

**Submission to the Queensland Productivity Commission
Inquiry into the Productivity Impacts of Changes to the Commonwealth Environment Protection and Biodiversity Conservation (EPBC) Act on Queensland Agriculture**

Executive Summary

Queensland's agricultural sector supports regional communities, food and fibre production, export earnings and the broader Queensland economy. Producers are committed to responsible land management and have demonstrated this through extensive compliance with State environmental legislation and voluntary industry-led best management practice programs.

The recent changes to the Commonwealth Environment Protection and Biodiversity Conservation (EPBC) Act introduce an additional layer of regulatory complexity on top of an already comprehensive Queensland regulatory framework. While protecting Matters of National Environmental Significance (MNES) is an important objective, the current approach risks creating unintended productivity impacts through increased costs, delays, uncertainty and barriers to responsible agricultural development.

The reforms fail to adequately recognise:

- the extensive existing environmental regulation already applying to Queensland producers;
- the highly modified nature of many agricultural landscapes;
- Queensland's Category X land framework and Strategic Cropping Land classifications;
- the limitations of broad-scale MNES mapping;
- positive environmental outcomes created through modern irrigation development;
- industry-led environmental stewardship programs;
- the need for agricultural businesses to improve resilience through productivity investment; and
- the cumulative regulatory burden placed on family farming enterprises.

The consequence is a regulatory environment that may discourage investment in irrigation, reduce agricultural expansion, limit regional economic growth and undermine Queensland's ability to achieve its objective of growing agricultural production to \$30 billion by 2030.

Queensland does not require weaker environmental standards. It requires a more coordinated, risk-based and evidence-driven approach that recognises responsible agricultural development can deliver both productivity and environmental benefits.

1. Queensland Agriculture Already Operates Under Extensive Environmental Regulation

Queensland farmers already operate within one of Australia's most comprehensive environmental management frameworks.

Agricultural enterprises are subject to requirements relating to:

- vegetation management;
- reef protection and water quality;
- water allocation and planning;
- soil conservation;
- biodiversity protection;
- chemical management;
- biosecurity;
- cultural heritage obligations; and
- local and regional planning requirements.

These frameworks have significantly influenced how agricultural businesses operate and how land is developed. Queensland producers have adapted to these requirements and continue to invest in sustainable farming practices because their long-term profitability depends on maintaining healthy soils, reliable water resources and productive landscapes.

The addition of further Commonwealth regulation through the EPBC Act creates a risk of duplication and unnecessary complexity rather than improved environmental outcomes.

The issue is not whether environmental protection is important. The issue is whether additional regulatory layers provide environmental benefits proportionate to the cost imposed on producers.

2. Impacts on Irrigation Development and Agricultural Productivity

Irrigation development is fundamental to Queensland's future agricultural productivity and climate resilience.

Reliable irrigation enables producers to:

- increase production;
- improve water efficiency;
- manage drought risk;
- diversify cropping systems;
- create regional employment; and
- generate greater economic returns from existing water infrastructure.

However, recent EPBC changes have created significant uncertainty for irrigation developments due to restrictions associated with vegetation age, drainage line mapping and MNES assessments.

Case Study – Central Queensland Irrigation Development

A Central Queensland agricultural development provides an example of the productivity impacts arising from the revised EPBC requirements.

The project involved the expansion of an existing agricultural property through:

- approximately 1,000 hectares of additional irrigated cropping land;
- approximately 10,000 megalitres of water storage;
- associated pumping and irrigation infrastructure; and
- approximately \$10 million in private investment.

The development was significantly advanced when additional Commonwealth assessment requirements were triggered.

The resulting delays have created uncertainty about whether the project can proceed and have placed the investment at risk.

The economic impact extends beyond the initial capital expenditure. Once operational, the development was expected to produce approximately 10,000 to 15,000 bales of cotton annually. At current prices, this represents approximately \$6 million to \$9 million in annual agricultural production that may be lost.

The broader impacts include:

- reduced regional employment;
- reduced demand for agricultural contractors;
- lower utilisation of existing water infrastructure;
- reduced economic activity in regional communities; and
- lost export earnings.

This demonstrates that the impact of EPBC requirements is not limited to compliance costs. Delayed or cancelled projects create significant opportunity costs for Queensland's economy.

3. Recognition of Existing Agricultural Landscapes

Many agricultural developments occur on land already recognised under Queensland's planning framework as suitable for production. A significant proportion of this land is mapped as Category X under Queensland vegetation management legislation and identified as Strategic Cropping Land.

These areas have generally:

- been cleared historically;
- been converted to improved pasture or cropping;
- been managed for agricultural production over many decades; and
- undergone substantial ecological modification.

The current EPBC assessment approach does not adequately recognise this changed landscape.

Highly modified agricultural land should not be assessed in the same manner as intact natural ecosystems without consideration of actual site conditions. Where land has already been cleared, improved and managed for agriculture, assessments should focus on demonstrated environmental values rather than broad assumptions based on historical conditions.

A more appropriate approach would recognise Queensland's existing land classifications and apply a proportionate, risk-based assessment framework.

4. Mapping Accuracy and Regulatory Triggers

A significant concern is the reliance on broad-scale MNES mapping that has not always been ground-truthed at the property level. Mapping inaccuracies can result in regulatory requirements being triggered unnecessarily.

This is particularly relevant to mapped drainage lines. There is a significant difference between protecting a genuine watercourse with ecological values and applying restrictions to mapped drainage features that may be:

- minor depressions;
- artificial farm drainage systems;
- modified agricultural features; or
- features that do not reflect actual land conditions.

In some cases, mapped drainage lines appear inconsistent with the physical landscape, including features that do not follow natural drainage patterns.

The current system places the burden on the landholder to prove that mapped environmental values do not exist. This requires producers to engage consultants and undertake costly investigations before they can determine whether restrictions genuinely apply. Improved environmental outcomes require accurate information. Mapping should be used as a screening tool rather than definitive evidence without field verification.

5. Unworkable Vegetation Age Thresholds

Requirements relating to vegetation age create additional uncertainty.

In practical farming situations, determining whether a tree is 15 years old or 16 years old is extremely difficult without detailed historical records.

This creates a regulatory threshold that is:

- difficult to verify;
- difficult to audit;
- difficult to consistently apply; and
- costly for producers to challenge.

Environmental regulation should rely on measurable and scientifically robust criteria that can be consistently assessed by landholders, consultants and regulators.

6. Recognising Positive Environmental Outcomes from Development

The current referral process largely focuses on potential environmental impacts and does not adequately consider environmental improvements created through agricultural development.

Modern irrigation projects can create significant environmental benefits, including:

- permanent water bodies;
- improved habitat opportunities;
- sediment retention;
- nutrient capture;
- exclusion of livestock from waterways;
- improved riparian vegetation; and
- better water management.

For example, conversion of grazing land to irrigated cropping often results in livestock being excluded from riparian areas. This can improve vegetation recovery, reduce erosion and improve water quality. Similarly, irrigation developments often include infrastructure designed to capture sediment and nutrients that would otherwise leave the property and contribute to downstream impacts, including impacts on Great Barrier Reef catchments. A balanced assessment should consider the net environmental outcome of development, not only the potential impacts.

7. Recognition of Industry Best Management Practices

Queensland agriculture has demonstrated a strong commitment to environmental improvement through voluntary programs such as cotton's myBMP program.

These programs encourage continuous improvement in:

- water efficiency;
- soil health;
- biodiversity management;
- chemical stewardship;
- nutrient management; and

- responsible production practices.

Industry-led programs often achieve environmental improvements through collaboration and innovation rather than additional regulation. The EPBC framework should recognise accredited best management practice programs and demonstrated environmental performance. Rewarding good management is more likely to achieve long-term environmental outcomes than increasing regulatory burden on producers who are already committed to stewardship.

8. Cumulative Regulatory Burden

The impact of EPBC changes must be considered in the context of the total regulatory environment facing agriculture. A single agricultural development may now require compliance with multiple overlapping frameworks involving:

- vegetation laws;
- reef regulations;
- water approvals;
- environmental assessments;
- MNES referrals;
- cultural heritage requirements;
- planning approvals; and
- industry compliance programs.

Each requirement may have a legitimate objective, but the combined burden creates significant costs and delays. The Productivity Commission should assess the cumulative impact of these requirements, including:

- total approval timeframes;
- consultant costs;
- administrative costs;
- impacts on investment decisions;
- impacts on regional employment; and
- whether the combined burden remains proportionate to environmental risk.

9. Impact on Family Farming Businesses

Most Queensland farms do not employ environmental officers or dedicated compliance staff.

Unlike large corporate agricultural enterprises, family farms must manage regulatory requirements alongside all other operational responsibilities. Time spent preparing applications, completing reports and managing approvals is time diverted from productive activities.

The hidden cost of regulation includes:

- lost management time;
- reduced ability to invest;
- reduced operational efficiency; and
- reduced capacity to undertake environmental improvements.

A regulatory system should not unintentionally favour only businesses large enough to employ specialist compliance staff.

10. Queensland's Future Agricultural Opportunity

Queensland has significant potential for future agricultural expansion compared with more intensively developed southern states.

This opportunity is important for:

- food security;
- export growth;
- regional employment;
- economic diversification; and
- climate resilience.
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Restricting responsible agricultural development risks undermining Queensland's competitive advantage.

If producers cannot improve productivity, invest in irrigation and develop resilient farming systems, Queensland risks creating a less competitive agricultural sector and increasing dependence on external food and fibre supply.

Recommendations

The Queensland Productivity Commission should recommend that:

1. Commonwealth environmental reforms recognise Queensland's existing regulatory frameworks and avoid unnecessary duplication.
 2. EPBC assessments adopt a risk-based approach that recognises established agricultural landscapes.
 3. Category X land and Strategic Cropping Land receive assessment pathways appropriate to their modified condition.
 4. MNES mapping be improved through increased ground-truthing and transparent correction processes.
 5. Artificial drainage infrastructure be distinguished from genuine natural waterways.
 6. Regulatory thresholds must be practical, measurable and capable of consistent verification.
 7. Environmental assessments consider positive environmental outcomes created through agricultural development.
 8. Accredited industry best management programs be recognised within regulatory processes.
 9. Governments undertake cumulative regulatory impact assessments before introducing additional obligations.
 10. Approval pathways for agricultural development be simplified to support investment, compliance and regional economic growth.
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Conclusion

Queensland farmers are committed environmental stewards who rely on healthy landscapes for their long-term viability.

The challenge is not balancing agriculture against the environment. Responsible agricultural development can improve both productivity and environmental outcomes when supported by practical regulation.

The current EPBC changes risk creating unnecessary barriers to investment, reducing agricultural productivity and limiting Queensland's ability to achieve its long-term agricultural ambitions.

A modern regulatory framework should protect important environmental values while recognising existing agricultural management, rewarding stewardship and enabling responsible development.

Queensland's future food and fibre production depends on a regulatory system that supports innovation, investment and sustainable growth.

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