



QUEENSLAND
FARMERS'
FEDERATION



SUBMISSION TO
THE AUSTRALIAN PRODUCTIVITY COMMISSION DRAFT REPORT INTO THE REGULATION
OF AUSTRALIAN AGRICULTURE

(August 2016)

The united voice of intensive agriculture



Queensland Farmers' Federation

The Queensland Farmers' Federation (QFF) is the united voice of intensive agriculture in Queensland. It is a federation that represents the interests of 17 of Queensland's peak rural industry organisations, which in turn collectively represent more than 13,000 primary producers across the state. QFF engages in a broad range of economic, social, environmental and regional issues of strategic importance to the productivity, sustainability and growth of the agricultural sector. QFF's mission is to secure a strong and sustainable future for Queensland primary producers by representing the common interests of our member organisations:

- CANEGROWERS
- Cotton Australia
- Growcom
- Nursery & Garden Industry Queensland
- Queensland Chicken Growers Association
- Queensland Dairyfarmers' Organisation
- Burdekin River Irrigation Area Committee
- Bundaberg Regional Irrigators Group
- Central Downs Irrigators Limited
- Fitzroy Basin Food & Fibre
- Flower Association of Queensland Inc.
- Pioneer Valley Water Board
- Pork Queensland Inc.
- Queensland Chicken Meat Council
- Queensland United Egg Producers
- Australian Organic
- Queensland Aquaculture Industries Federation.

Background

QFF welcomes the opportunity to respond to the Australian Government Productivity Commission's (PC) draft report on the 'Regulation of Australian Agriculture'. QFF and its member organisations acknowledge and accept that some regulation is required and where it is well designed and implemented, has a positive impact on the sector. However, QFF's members regularly assert that they are faced with a significant array of complex and often overlapping regulation. Understanding, managing and complying with poorly targeted and/or executed regulation can have substantial time and financial cost implications for agricultural businesses.

QFF was encouraged by the PC's general comments acknowledging that there are regulations at every stage of the supply chain and the cumulative burden of this regulatory framework is substantial. Acknowledging that regulatory burdens can have a significant and disproportionate impact on small businesses—the predominant business structure in agriculture—reinforced what many in our sector have known for a long time.

QFF provides this submission without prejudice to any additional submission provided by our members or individual farmers.

Land use and access regulations

DRAFT FINDING 2.2

A right of veto by agricultural landholders over resource development would arbitrarily transfer property rights from the community as a whole to individual landholders.

QFF accepts the PC's draft finding that granting farmers a right of veto over land access by resource companies would arbitrarily transfer property rights from the community to individual landowners and would not be consistent with facilitating efficient overall land use. However, QFF questions the rationality within the report which links the right to veto land access to additional benefits to the landowner which would result in the landowner (or beneficiary) being liable for the opportunity cost of that allocation.

In Queensland, Crown land (known as State Land under the *Land Act 1994* [Qld]) includes State land that is leased or dedicated to the public as a road or reserve; or the subject of a permit to occupy or a licence; or land that has not been allocated (unallocated State land) under some form of tenure including pastoral leases and other agricultural land-uses.

QFF welcomed the Queensland Government's move to reinstate landholder rights to protect selected farm infrastructure from mining and petroleum activities in May 2016 with the amendments to the *Mineral and Energy Resources (Common Provisions) Act 2014 (Qld)* through the *Minerals and Other Legislation Amendment Act*. The changes to the 'restricted land' framework has given landholders the right to oppose resource activities close to agricultural infrastructure such as stockyards and particular water supply operations.

In particular, where the resource authority is an exploration resource authority or a production resource authority, land within 200 metres of a permanent building used for particular purposes, or within 200 metres of an area used for particular purposes, are now classified as 'restricted land'. Additionally, this framework includes land within 50 metres of an artesian well, bore, dam or water storage facility or a principal stockyard. These provisions provide landholders with a 'no-go' (right of veto) area around their restricted land use where they have not provided written consent.

It is worth noting that this is the first time that these restrictions apply to the gas industry within Queensland but land owners may permit access within the 'restricted land' area if they choose.

QFF does not concur with the PC that this right of veto provides economic benefit to the land owner. QFF considers that it is essential that agricultural industries and those working within them are afforded the same rights to protect their homes and business assets (including all infrastructure) from resource activities; as other members of the community already possess.

Environmental regulations

DRAFT RECOMMENDATION 3.1

The Australian, state and territory governments, in consultation with natural resource management organisations, should ensure that native vegetation and biodiversity conservation regulations:

- *are risk based (so that landholders' obligations are proportionate to the impacts of their proposed actions)*
 - *rely on assessments at the landscape scale, not just at the individual property scale*
 - *consistently consider and balance economic, social and environmental factors.*
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QFF supports draft recommendation 3.1. QFF's member industries have developed Best Management Practice (BMP) or Farm Management System (FMS) programs as a means of helping farmers to continue to implement improved practices which respond specifically to the risks of farming and balance the economic, social and environmental aspects.

BMP and FMS programs also address broad industry objectives and harness existing industry research and development priorities. These programs therefore assure accredited farmers are delivering both market and public policy outcomes in one process, including best practice native vegetation and biodiversity conservation outcomes. They also provide supporting information and assistance that will be required to meet these outcomes. However, while this approach is more effective and efficient, it is still 'resource hungry' for access to skills and data.

The preferred role for government in facilitating industry to implement best practice programs is:

- assist with the definition of risks at a regional and if possible sub regional level
- continue to improve data availability based upon identified risk priorities
- provide a means to accredit industry programs against achieving public policy objectives and thereby avoid the need for regulation
- implement a staged approach to regional implementation and review
- help industries to resource the implement the roll out of their programs.

DRAFT RECOMMENDATION 3.2

The Australian, state and territory governments should continue to develop market based approaches to native vegetation and biodiversity conservation. Where the community is seeking particular environmental outcomes, governments could achieve them by buying environmental services (such as native vegetation retention and management) from existing landholders.

QFF supports draft recommendation 3.2. Landholders are expected to carry the financial burden of the community good that comes from native vegetation and biodiversity conservation. Where landholders are providing ecosystem services by managing landscapes, for example riparian zones in the Great Barrier Reef catchments, it must be recognised and remunerated. Legislation and supporting guiding documentation needs to clearly articulate when landholders are providing environmental outcomes for the community, and where this is the case, QFF considers governments should pay for these environmental services. Such legislation and guiding material must be complementary between state and federal levels.

DRAFT RECOMMENDATION 3.3

The Australian, state and territory governments should review the way they engage with landholders about environmental regulations, and make necessary changes so that landholders are supported to understand the environmental regulations that affect them, and the actions required under those regulations. This would be facilitated by:

- *recognising and recruiting the efforts and expertise of landholders and community based natural resource management organisations*
 - *building the capability of, and landholders' trust in, environmental regulators.*
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QFF supports draft recommendation 3.3. Underlying all environmental regulation is the use and strength of scientific knowledge in developing evidence based regulation. When applied, scientific knowledge creates 'testable and repeatable' (p. 490) regulation. When not applied, it creates mistrust and doubt in the landholders it affects. QFF notes all areas of environmental regulation must balance 'social and economic trade-offs' (p. 491), but considers this must be done without political and public opinion.

Unfortunately, one of the major environmental regulations in Queensland, vegetation management, has become less about good policy based on science and risk and more about its effectiveness as a political wedge. There have been ongoing changes, and a constant threat of further changes, to vegetation management regulations. This has created an environment of uncertainty and mistrust that does not encourage investment, impacts farm management decisions, and can lead to perverse outcomes.

QFF noted the PC statement "pre-emptive clearing was recently reported to be occurring in Queensland ahead of foreshadowed changes to the laws in that state" (p. 109). QFF considers such reports need to be ground-truthed.

QFF agrees with the PC finding that regulators should better engage with relevant stakeholders and improve communication efforts regarding environmental regulations. At the landholder level, communication is poor and many landholders are confused and unaware of the current regulations in place. Engagement and communication at a representative level is also poor on this issue. The Queensland Government did not engage with QFF or any of its 17 member organisations prior to introducing the *Vegetation Management (Reinstatement) and Other Legislation Amendment Bill 2016* in March 2016, or since its introduction to Parliament.

Based on these experiences, the legitimacy of regulatory amendments that have been drafted without sufficient stakeholder engagement and consultation must be questioned. This is particularly relevant in a political system without a house of review (Upper House), as is the case in Queensland. For industry to propose regulatory amendments, it is required to (rightly) demonstrate that a number of principles have been met, including adequate consultation with key stakeholders.

QFF recommends strengthening draft recommendations 3.1 and 3.3 by including that governments must demonstrate a minimum level of key stakeholder engagement and consultation has been met to ensure the legitimacy of environmental regulatory changes.

Water regulation

DRAFT FINDING 4.1

Complexity and ongoing changes in water regulation contribute to the cumulative burden of regulation on farm businesses. However, the diversity of Australia's river catchments makes streamlining and harmonising regulation difficult. More flexible governance arrangements may be needed to develop locally appropriate regulatory settings for accessing water.

QFF supports the draft finding 4.1. QFF acknowledges that key legislation in Queensland has improved water management through the creation of statutory water resource plans and the creation of secure water rights; and that both Commonwealth and State Governments have implemented water policy reforms which have enhanced the consistency of the Australian water market to empower water users (particularly irrigation water users) by improving the security of their water entitlements whilst maintaining a sustainable 'take' of water. The *Water Act 2000* has been subject to a major review since 2014, which has included significant changes to address the burden and efficiency of regulation as it affects water access and availability to farms. Amendments to the Act are still before the Queensland Parliament.

The development of effective water markets is a critical factor to connect opportunities for Queensland's agricultural sector. Queensland's water trading markets are nascent, focused in localized areas where supply is either supplemented by infrastructure or available from unregulated river flows. The opportunity to trade water outside these areas is very limited and subject to case by case assessment and approval. The temporary market is growing, driven by demand to secure water under variable seasonal supply conditions. The permanent market is small with half of sales being for property purchases with attached water entitlements. Trades are being processed in a timely manner by agencies, but the market can be inhibited by a lack of transparency in water market data and limited legal and other support to facilitate trading. There are still areas in the upper catchments of most river basins where water licenses still remain attached to land or are area based (rather than volumetric).

DRAFT RECOMMENDATION 4.1

The Australian Government should implement the findings of the Interagency Working Group on Commonwealth Water Information Provision to reduce duplicative and unnecessary water management information requirements imposed on farm businesses.

QFF supports draft recommendation 4.1. The Interagency Working Group focused on following initiatives:

- reducing burden of water information reporting rural water entities particularly in the Murray Darling Basin required by the Bureau of Meteorology (BoM), Australian Competition and Consumer Commission (ACCC) and Australian Bureau of Statistics (ABS)
- reducing the reporting burden for rural water entities at the Commonwealth and State levels to reduce the frequency of reporting under the Commonwealth Water Regulations affecting the Murray-Darling Basin
- investigation by BoM into further streamlining water information provided by water entities. The investigation is to involve Commonwealth Government agencies including the Murray-Darling Basin Authority (MDBA) and be completed by 2018.

QFF notes the repeal of the *National Water Commission Act 2004* on 17 June 2015 and the power for the PC to determine the effectiveness of the implementation of the Basin Plan and Water Resource Plans by 31 December 2018.

Regulation of farm animal welfare

QFF supports the Australian Government's engagement and involvement in animal welfare to realise a more consistent approach across jurisdictions. QFF's members will provide comment on the specific draft recommendations.

Regulation of agricultural and veterinary chemicals

DRAFT RECOMMENDATION 6.2

The Australian Pesticides and Veterinary Medicines Authority should make greater use of international evidence in its assessments of agricultural and veterinary chemicals (including by placing greater reliance on assessments made by trusted comparable international regulators). Reforms currently underway in this area should be expedited.

The Australian chemical registration system has been undergoing significant reform for a number of years. QFF and its members have been key participants in that detailed process and support its implementation. We support reforms that enable the APVMA to better access overseas data; however, this must be balanced by the need to ensure that risk is appropriately managed in the Australian context.

While many individual growers would support a less stringent approach to chemical registration, it is important at an industry level to ensure that it meets the highest scientific standards. The regulatory dimension of the high cost and long timeframes for chemical registration in Australia are being dealt with through the regulatory reform process. This process needs to be supported by adequate ongoing financial support for the APMVA to enable it to attract and retain high quality scientific expertise.

Minor use

The Australian Government funded RIRDC collaborative forum was an important first step in facilitating better interaction between industry, the APVMA and the chemical registrants. It enabled opportunities for collaboration to be identified and a clear process for engagement and prioritisation. The forum also provided better mechanisms for Australia to take advantage of international initiatives.

The model for the forum was based on the US IR-4 system and its Canadian counterpart which have been working effectively for decades. The critical missing link is an ongoing and sustainable funding model for both the collaborative forum and the actual process of accessing minor use permits. The financial return on public investment in minor use schemes is indisputable following the economic

analysis of the US IR-4 scheme, which demonstrated a 780 fold return on investment¹. This represents another example where effectively, Australian farmers are not operating on a level playing field – not only do we not receive subsidies, but access to chemicals is time consuming, costly and sometimes non-existent.

DRAFT RECOMMENDATION 6.3

The Australian, state and territory governments should expedite the implementation of a national control-of-use regime for agricultural and veterinary chemicals (which includes increased harmonisation of off-label use provisions), with the aim of having the regime in place in all states and territories by the end of 2018.

QFF supports draft recommendation 6.3, and qualifies that expediting implementation of a national control-of-use regime for agricultural and veterinary chemicals must also be based on evidence and risk.

Biosecurity regulation

The importance of Australia's biosecurity controls and the status they afford agriculture cannot be understated. As mentioned in the draft report, like many participants, QFF and its members are supportive of the modernising of the system and the trend within the new biosecurity legislation (both State & Commonwealth) to reduce red-tape and provide more flexible and risk-based approach. However, QFF cautions that this flexibility and streamlining not translate into ambiguity. To prevent potential biosecurity incursions which may have significant impacts on productivity, Australia's biosecurity system must have clear lines of accountability and comprehensive understanding of responsibilities held by all those involved in the system.

Transport regulations

QFF's members generally support the findings and recommendations and consider the efficient transport task can be divided into three key areas: the transport of farming inputs to farm; the movement of farming equipment to facilitate the task of farming; and the movement of farm production to and out of processing or export facilities. Efficiencies in these three areas has been achieved through the development of larger machinery with greater production/payload capacity, but frequently road infrastructure and transport regulations have not matched these developments.

First mile-last mile, inter-jurisdictional regulation, the movement of over-dimensional agricultural equipment, efficient access to and through ports and the development of a competitive rail freight alternative, are the key issues.

¹ Miller, SR. 2007. National economic analysis of the IR-4 Project. Center for Economic Analysis, Michigan State University, May 25 2007, 25pp. <http://ir4.rutgers.edu/Other/IR4EconomicImpact.pdf>.

DRAFT RECOMMENDATION 8.1

States and territories that are participating in the Heavy Vehicle National Law should increase the number of routes that are gazetted for heavy vehicle access. Permits should only be required in locations where there are significant risks to public safety or infrastructure that must be managed on a case by case basis.

There are arrangements in South Australia to allow road users to propose and undertake road route assessments for gazettal, and in Queensland to fund road assessments and gazettals on both state and local roads. These arrangements should be considered for adoption in other jurisdictions or expansion in respective states.

QFF supports draft finding and recommendation 8.1 in principle. Moving to a single National Heavy Vehicle Regulator (NHVR) is sound. However, implementation of the NHVR has not been seamless, and in many cases it has led to confusion, duplication and caused delays. The regulatory burden imposed on movement of agricultural machinery should be proportionate to the safety risk and the role of councils as road managers must become more effective and efficient. Jurisdictional harmonisation under the NHVR will only be realised if it is resourced appropriately.

DRAFT RECOMMENDATION 8.2

The Australian, state and territory governments should pursue road reforms to improve the efficiency of road infrastructure investment and use, particularly through the introduction of road-user charging for selected roads, the creation of Road Funds, and the hypothecation of revenues in a way that incentivises the efficient supply of roads.

QFF is open to a road user charging system, but there needs to be a greater level of industry consultation and modelling that can categorically show that farmers and people living in regional and rural Queensland will not be worse off.

DRAFT RECOMMENDATION 8.3

The National Heavy Vehicle Regulator, road managers, and relevant third parties (such as utilities and railway companies) should ensure that requirements for moving oversized agricultural machinery are proportionate to the risks involved. To achieve this they should, wherever possible, make greater use of gazettal notices or other exemptions for oversized agricultural machinery, and issue permits for oversized agricultural machinery that are valid for longer periods and/or for multiple journeys.

QFF supports draft recommendation 8.3.

DRAFT RECOMMENDATION 8.4

The Australian, state and territory governments should review the National Heavy Vehicle Regulator (NHVR) as part of the planned review of the national transport regulation reforms. The review should fully assess concerns over inefficiencies in heavy vehicle regulations, and identify ways in which new funds allocated following the abolition of the Road Safety Remuneration Tribunal could best be used by the NHVR to improve road safety in all states and territories.

QFF supports draft recommendation 8.4. The NHVR must be adequately funded if it is to deliver the efficiencies its formation promised.

Competition policy

DRAFT RECOMMENDATION 11.2

The Queensland Government should repeal the amendments made by the Sugar Industry (Real Choice in Marketing) Amendment Act 2015.

QFF member CANEGROWERS is best placed to address this recommendation. QFF endorses CANEGROWERS' comprehensive submission on this issue and does not support draft recommendation 11.2. It appears that the PC has not taken full account of the effect and likely impact of the *Sugar Industry (Real Choice in Marketing) Amendment Act 2015 (Qld)*. As such, QFF recommends that the PC does not include draft recommendation 11.2 in its final report.

Draft report omissions

Energy regulation

QFF notes the draft report has not addressed energy regulation. 'Table 1 – Regulation across the agricultural supply chain' omits energy regulation despite significant regulatory impediments in this area to Queensland's agricultural sector.

QFF notes that electricity prices in Australia are higher than overseas jurisdictions², disadvantaging our commodity exports on the global market. A communique from Australia's Agricultural Industries Electricity Taskforce (February 2016) detailing this issue and impacts to overall productivity is included as an attachment to this submission (see Attachment 1).

More than any other sector of the economy, agricultural productivity in Australia is highly dependent on seasonal variations in rainfall and access to a reliable water supply which in most cases, can only be secured through a sustainable electricity supply. Changes to weather patterns are influencing both the intensity and duration of rainfall and thus redefining the suitability of many areas for farming; and resulting in many irrigators having higher-than-average load factors compared to other energy consumers.

Queensland's electricity distribution and supply sector is subject to various regulations which impede the ability of farmers to access an open and transparent market or to have access to retail competition. Queensland has had a Uniform Tariff Policy (UTP) for 30 years, which is designed so that non-market customers of the same class (residential or small businesses for example), pay 'standard charges' for their electricity, regardless of their geographic location. The UTP ensures equitable pricing and access to essential services regardless of location and encourages economic development in regional Queensland. Retail competition in regional Queensland remains immature,

² CME. (2012). Electricity Prices in Australia: An International Comparison. A Report to the Energy Users Association of Australia.

in part due to barriers including the design of the Community Service Obligation (CSO) which supports the UTP.

The case of inadequate competition in regional Queensland is a significant issue for agricultural (and other industry) users and the full opportunities created by competitive choice have not been available to rural and regional communities. QFF strongly supports opportunities to increase retail completion in regional Queensland in principle. However, the net costs of moving to a network CSO are stated in the Queensland's Productivity Commissions (QPC) Draft Report on 'Queensland Electricity Pricing' to range between \$90–\$150 million. Ergon Energy Corporation distributes electricity to approximately 720,000 customers throughout regional Queensland, from Stanthorpe in the south, to the Torres Strait in the north and to the western border with the Northern Territory³.

The Queensland Government should also encourage least-cost innovative solutions in isolated systems, with possible options including: providing incentives for Ergon Energy's new holding company to look at cheaper supply options; piloting a third party arrangement; and identifying the level of CSO subsidy for each isolated system so that third parties can assess whether their involvement is feasible. QFF is aware that the Queensland Government is currently awaiting the outcome of the Australian Energy Market Commission's (AEMC) determination on a proposed national rule change to enable local generation network credits. In many cases, the determination timeframe for such regulatory decisions is too long.

QFF recognises that network assets are very long-life assets and the consequences of under-building assets can be catastrophic; and that there is a genuine need to replace ageing infrastructure. However, regulatory decisions and overinvestment in both generation and distribution infrastructure have been based on incorrect forecasts of rising demand; despite demand actually falling and all indications that it may fall further, particularly as larger users leave the grid. QFF recognises that while grid connections are not always reliable in rural and remote areas, they do provide 'back-up' power for farmers, their families and the broader community.

Current regulation of electrical assets and services must start to be considered within the context of a wider strategic review for rural and regional Queensland and include a planned response to deal with renewables and energy-storage technologies in the context of the national and local (micro-) grid, removing regulatory impediments where they exist. For example, older-technology meters without interval recording capability are an impediment to facilitating the feed-in of excess energy generated from on-farm sources; and that greater competition in metering will promote innovation and lead to investment in advanced meters that deliver services valued by consumers at a price they are willing to pay. The AEMC Rule change (repealing Part 8A of the National Electricity Law) will, in theory, expand competition in metering and related services and create competitive certainty. The South East Queensland (SEQ) region has seen a variety of electricity retailers develop new energy services and product offerings and a number of utilities outsource their metering services.

The Queensland Government should identify, and where appropriate remove, state-based barriers to local options for third party supply of electricity, to support cost effective energy supply. In order to facilitate competition in regional Queensland in the shorter term (where it exists or may realise

³ IBISWorld. (2015). Profile Company Report: Ergon Energy Corporation Limited.

economies of scale to be economically attractive to service providers), QFF recommends that the 'non-reversion' policy should be removed from the *Electricity Act 1994* and the restriction on Ergon Energy (Retail) competing to retain existing customers should be removed.

QFF however, does support the Queensland Productivity Commissions (QPC) conclusion in their Draft Report 'Solar Feed-In Pricing in Queensland' (2016) that 'some form of regulation for solar pricing is warranted' in regional Queensland where there is no retail competition at present (see the reports Draft Finding 4.2). For regional Queensland, a price approval regime is likely to achieve the Government's objectives at least cost. A price approval regime for solar exports will afford the same level of customer protection as price setting, but will provide opportunities for different offers and products for regional solar PV owners.

QFF therefore supports (see Draft Recommendations 9.1 and 9.2) that the Queensland Government should retain mandatory solar export pricing in regional Queensland. Under a price approval regime, regional retailers would be obliged to: purchase solar exports from small customers in regional Queensland; and submit their offers to the regulator for approval on an annual basis.

Great Barrier Reef regulations

QFF notes the draft report has not addressed Great Barrier Reef (GBR) regulations. 'Table 1 – Regulation across the agricultural supply chain' omits GBR regulations despite the Queensland Government releasing its GBR Water Science Taskforce report in May 2016, which considers regulation to be an important part of the mix of policy instruments to accelerate progress towards meeting the Reef water quality targets. The Taskforce's recommendations and the Queensland Government's willingness to adopt the recommendations may stimulate significant regulatory impediments in this area to Queensland's agricultural sector.

GBR regulatory approaches include:

- Voluntarily adoption of BMP programs for mitigating agricultural impacts, particularly from cane and grazing, but also for cropping, grains, bananas and horticulture.
- Since 2009, the *Environmental Protection Act 1994* and the *Chemical Usage (Agricultural and Veterinary) Control Act 1988* have regulated the application of nitrogen, phosphorus and chemical (pesticide) application. An Environmental Risk Management Plan for certain cane and grazing activities in the Wet Tropics, Burdekin and Mackay Whitsundays catchments has also been required.
- A compliance program for the application of nitrogen, phosphorus and chemicals (pesticides) against the previous regulatory standards, with an initial focus in the Wet Tropics and Burdekin catchments.
- Statutory provisions to protect wetlands and riparian vegetation, but this is limited to certain wetlands and vegetation in priority GBR catchments.
- Targets for reducing catchment pollution loads outlined in the Reef Water Quality Protection Plan and the Reef 2050 Plan are currently non-statutory.

The GBR is a complex ecosystem influenced by interactions between catchment runoff and large-scale natural events. Marine water quality is influenced by currents, winds and waves as well as rainfall pattern and river loads. Over time, new technology and science will help better understand the main network of factors contributing to reef health which may extend beyond current

highlighted factors such as over-fishing, agricultural land use, coastal development and port dredging.

If regulatory approaches are to be further implemented in the GBR, they need to be outcome focussed, clear, tailored to individual needs, easily measured and developed consultatively with industry. Additionally, they should target practices of greatest risk, have negligible impact on those undertaking appropriate practices and be coupled with supporting mechanisms such as improved extension, incentives and targeted compliance.

QFF recommends governments avoid regulation where possible and continue to support systems that recognise and encourage proactive management on farm and reward subsequent improvement in regional water quality. The principles underpinning good regulation articulated in this report needs to be considered by the Queensland Government when developing any GBR regulations.