

Burdekin Shire Council

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FROM THE OFFICE OF THE MAYOR

Regulation of Australian Agriculture Productivity Commission Locked Bag 2, Collins St East PO MELBOURNE VIC 8003

22 January 2016

Dear Sir

RE: Inquiry into the regulation of Australian Agriculture

The Burdekin Shire Council (BSC) makes this submission in the context of developing Northern Australia. We think it will be difficult for the Commonwealth Government to meet any development goals unless there is a radical overhaul of the regulation at the state level, which in our case is Queensland.

The Burdekin Shire's economy has an annual output of \$2.1 billion and is strongly based on agribusiness and in particular, sugar cane production and processing. The region is home to about 1000 sugar and produce growers and the agricultural industry employs 20 per cent of the population. Around 80,000ha is used to grow sugar cane. The district produces between 8-9 million tonnes of sugar cane annually, from which 1.3 million tonnes of raw sugar is produced at the region's four large-scale mills.

Water in the Burdekin is not only abundant, but it is also well-managed, meaning irrigation in the region is both secure and sustainable. The Burdekin Shire Council regards this abundant, year-round supply of good quality water as the region's number one asset. It is an asset which underpins the confidence local farmers, business people, residents and investors have in our community. The district's rich supply of irrigation water combines with about 300 days of sunshine a year and fertile, well-drained soils.

As an indicator of the potency of this combination, the Burdekin is consistently the most productive sugar cane growing area in Australia and amongst the most productive in the world. The Burdekin also boasts strong fruit, vegetable, beef and aquaculture industries. The diversification of industry in the region is growing and underpinning our future economic security. Our farmers are proactive in embracing complementary crops and new technology to enhance the health of their soil and crops and lessen their impact on the environment.

About 3400ha of the Burdekin is dedicated to horticultural use such as achachas, mangoes, melons, pumpkins, zucchinis, rice, soybeans, mung beans, sweet corn, beans, maize and cassava. Emerging industries include agave and sorghum.

It is very frustrating to have investors ready to develop but unable to move through the maze of state legislation. In some cases, even the planning and referral fees are so high, smaller operators do not commence the journey or they relocate. We are not aware how any agribusiness can stay abreast of all the Acts and regulations—over 55 Acts, as identified by AgForce Queensland.

We now focus on some particular areas:

- Time consuming processes in land use planning
- High fees particularly from referral agencies

- Native vegetation legislation
- Constraints on availability and cost of water.

Native vegetation legislation changes with political regime. For strategic planning purposes, BSC has been considering a major expansion of irrigated agriculture. We have no way of knowing whether native vegetation will restrict early estimates of 30,000 hectares available for development to 15,000 hectares or less. Our estimate is also that 500 on-farm jobs will be created if this transformation of 30,000 hectares to irrigated horticulture takes place. It is important to realise that the damage to potential investment is in the regulatory process. Much of the rhetoric around northern development quite rightly looks at issues such as infrastructure. Yet the overall legislative framework is very restrictive and expensive. It is difficult to understand for investors.

Thank you for the opportunity to submit to this Inquiry.

Yours sincerely.

BILL LOWIS MAYOR

cc: Mr George Christensen MP, Federal Member for Dawson Mr Dale Last MP, State Member for Burdekin