clermont to Roma and Type 1 Road Trains from Gracemere to Rockhampton-based processors
- ◆ Upgrading the Gregory Highway between Clermont and Emerald, combined with improvements in cattle tick regulations, would save the cattle industry around \$75 million over five years and benefit other industries by reduced road traffic density.
- ◆ Bitumen sealing of the final 60km of the Hann Highway (also known as the Kennedy Development Road) between the Lynd Junction and Hughenden to provide all-weather transport alternative to the flood-prone coastal Bruce Highway.
- ◆ Improve efficiency of livestock transport, handling and processing infrastructure and synergies between cross-industry infrastructure assets. Investment and priorities guided by the tools and models outlined in the CSIRO report “Livestock Industry Logistics: Optimising Industry Capital Investment and Operations”, 2013 [http://www.regional.gov.au/regional/ona/files/csiro\\_final\\_report\\_livestock\\_logistics.pdf](http://www.regional.gov.au/regional/ona/files/csiro_final_report_livestock_logistics.pdf)
- ◆ Investment in ports, such as Weipa as a live export location, and port facilities.
- ◆ Improve port access - the Australian sea and airports network (particularly on the Eastern Seaboard) requires transformational change with a range of potential improvements such as addressing the following:
  - ◆ Boxed beef shipped to the U.S. must first go to the Port of Melbourne.
  - ◆ Beef produced and slaughtered in Queensland is primarily shipped via the Port of Brisbane despite being killed in Central or Northern Queensland.
  - ◆ The Port of Brisbane is the only port that has container export facilities. Other ports i.e. Gladstone, Mackay could also be expanded and offer these facilities.

## **SOCIAL LICENCE CONCERNS / NEGATIVE MEDIA**

Proposed agricultural developments are often in direct conflict with the agenda of conservation interest groups in North Queensland. Conservations groups have successfully pushed for a strong regulatory framework which has effectively prevented all developments, delaying producers from being able to expand and enhance productivity and enterprise resilience and viability. This is in spite of the fact that vegetation in the north has been thickening over recent years and the contradictory position of the former Australian Government which had committed to progressing development through the Cooperative Research Centre for Developing Northern Australia (CRCNA). It is encouraging that the 2023 Federal budget included funding to update the Our North, Our Future: White Paper on Developing Northern Australia and identify opportunities to overcome challenges.

AgForce seeks to promote positive narratives of developments and sustainable industries in the North, to develop social license amongst a range of stakeholder groups that oppose the modification of landscapes and regional ecosystems for agricultural purposes. For instance, AgForce’s Cattle Board has taken steps to progress and broadcast a ‘nature positive’ narrative, which includes efforts to promote northern development projects and defend the fact that Queensland is deforestation free based on government data. This has included a proactive response to the intended implementation of a deforestation-free-beef policy by food retailer McDonalds. The AgForce Cattle Board, in cooperation with our Natural Resource Committee conducted investigations into the Statewide Landcover and Trees Study (SLATS) report and actual vegetation clearing statistics for all of Queensland and identified that deforestation is actually not occurring. The net result is that the cattle industry has retained social licence to sell Queensland beef to McDonalds, however the Nature Positive narrative needs to be progressed through social media and clearing statistics need to be framed correctly for ongoing support.

## ◆ **AGFORCE IDENTIFIED SOCIAL LICENSE SOLUTIONS**

### ***Positive narrative of sustainable agriculture:***

- ◆ Need to communicate through social media and information channels the positive impacts of successful developments and how they can contribute to meeting society's core needs for food and natural fibre.
- ◆ Need to communicate the benefits of society investing in and funding natural capital markets and enabling nature repair through effective landscape management and environmental outcomes.

### ***Share carbon positive projects:***

- ◆ Need to communicate the positive potential of projects such as George Muirhead's Pongamia and biodiesel and the Henry's vertically integrated low-impact beef production enterprise. These projects are carbon positive.
- ◆ Need to communicate outcomes of AgCarE assessments in northern Queensland and the positive natural capital condition scores being recorded.

### ***Fire management / landscape management with local aboriginal communities:***

- ◆ Need to communicate the positive approach by agricultural industry to coordinated fire management planning through AgForce's engagement in the State Bushfire Committee.
- ◆ Positive achievements include the Fire in the Mulga Forum where First Nations representatives held constructive engagements with beef and sheep industry landowners to agree on principles of traditional burning and restoring the health of the landscape through proactive use of fire.

### ***Improved animal welfare with High Value Agriculture:***

- ◆ Communicate the animal-welfare challenges sustained by beef producers in the north, where protein deficiencies over the dry season significantly limit the nutrient intakes needed to sustain healthy animals.
- ◆ HVA enables bridging the protein 'drought' with grain and fodder cropping, with further marketing benefits from more consistency of supply.

### ***Growing and developing communities to provide more opportunities including local employment for young people in the bush:***

- ◆ Ultimately, social licence for agriculture enables the development of healthy and thriving rural communities.
- ◆ At a time when the human population in rural and regional Australia has never been so low, it is important that rural communities develop as Queensland landscapes need to be managed to be healthy.
- ◆ The presence of First Nations people and their insights need to be restored in many parts of northern Queensland.

## **LAND TENURE**

Approximately 58%<sup>29</sup> of Queensland is owned by the State Government and managed by rural lessees via an array of grazing lessees administered under the *Land Act 1994* (Qld). Producers pay an annual rent for use of the land which is calculated as a percentage of the unimproved value. The conditions, renewal process and rents payable upon this land have been the subject of many reviews and have changed significantly over time to reflect the desires of the lessor, the State of Queensland. Despite the excellent tenure reforms of 2014, driven by AgForce, only 38% of Queensland is freehold land. Freehold land offers far greater security to landholders, with the removal of the risk of excessive annual rent increases, as has been seen in the past.

<sup>29</sup> <https://www.data.qld.gov.au/dataset/land-tenure-statistical-information>

Conversion of tenure, as provided for under the *Land Act 1994* (Qld), to a more secure tenure is only allowed where the prescribed criteria have been satisfied and where the state deems the tenure is consistent with the most appropriate use of the land. One of the largely unresolved barriers in converting from a term lease to a perpetual lease, or freehold title, is native title. Native title is now recognised over approximately 30% of Queensland with a further 25% subject to future claims<sup>30</sup>. The conversion of leasehold tenure requires native title to be extinguished, surrendered, or determined not to exist. This can be a difficult, cumbersome, and costly process.

The Northern Australia White Paper<sup>31</sup> explores a range of complex factors impacting on development in the north. The White Paper proposes that Northern Australia will never reach its full potential if significant work is not undertaken to address the issues thrown up by land tenure. With most perpetual leases transitioning to freeholding, it is the term lease tenure that requires further attention. In order to achieve the economic, social, environmental and cultural objectives of the people of Queensland, lessees must have the security of tenure to be able to play their part effectively.

## ◆ AGFORCE IDENTIFIED TENURE SOLUTIONS

Over the years, AgForce has advocated for reform and discussion for alternative tenure models to be implemented which address both the needs of First Nations people to have connection to country and lessees to exit the 'rental trap'. AgForce believes that the state government should consider the implementation of a tenure conversion program aimed at improving tenure security for term leases, while also recognising Native Title. Land tenure reform supporting both the pastoral estate and First Nations people would lead to a more equitable, decentralised spread of wealth within Northern Queensland.

The State Government is encouraged to progressively release property rights to landowners. Secure tenure promotes investor confidence, primary producer land stewardship and enables government to invest in other areas.

Lessees, like all business owners, require planning certainty. Any changes to state taxes and charges should be introduced gradually.

For the greatest certainty and consistency, the protection against undue rent increases under Section 43 of the *Land Regulation 2020* (Qld) needs to be amended to include consultation with industry and provide certainty for a set number of years.

## INTERACTIONS WITH INDIGENOUS PEOPLES / NATIVE TITLE CONCERNS

AgForce acknowledges and respects the cultural relationship Traditional Owners have with country; and has interest in how cultural heritage is managed and protected, in ensuring an effective, affordable, certain, and timely cultural heritage framework operates in Queensland<sup>32</sup>.

It can be difficult for primary producers to address native title when wanting to convert from leasehold tenure to freehold tenure. Northern developments are then delayed, or held in limbo, while native title procedural rights are followed. A balance needs to be established between the progression of development projects and the needs of Indigenous people to have a connection to country.

Further, the *Aboriginal Cultural Heritage Act 2003* (Qld) states all persons have a duty of care to protect Aboriginal cultural heritage when carrying out their activities. Therefore, in undertaking a development it should be acknowledged Indigenous people have strong, continuing interests in the land and waters, and processes for the protection and management of cultural heritage should facilitate the fair, timely and cost-efficient resolution of any points of disagreement. The risks to proposed developments associated with appropriately managing cultural heritage include unduly delays, additional costs, assessment

<sup>30</sup> <https://statements.qld.gov.au/statements/95821>

<sup>31</sup> <https://www.infrastructure.gov.au/sites/default/files/documents/nawp-fullreport.pdf>

<sup>32</sup> <https://www.dsdsatsip.qld.gov.au/resources/dsdsatsip/work/atsip/culture/review-cha/stakeholder-submissions-2021/207-agforce.pdf>



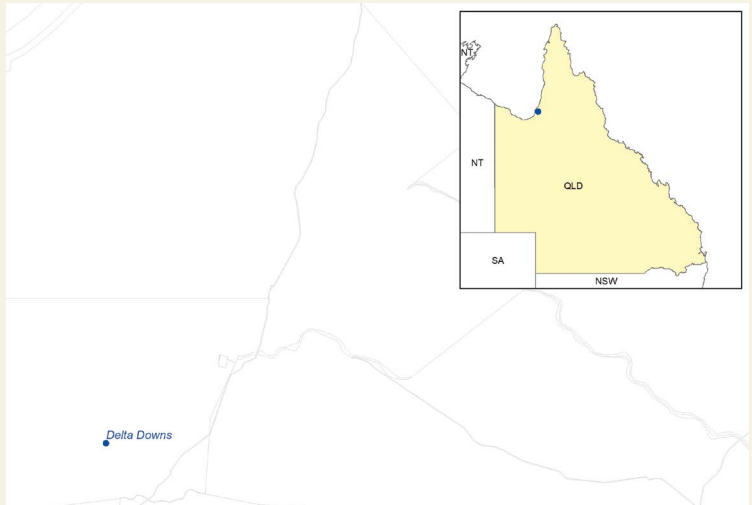
requirements being out of proportion to the risk of cultural heritage disturbance from the activity, and a lack of understanding by landholders due to complicated frameworks and provisions.

### CASE STUDY: 'DELTA DOWNS'

The Delta Downs aggregation, a combination of three adjoining properties located in the Gulf, is an example of an indigenous property effectively showcasing a circular economy project. Delta Downs Station is one of Australia's most successful Indigenous run enterprises, carrying at least 40,000 head of cattle. Delta Downs breed cattle for the live export trade and re-stocking operations in the Central Highlands of Queensland.

Cattle are also sold directly to the meatworks in Townsville. Their mission is to operate a highly profitable cattle business that provides employment for First Nations people and provide financial and social dividends to the local Kurtjar Aboriginal Community.

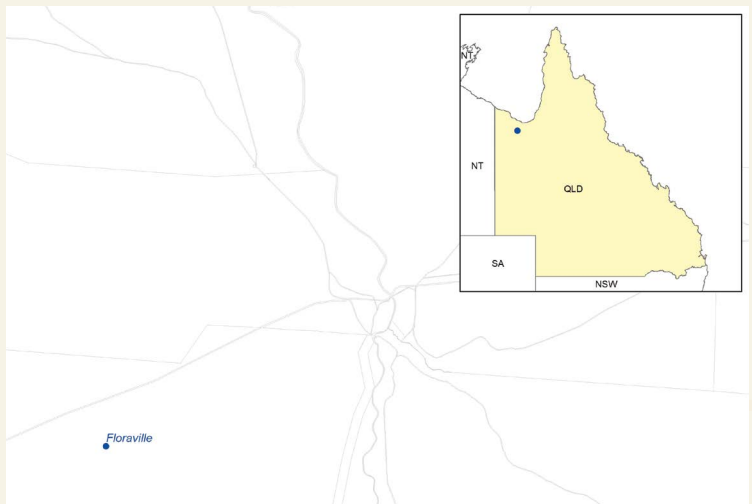
Future development of Delta Downs, however, is hampered by its term lease tenure, limiting the business to pastoral operations, excluding business opportunities such as tourism, retail (butcher), and aquaculture.



### CASE STUDY: 'FLORAVILLE', ERNIE CAMP

Ernie Camp is the mayor of Burke Shire and has started the coordinated project process. He is part way through meeting the requirements for a development application for Floraville, which has approximately 60,000ha of plain grassland available for development. A sharefarmer is prepared to run the project and provide the machinery, provided Camp gets the project up and running. Little assistance and support has been offered by government. Key issues faced by Camp includes navigating discussions with the local First Nations people to seek their support over developments and to reconcile issues to achieve cooperation amongst the community.

AgForce has the potential to raise the issue with government and improve the means of engaging with Indigenous people regarding developments.



#### ◆ AGFORCE IDENTIFIED INDIGENOUS PEOPLE ENGAGEMENT SOLUTIONS

- ◆ Identify win: win opportunities for ag land development and indigenous interests to work together, e.g. mutually beneficial employment arrangements (Olivale), bush foods developments, cultural tourism access agreements, AgCarE assessments, etc.
- ◆ Indigenous burning integration towards promoting sustainable tree: grass balance, and shared carbon projects.
- ◆ Review of the Native Title Act towards greater socio-economic benefits for indigenous parties arising from securing NT, including improved freehold land tenure settings
- ◆ AgForce supports a focus on effective education and assistance to landowners and users in relation to cultural heritage and further efforts to ensure proactive Cultural Heritage identification and information being readily, but appropriately, available for awareness, research, and planning support concerning land development.

## LAND USE COEXISTENCE

Effective co-existence in rural communities allows for the resolution of issues arising from differing and often competing land uses. With the introduction of new agricultural projects, such as HIPCo, along with the expected implementation of renewable energy and mining projects there is a significantly elevated need for agricultural industry in northern Queensland to strive for maintaining property and land use rights in coexistence negotiations and arrangements.

In response to increasing coexistence pressures in 2020, the AgForce Board endorsed Land Use Protection Principles that had been deliberated over long and hard by the AgForce Land Use Protection Committee (See: <https://www.agforceqld.org.au/assets/agforce-land-use-protection-principles.pdf>). These principles have been an invaluable underpinning within submissions to Government in response to various Bills and inquiries.

### **Resource sector**

North Queensland is rich in natural resources. Mining added value of \$930 million to the region's economy in 2018-19.<sup>33</sup> With approximately 80% of Queensland now under CSG exploration permits, the wider resource sector poses a significant threat to northern agriculture if not managed appropriately.

Producers are increasingly concerned, and in many cases have been progressively affected by a range of development projects in the coal and minerals, coal-seam gas, renewable energy and smallholder mining sectors across Queensland.

Each of these sectoral interests requires access to agricultural lands in differing ways, with various levels of disruption to farm operations and impacts to natural and built assets, as well as levels of interference in the lives of landowners. Despite the variation in activities and levels of disruption, AgForce members find that the common thread amongst all competing land use activities is that proponents require access to land. Despite this common requirement however, collective member experience is that the regulatory frameworks and legal instruments in place to help enable agreements between proponents and landowners around access to land and compensable impacts are inconsistent, with differing administrative mechanisms employed across a range of poorly connected Government Departments.

An additional issue is the limited regard for protection of prime agricultural land and the possibility that competing activities will disrupt existing agricultural operations, and possibly damage natural asset features, their condition or productive potential. Examples are numerous where projects have been considered and/or approved and impacts to natural resources have resulted in significant damage or degradation of the environmental values or agricultural productivity of land.

On balance there are also numerous examples of arrangements between agricultural landowners and different land-use projects where both parties have been able to negotiate and agree upon conditions of access and project activities that enable coexistence to occur. In the interests of long-term sustainable agricultural outcomes, including the ability to enable prime agricultural lands to produce food and fibre for generations to come, AgForce argues that projects that materially impact on these lands need to ensure their sustainable potential is protected in perpetuity.

Furthermore, while small-holder mining occurs on lands that are not suitable for high-value cropping, the agricultural operations of numerous landowners are significantly impacted by these types of miners. Numerous examples exist where the landowner and their property are not provided adequate protections, by State legislation or the Land Court, against damages caused by small-holder miners. Financial Assurance sums are inadequate for effective rehabilitation, requests for Queensland Government compliance action are ignored or are inadequate, and when issues are brought before the Land Court, judgements, court orders and compensation decisions do not reflect losses to landowners, damage to natural assets or biosecurity concerns. The agricultural industry calls for a whole-of-Government review of the small-holder mining sector.

<sup>33</sup> To be compared to Far North Queensland's agricultural output in 2018-2019 which was \$2.4 billion - <https://www.fnqroc.qld.gov.au/files/media/original/005/1df/e6e/a94/FNQROC-Regional-Roads-Investment-Strategy.pdf>

Affected landholders must be empowered to negotiate effectively with other parties who seek access to their land, including the ability to have a Conduct & Compensation Agreement (CCA), rights to fair compensation, with access to the Land Access Ombudsman when negotiating agreements, and to be confident in government's compliance management and enforcement. In relation to agricultural land protection, many AgForce members remain most concerned about water resource impacts, land not being effectively rehabilitated, adherence to on-farm biosecurity protocols, regulatory compliance and current legislation and regulatory frameworks.

### ***Renewable Energy Industry***

Increasingly, agricultural landowners in different parts of Queensland are reporting renewable energy projects seeking access to lands for solar and/or wind turbine installations. While most renewable energy projects are not located on prime ag land, a number of solar installations have been developed on land that has previously been farmed, or on lands that have the capacity to be used for prime ag production. The experience of agricultural industry support organisations is that landowners are engaged quite differently by renewable energy proponents and projects than they are by CSG or mining projects. While for landowners the impacts of the different competing land uses are consistent, with a common thread being a requirement for property access, land area and compensation arrangements, the regulatory frameworks and administration mechanisms are quite different. There is opportunity for the government to apply a consistent, streamlined approach to land access and compensation that applies to all users seeking to access agricultural and grazing lands.

#### **◆ AGFORCE IDENTIFIED CO-EXISTENCE SOLUTIONS**

- ◆ It is essential that mutually beneficial relationships between landowners and resource sector and others who seek access to land are achieved and that agricultural land and water assets are protected, with impacts avoided, or minimised if unavoidable, wherever possible. AgForce's land use protection principles should inform this approach.
- ◆ AgForce welcomes the government's recognition of the rights and interests of landowners in relation to resource and emerging sector activities that seek to co-exist with them. This co-existence must operate effectively at the single paddock, to property, regional, sector and state levels.
- ◆ It should not be assumed that co-existence can effectively occur everywhere. For certainty and future generations, some areas of arable soils or critical water assets, may be at risk of being so impacted that the precautionary principle should be applied and resource activities do not proceed on that land
- ◆ Minimum negotiation, access and conduct standards for all alternative land uses seeking to coexist with agriculture should be implemented through legislation or regulation rather than voluntary guidelines.
  - ◆ Landowners should be empowered to negotiate acceptable outcomes including through:
    - ◆ the provision of enabling science-based information
    - ◆ supported by free independent legal advice
    - ◆ accessible, relevant and fair dispute resolution and court determination processes
    - ◆ transparent compliance enforcement
    - ◆ their interests (business and family) being respected and access to their property not granted until agreement is achieved, or due process fairly resolves the matter.
- ◆ AgForce seeks to continue to work with government and other stakeholders in advancing the interests of agricultural landowners and the pursuit of mutually beneficial relationships with proponents that seek to co-exist with them.
- ◆ AgForce seek Government implement visible and pro-active resource compliance programs to improve landholder outcomes and confidence in Government and the resource industry.
- ◆ Queensland Government needs to provide regulatory assurance that resource companies will restore land to its previous capacity for agricultural production (restoration rather a financial payout– not dissimilar to water make-good arrangements).

- ◆ Subsidence needs to be dealt with specifically as it has potential to impact landform, overland slope, and hydrology characteristics of the landscape itself – Regulatory reform needs greater clarity than simply applying provisions such as conduct and compensation agreements (CCAs) and associated land access arrangements under the MERCP Act,
- ◆ Subsidence is a symptom of broader issues with protections for prime ag land. The ultimate solution is to collectively deal with the multiple coexistence issues in a whole-of-government review of regulatory frameworks linked with approval of projects with competing interests on agricultural lands.

## CONSERVATION ENCROACHMENT

Queensland's protected area network covers more than 14.2 million hectares (8.26%) of Queensland. In 2015, the Queensland Government adopted a long-term target of increasing protected areas to 17% of the state's land mass.<sup>34</sup>

The acquisition of pastoral properties for the expansion of national parks in Queensland is causing angst amongst agricultural producers. This is especially evident since the recent purchase of 'Bramwell Station' in Cape York.

The expansion of national parks is impacting neighbouring properties and communities. After the acquisition of the land, the state government does not adequately resource land management activities or properly utilises best practice management methods. The 'Good Neighbour Policies' seem insufficient in protecting and collaborating with neighbouring properties to address biosecurity and natural disaster threats, including bushfire as seen in recent years. The absence of utilising fire breaks, vegetation management, and pest control poses great economic detriment to adjacent properties, seeing years of investment of best practice management come undone.

More recently, some pastoralists are experiencing significant increases in their farm insurance costs because of proximity to national parks and the forementioned management concerns likely to impact on their business.

### ◆ AGFORCE IDENTIFIED CONSERVATION STATE ENCROACHMENT SOLUTIONS

AgForce welcomes a collaborative review of the 'Good Neighbour Policy' to ensure an efficient and effective policy to enable a collaborative approach to land management activities with the State Government, neighbouring landholders, and First Nation managers.

## ACCESS TO CAPITAL

Access to capital is a common issue for many producers, especially for new entrants. Access to capital is critical in ensuring innovation and best practice, from purchasing machinery to expanding production. However, it is difficult to gain access to affordable finance if the producer does not have a significant asset base to build on.

With increasing expectations from financiers in relation to primary production business, debt financing of primary production businesses increasingly requires borrowers to demonstrate effective environmental, social, and governance (ESG) risk and opportunity management frameworks are being used. This is in addition to the usual requirements around developing business management capability, asset bases for loan security, and income generation and coverage of repayment obligations. Products such as AgForce's AgCarE can help producers demonstrate their ESG credentials to business partners and their customers.

### CASE STUDY: ANDREW PAULI

Andrew Pauli is an enterprising share farmer who has come from southern NSW to North Queensland to undertake share farming activities near Richmond. He is developing a unique share farming business

<sup>34</sup> [https://parks.des.qld.gov.au/\\_\\_data/assets/pdf\\_file/0016/212524/qld-protected-area-strategy-2020-30.pdf](https://parks.des.qld.gov.au/__data/assets/pdf_file/0016/212524/qld-protected-area-strategy-2020-30.pdf)

model with pastoral enterprises and is pioneering cropping practices in the district. The operation is low input with low productivity on an extensive scale, with a focus on dryland cropping. There is potential for development, especially in the way of water. He has difficulty accessing capital as he doesn't own any land assets. Because of this, Andrew struggles to finance his operation from commercial lenders.

### ◆ **AGFORCE IDENTIFIED ACCESS TO CAPITAL SOLUTIONS**

Producers across all stages of the business lifecycle can benefit from progressively growing their business management capacity, their investment readiness and having a range of viable financing options available. This can be supported by:

- ◆ Understanding profit drivers in the business, such as through programs like FutureBeef.
- ◆ improving climate risk management and business resilience, such as through the Northern Australia Climate program.
- ◆ Establishment of affordable insurance products to help 'de-risk' operations.
- ◆ Ongoing availability of advanced agribusiness skills training packages and investor advice on how to position for expansion.
- ◆ Ongoing access to financial analysis services, including QRIDA's Farm Business Analysis Assistance program (as part of the Farm Debt Restructure Office).
- ◆ Advocate for farmer-friendly access to finance, including lending practices (loan terms, risk premiums, staff lending incentives, management of distressed loans including penalty rates, etc.) and through QRIDA and RIC products and government loan guarantees for new entrants without a commercially palatable capital base, such as being developed by AgForce's Young Producers Council and Ag Business Committee.
- ◆ Ensure availability of succession planning and legal advice - facilitating transfer of farming enterprises to a new generation of skilled, professional producers including abolishment of transfer duty on intergenerational rural property transfers regardless of business structure.
- ◆ Creation of 'off-the-shelf' financing agreements or fair and equitable business structures (reverse mortgages, private equity partnerships, long-term leasing, or share-farming agreements).

## **ABATTOIR AND SUSTAINABILITY OF BEEF**

There are 15 major certified export beef producers in Queensland, with 70% of slaughter capacity concentrated mainly in Southeast Queensland<sup>35</sup>. Additional abattoirs located in North Queensland would reduce transports costs for producers, provide alternative markets, and service local communities. CSIRO found if an abattoir was located in Hughenden, for example, producers within a 700km catchment from the abattoir, would save approximately 50% in transports costs. Additionally, the abattoir would remove approximately 1,100 Type 2 trucks from the road, and provide an estimated carbon dioxide emissions saving of 892 tonnes per annum<sup>36</sup>. However, competition pressures, regulations and restrictions are preventing abattoirs from being developed in the north.

Local abattoirs are key to ensuring the sustainability of beef in North Queensland. Currently, there is a huge dietary protein shortage within Indigenous communities and could be better addressed with more affordable supplies of locally processed beef.

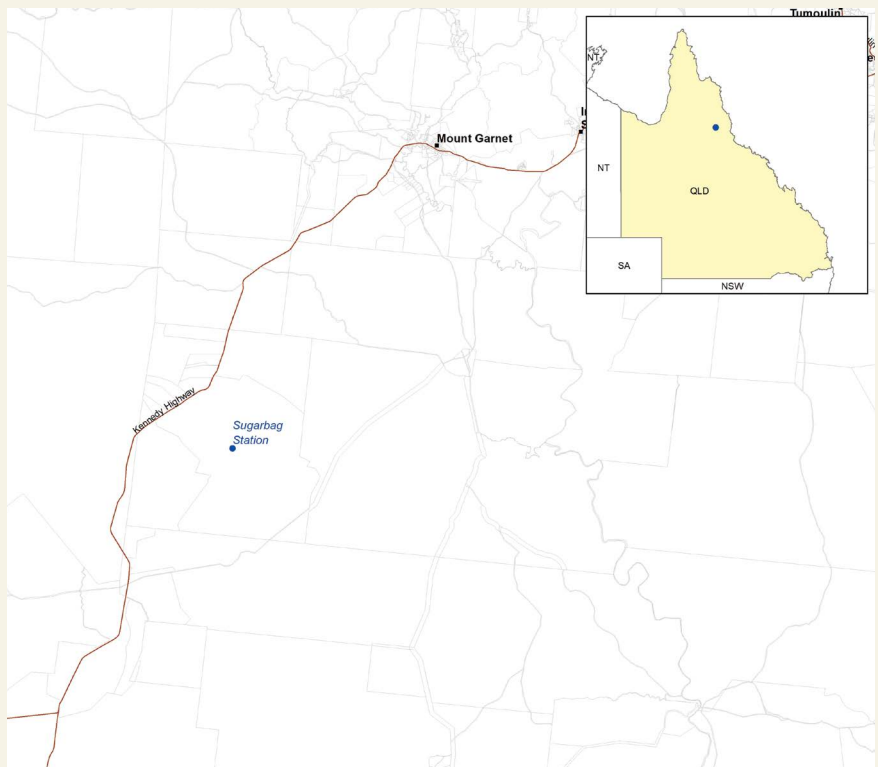
<sup>35</sup> [https://www.statedevelopment.qld.gov.au/\\_\\_data/assets/pdf\\_file/0021/32835/beef-processing-strategy.pdf](https://www.statedevelopment.qld.gov.au/__data/assets/pdf_file/0021/32835/beef-processing-strategy.pdf)

<sup>36</sup> <https://ecos.csiro.au/modelling-a-more-efficient-future-for-cattle-transport/>

## CASE STUDY: 'SUGARBAG', ROBERT AND BRIAN HENRY

Robert and Brian Henry, owners of Sugarbag station, have a circular economy project proposal, which proposes cattle breeding through to feedlotting, and processing through an on-farm abattoir for exportation via the Port of Mourilyan. The property contains feedlot spelling yards, a recently purchased kill chain for the abattoir, and a dedicated site picked out, with arrangements already negotiated with the Port for the export of beef quarters. 2,000ha were wanted to be developed to improve pasture and fodder crops to help support year-round growing, breeding, fattening program to be able to sustain a line for the kill floor.

Development approval is yet to be acquired from Government. There is a plethora of regulations and restrictions affecting abattoirs, meaning the Henrys have a substantial amount of red tape to address before their project can commence. There is also further regulation issues in relation to the exportation of quartered meats that also needs further consideration.



### ◆ AGFORCE IDENTIFIED ABATTOIR ESTABLISHMENT SOLUTIONS

AgForce welcomes government funding to support research to identify circular economy projects in North Queensland.

AgForce further supports:

- ◆ a program initiative to assist primary producers through the development application process and reduced time frames to enable projects to progress quickly.
- ◆ Continuing to strengthen global export demand and position through securing trade agreements and addressing export barriers. In this, benefits need to flow through to the farm gate and this outcome should be linked to the review of competition law reform. AgForce and NFF submissions to that process contain further details.
- ◆ Government to investigate the feasibility and limitations of shipping boxed beef directly to international markets from ports such as Gladstone, Townsville and Rockhampton in Queensland.
- ◆ Redress technical barriers to trade (TBT) that have been identified in the red meat sector. (A MLA report recently identified 136 technical market access barriers are costing red meat more than \$1.25 billion in lost export capacity). Overcoming TBT in livestock exportation involves establishing MOUs for all emerging markets for slaughter/ feeder cattle as well as refining and resourcing the ESCAS according to demand.
- ◆ Support a greater focus of government trade enhancement services (like Austrade) at the farm-gate and final customer points and ensure experts with farm-gate knowledge are involved in representations and trade delegations. The practice by DFAT of involving the NFF, commodity peak councils and state farmer organisations at government-led trade negotiations is strongly supported and should continue.

## ***Closing***

The future of North Queensland is bright, one of resilience, innovation, diversity, and ingenuity. AgForce is determined to advance the progress around developing agriculture in the North. Agricultural industry seeks to progress a path for meaningful and beneficial development – socially, environmentally, and economically – for the benefit of landowners, regional communities, a sustainable environment, and for the people of Queensland. However, securing these outcomes for North Queensland, cannot be accomplished in isolation. It is integral that governments also have a clear vision for sustainable agriculture, with effective policies and targeted regulation that support its achievement.

