



Hon Stephen Robertson MP
Minister for Natural Resources, Mines and Energy and
Minister for Trade
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June 22, 2009

Dear Minister

Re – Strategically valuable agricultural land use conflicts

The Motor Trades Association – Queensland (MTA - Queensland) on behalf of its Farm and Industrial Machinery Dealers' Division (FIMDD) write to support the petitions of the state's agricultural industries and attendant communities concerned about the consequences of the irreversible diversion of strategically valuable agricultural land to the extractive mining industries.

The State's and the nation's food security as well as their symbiotic regional economies are coming under threat from the proliferation of Mining Development Licenses (MDLs) and Managed Investment schemes (MISs) that are pervading Queensland's ultra productive farming land particularly in regions such as the Darling Downs, Bundaberg, Burdekin and Central Queensland's Nogoa floodplain.

Farm and Industrial Machinery Dealers form a link in the agricultural industries value chain providing capital, equipment and technical services for this sector. It is important to note that only some 3.5% of Queensland's land mass is considered arable, and of this even a smaller proportion constitutes strategically valuable agricultural land that cannot be replaced once it has been diverted to alternate uses with inevitable concomitant impacts on food security.

The proliferation of MDLs particularly across the prime black alluvial volcanic soils is paralysing economic certainty, investment decisions and business planning along the agricultural industries value chain and causing community destabilisation and social stress. This is a major negative for these comparatively small areas that are recognised for high productivity from world best practice farming of fertile soils.

The importance of mining to the Queensland economy and the State's Budget is acknowledged but it should be equally recognised that the agriculture sector makes a strong contribution. Queensland needs to manage its food security as well as its energy security. The Australian Bureau of Statistics National Accounts of June 2009 indicated that the

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strongest contributing industries to Gross Domestic Product growth over the past four quarters was Agriculture (0.5 percentage points) cushioning the nation from the global recession.

It is necessary for the two industries to interact and co-exist and to this end your Department engaged in a series of land access public forums to identify conflicts, inform and discuss issues of mutual interest. Your Government responded to the issues with a number of land access initiatives.

The forums and the land access initiatives have made a positive contribution but we submit that a statutory framework should be established that catalogues soils for their strategic value and contribution to the state's economic and food security through world best farming practice and premium food production to define its status as either an area where mining and agriculture may co-exist or be restricted or exempted.

An example of such an area is the prime black alluvial plains between Acland and Chinchilla where Tarong Energy has a MDL across 13,000 hectares of irreplaceable prime agricultural country. This forms part of the Darling Downs that is recognised globally by agronomists as one of the "richest agricultural areas of the world". A further example is the Central Queensland's Nogoa flood plain's prime black volcanic alluvial soils where Linc Energy has the MDL.

It is noted that "Restricted Areas (RAs) are temporarily created over untenured land where interesting geophysical signatures have been identified in geophysical data acquired as part of the Smart Exploration program. These RAs are then repealed at a set time and applications for exploration permits are accepted." A similar process with additional criteria as expressed above should be established for strategically valuable agricultural soils where there is world best farming practice and premium food production.

Food security concerns have increased following the diminution in premium food production in the nation's food bowl of the Murrumbidgee Irrigation Area. It means that Queensland's strategically valuable agricultural food production soils must be protected to contribute to both the domestic and export markets. In districts with strategically valuable agricultural soils irreversibly changed by mining, all local businesses will be affected, some less than others while some may prosper in the new culture.

Farm and Industrial Machinery Dealers are viable and supportive stakeholders in the agricultural industries value chain through the provision of retail services, agronomy and technical advice. Any diminution of world best practice farming on strategically valuable agricultural soils for food production will have adverse impacts across the agricultural industries value chain. In the instance of Farm and Industrial Machinery Dealers the knock-on effect will include employee retrenchments, investment and capital threatened that could cause business closures and withdrawal from sponsorships of AgShows, local events and sporting fixtures in regional centres and small towns leading to community destabilisation and social stress.

By way of background MTA-Queensland is the peak organisation in the State representing the specific interests of 2,500 businesses in the retail, repair and service sector of Australia's automotive industry. It is an industrial association of employers incorporated pursuant to the Industrial Relations Act of Queensland. The Association comprising of 14 separate divisions, represents and promotes the issues of the automotive industries to all levels of government and within Queensland's economic structure.

In Queensland, the automotive trade's value chain generates in excess of an estimated \$16 billion annually, directly employing more than 60,000 people contributing significantly to both Queensland's and the nation's economy. The Association is the leading automotive training organisation in Queensland offering nationally recognised training, covering all aspects of the retail motor trades industry.

Thank you for your consideration on behalf the Farm and Industrial Machinery Dealers.

We would be grateful if your office could bring the matters relating to Managed Investment Schemes to your Federal colleague the Assistant Treasurer and Minister for Competition Policy and Consumer Affairs Hon Chris Bowen Minister MP who has portfolio responsible for this issue.

Yours sincerely

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