

Queensland



Regulatory Impact Statement for SL 2003 No. 117

Land Protection (Pest and Stock Route Management) Act 2002

LAND PROTECTION (PEST AND STOCK ROUTE MANAGEMENT) REGULATION 2003

PURPOSE STATEMENT

A Regulatory Impact Statement (RIS) is designed to determine whether or not a Regulation is the most efficient and effective way of achieving the objectives of an Act.

PROPOSED LEGISLATION

Background

The *Land Protection (Pest and Stock Route Management) Act 2002* (hereafter referred to as the Act), and the proposed *Land Protection (Pest and Stock Route Management) Regulation 2003* is to replace the *Rural Lands Protection Act 1985* and *Rural Land Protection Regulations 1989*. The Act was passed by Queensland Parliament in April 2002 but is yet to be proclaimed.

The proposed Regulation has been developed in conjunction with the Act over the last 5 years and was the subject of community consultation in 1999. More recently, identified competitive restrictions and relevant lists of declared species were provided in the "Review of the proposed *Land Protection (Pest and Stock Route Management) Regulation 2002: Issues Paper*" which was available for public comment in June 2002. Members of the public made comment on the competitive restrictions and declared

species lists. A Stakeholder Reference Group was also established to provide input into the review. The National Competition Policy review has been completed.

The latest draft of the proposed Regulation may be found at Appendix 1 at the back of this Regulatory Impact Statement.

Policy Objectives

The main purpose of the Act is to provide for:

- (a) pest management for land; and
- (b) stock route network management.

Consistent with this purpose, a major policy objective of the Act is the protection of economic, environmental and social values from the impacts of weeds and pest animals.

At the Commonwealth level there is recognition of the importance of biosecurity for Australia's environment with its unique flora and fauna. The Commonwealth has enacted the *Environment Protection and Biodiversity Conservation Act 1999* and has the longstanding *Quarantine Act 1908*. The States have responsibility for the management of pests once established or for movements of pests within Australia.

Introduced species have caused severe adverse economic, environmental and/or social impacts within all States and Territories of Australia since European settlement. For example, weeds alone are estimated to cost the Australian economy over \$3 billion annually in reduced agricultural production and control costs. The additional environmental and social costs of weeds would substantially increase this estimate, if they could be quantified in dollar terms.

There is every expectation that the costs of weeds and pest animals will continue to increase unless they can be contained. Government action is required to institute the types of legislative mechanisms that might be put in place to achieve this end. All States and Territories have legislated for the management of pests with a generally consistent approach for declaration, instruments for pest control, offences in relation to declared pests and permit systems for the keeping of declared pests.

A second major policy objective is to appropriately manage the State's stock route network in a sustainable manner for both current and future generations. Management of all natural resources (not just pasture and water) on stock routes needs to be addressed. For example, stock routes contain important areas of remnant native vegetation. Environmental,

cultural and landscape values of the stock route network should be recognised, as should the impacts from stock routes' many multiple uses. A principle of stock route network management in the Act is that a person who benefits from using the network must pay a reasonable amount for its use.

Legislative Intent

Declaration of weeds and pest animals based on transparent risk assessment criteria places a responsibility on all land owners for their control, and indicates which species may not be introduced into the State. Declaration of existing pests as contained in Appendix 1 is largely based on the level of adverse impact they cause and whether the impact is over a significant area or portion of the State. Assessments of pest potential have been made based on the best available science and supporting information. A decision support system for declaration is being developed to determine which species should be declared and in which class. This will provide added transparency and objectivity to the pest declaration process.

Apart from control obligations, there is a range of restrictions and offences regarding declared pests. These include:

- Keeping, releasing and supplying declared pests
- Feeding declared pest animals
- Taking declared pest plants for commercial use
- Supplying things containing reproductive material of particular declared pest plants
- Moving vehicles and other things on roads that are likely to contain reproductive material of a declared pest plant.

For example, the legislation permits the keeping of certain declared pests for a variety of purposes only where it is thought adequate safeguards can be adopted to prevent spread or naturalisation of the declared pests in the State. This can be achieved by limiting the keeping of exotics to lower-risk species at facilities that have high standards in security and enclosures appropriate for keeping the pests. Lower-risk species are those that present less likelihood of escape and establishment of wild populations within the State. Additionally, a range of conditions can be applied to the issuance of a permit to achieve these ends and also to address issues of concern such as public safety. A classic example of the latter is keeping animals such as tigers in zoos.

Another example of issuing a permit will be for the keeping of a Class 1 declared plant by one of the Department's own research stations for research purposes. Only the Department will be entrusted with this authority because of the risk of escape and naturalisation of a serious pest if proper security precautions are not taken.

All other States and Territories have similar legislation relating to pest management. Legislation such as Acts and supporting Regulations, otherwise known as black letter regulation, is an accepted way of achieving policy objectives in this field. In general, most landholders undertake pest management of their own accord when it is perceived to be profitable. Enforcement is required for only a relatively small percentage of landholders.

The proposed permit and fees system for travelling and agisting stock on the stock route network allows for the appropriate management of the network in a sustainable manner to prevent land degradation and allow for multiple uses of the stock route network. A principle of stock route network management in the Act is that a person who benefits from using the network must pay a reasonable amount for its use.

Alternatives to regulation such as education and awareness, and voluntary codes of conduct all currently have a role to play in achieving policy objectives but black letter regulation is required for those who do not respond to any other form of encouragement to manage pests.

Consistency with the Authorising Law

The policy objectives of the *Land Protection (Pest and Stock Route Management) Act 2002* are to protect Queensland's land and water from the adverse impacts of weeds and pest animals and to manage the stock route network in a sustainable manner for travelling stock and other purposes. The Act aims to achieve the policy objectives through the following approaches (refer to Section 4 of the Act)

- (a) establishing principles of pest management for land and stock route network management;
- (b) providing for pest management planning and stock route network management planning;
- (c) declaring animals and plants to be declared pests;
- (d) restricting the introduction, keeping or supply of declared pests;
- (e) preventing the spread of declared pests in the State, including, for example, preventing their spread by human activity;

- (f) establishing responsibilities for pest and stock route network management;
- (g) building and maintaining fences to prevent declared pest animals moving from a part of the State to another part;
- (h) establishing the Land Protection (Pest and Stock Route Management) Council to give advice and make recommendations to the Minister about managing pests and stock route network;
- (i) providing for the establishment of pest operational boards;
- (j) constructing and maintaining travelling stock facilities on the stock route network; and
- (k) monitoring, surveying and controlling pests and the movement of travelling stock.

The proposed legislation is consistent with the authorising law's policy objectives (refer to approaches (c), (d), (f), (j) and (k) above), particularly with the heads of power contained at Section 36 for declaring certain animals and plants to be declared pests, and at Sections 39, 41 and 44 restricting the introduction into the State and the keeping or the supply of declared pests. Declared pest permit provisions that provide the framework for a permit system have been incorporated at Part 7 of the Act.

While the Government acknowledges that stock route fees need to be revised more in line with the user-pays system as reflected in the National Competition Policy analysis, due to the current adverse circumstances in rural Queensland caused by drought, it would be inappropriate to introduce higher fees at this time, and so the fees listed in the current *Rural Land Protection Regulations 1989* have been retained. However, the Government will consider revised fee recommendations at a later date.

Consistency with other Legislation

The proposed Regulation is not inconsistent with any other Queensland legislation. Where other legislation deals with a similar issue a hierarchy of legislation has been established, such as for the *Nature Conservation Act 1992* and *Forestry Act 1959*. Any potential differences with other State and Territory legislation are justified on scientific grounds such as where different jurisdictions declare different species at different levels because they represent a greater or lesser risk within that State or Territory.

Fundamental Legislative Principles

The proposed Regulation (Appendix 1) is consistent with Fundamental Legislative Principles and has sufficient regard to the rights and liberties of individuals and the institution of Parliament. However, there are some situations in the Regulation where concern may arise for the individual's right to pursue a particular business opportunity or the right to own property such as live animals, for example, sale or keeping of pet domestic rabbits.

In this context it should be noted that all States and Territories legislate restrictions about the introduction and keeping of pests and there is no individual right to own animals other than the commonly farmed or domesticated animals. Indeed, native animals are not commonly farmed or kept and are subject to legislated restrictions about their keeping and who may be able to keep them. The taking of native plants is similarly restricted and their harvesting is only permitted in certain situations.

Other pieces of legislation such as the *Integrated Planning Act 1997* and *Environmental Protection Act 1994* determine whether a particular type of business activity can be operated at a particular location and what constraints may be placed upon that activity. These take into account the environmental issues such as noise, smoke, odour, water pollution, discharge and removal of waste products and the impacts the business may have on adjacent residential or other business premises. Nurseries and seed merchants can be confronted with the declaration of a plant as a pest that requires them to make adjustments to their stock in trade to meet the requirements of the Act. Forward negotiation and consultation is the best method to introduce possible new declarations of pests.

In examining possible infringements of Fundamental Legislative Principles it is important to recognise the implications and ensure that infringements are made only in exceptional circumstances and in having to exercise powers for the public benefit that they are specifically limited to key policy objectives and particular circumstances.

The Act aims to protect the natural resources of the State from the adverse impacts of pests so that the economic, environmental and social benefits that flow from the use of those natural resources will be available for current and future generations. In this context, there are key policy objectives to restrict the introduction, keeping or sale of declared pests and to prevent the spread of declared pests, including their spread caused by human activity. Many declared pests are extremely invasive weeds that are spread by water, wind and animals, including birds, and some pest animals

are capable of high mobility so they have an excellent capability to spread from infested sites onto land that is free from or relatively unaffected by the pest. This may have very damaging consequences. Therefore, it is in the public interest that they be managed and controlled.

The permit system proposed at Part 7 in the Act involves providing powers regarding the keeping of declared pests. The proposed Regulation sets out six (6) purposes proposed for keeping and the entities proposed for keeping. This includes a new purpose of keeping a pest for biological control purposes to further broaden the scope for issuance of permits.

Decisions regarding permits both for declared pests and for travelling and agisting stock on the stock route network may be appealed.

National Competition Policy

The *Land Protection (Pest and Stock Route Management) Regulation 2003* was the subject of a separate but related National Competition Policy review process.

The outcomes of the review process are provided in three publications being:

1. National Competition Policy Review: *Land Protection Regulation 2002*, Public Benefit Test
2. Public Benefit Test of the proposed *Land Protection (Pest and Stock Route Management) Regulation 2002*: Review of weed declaration and permit system and stock route network management.
3. Competition Impact Statement for the National Competition Policy Review of the *Land Protection (Pest and Stock Route Management) Regulation 2003*

The first public benefit test dealt with the issues of the keeping and sale of pet domestic rabbits, the farming of domestic rabbits and which exotic animals can be kept by whom and for what purposes. The second public benefit test looked at the declaration and keeping of declared weeds and stock route network management in relation to the permit and fees system for the travelling and agisting of stock. The Competition Impact Statement contained the Review Committee recommendations based on the public benefit tests and other relevant information. The outcomes of the national competition policy review have been incorporated into this RIS, except in relation to the proposed stock route fees, with a decision on this yet to be made by the Government.

The public benefit tests and Competition Impact Statement may be found on the Internet at:

http://nrm.dnr.qld.gov.au/pests/regulation_review.html which is the same site as where this RIS is located.

Risk Assessment

The main risks associated with declared pests is their potential for economic, environmental and social impacts from introduction and spread, in both their density and distribution, if they are not controlled.

Queensland already suffers losses of approximately \$600 million per year due to control costs and reduced agricultural production from weeds and pest animals. In addition, pests inflict significant non-quantified environmental and social costs. Allowing further potential pests into the State, or reducing current management controls, would expose the State to the risk of significantly increased future costs.

Allowing certain declared pests into the State under permit for public exhibition, for example, brings with it a certain degree of risk. If zero risk were an explicit policy objective then no exotic species with the ability to reproduce would be allowed into the State. However, since the display of exotic species for public exhibition is an accepted social convention then the policy objective for risk management should be to minimise it. Therefore, certain declared exotic species are allowed in the State under permit for specific purposes such as public exhibition and research. Permit conditions are then designed to ensure adequate security among other things.

Risks associated with increased introductions and spread of declared pests include:

- (1) reduced agricultural production
- (2) associated possible reduction in land values
- (3) stock losses and animal welfare concerns
- (4) possible impacts on human health
- (5) environmental degradation including loss of biodiversity

On the other hand, there are also risks involved with the use of chemicals to control weeds and pest animals. However, if they are applied according to recommendations and with due regard to safety precautions, the risks associated are minimal. Likewise, there may also be some risks in relation to animal welfare when controlling pest animals although these can be minimised through adherence to best practice pest animal management techniques.

Having the option to be able to enforce control of pests enables the coordinated control of a pest species. It also provides a public indication of the most important pests in the State. Use of the precautionary principle in this regard is an important factor and can help reduce risks.

The risks associated with inappropriate stock route network management include public safety concerns where public roads are on stock routes and ensuring sufficient pasture and water is available for travelling stock. Overuse of the stock route network could lead to land degradation and reduced biodiversity.

The provisions in the Act and proposed Regulation relating to stock route network management allow for the appropriate management of the network and its associated infrastructure and natural resources so as to allow for minimum impact upon the resource base while still allowing for the appropriate use of the network.

ALTERNATIVES

Two options have been considered for dealing with pests and stock route management; to do nothing, that is, no regulation; or to legislate to manage pests and stock routes.

Do nothing - No regulation

Pest management: The "do nothing" alternative to pest management would mean that the current operating and proposed legislative framework approach to pest management that has developed over most of the last century would expire under the sunset provisions of the *Statutory Instruments Act 1992*. It would mean that no pests would be declared and that it would be left to individual landholders to undertake whatever amount of pest management they deemed appropriate. Most landholders undertake a certain amount of pest management activities regardless of whether weeds or pest animals are declared or not. However, they may not undertake what is regarded as the socially optimal amount (both quantity and quality) of pest management. That is, some individuals will tend not to control pests that they do not perceive to be a problem while those pests may present a major problem to others in the community.

The "do nothing" scenario only refers to there being no regulation. Education and awareness would be heavily relied upon to "sell" pest

management messages in a “do nothing” scenario but there would be no way of enforcing compliance.

Stock routes: The "do nothing" alternative for stock route network management would result in unrestricted and free access to the stock route network for livestock being travelled and agisted. It means that no permits and associated fees would be required or payable respectively. The probable result would be overuse and degradation of the resource.

Proposed legislation

The proposed Regulation (Appendix 1) builds on the approach taken in previous legislation, the most recent being the current *Rural Lands Protection Act 1985* and the *Rural Land Protection Regulations 1989*.

Pest management: The bulk of the *Rural Land Protection Regulations 1989* provisions refer to stock route matters. Such provisions are now incorporated in the new Act. The weed and pest animal species listed in the proposed Regulation provide an indication of the pests the State assesses to be significant on a state-wide basis. Pests are declared based on their current and potential economic, environmental and social impacts. The limited lists provide the community with direction on which pests are important.

The declaration category system has been greatly simplified. Formerly, there were five declaration categories for pest plants and eight for pest animals. In the new Act, categories are reduced to three (Classes 1-3), common to pest plants and pest animals. There is no obligation to control a Class 3 pest unless it is impacting on an environmentally significant area. This category primarily contains environmental weeds.

The declared pests are listed in various schedules in the proposed Regulation. Other schedules list the pest animals that may be kept for certain purposes, for example, research, public education, and by circuses, zoos and wildlife parks.

The proposed Regulation lists Departmental maps referring to the wild dog barrier fence, the Rabbit District and the Stock Route Network, and where such maps can be inspected and obtained. This is a sensible approach to describing these entities, compared with, for example, the written geographical description of the Rabbit District that is contained in a Schedule to the 1985 Act.

Detailed prescriptive provisions regarding the Darling Downs – Moreton Rabbit Board in the 1985 Act have been replaced by a generic head of power for the establishment of Pest Operational Boards. A provision in the

proposed Regulation establishes the Darling Downs – Moreton Rabbit Board.

Miscellaneous provisions relating to matters prescribed by the principal Act include:

- interest on amounts payable
- the maximum annual amount payable by a local government
- entities for nominating persons as Land Protection Council members
- fees for stock route and declared pest permits
- The proposed Regulation enables appropriate management of the stock route network through a system of permits and fees for travelling and agisting stock.

Stock routes: Stock route fees were discussed in the separate but related National Competition Policy Review referred to previously. The public benefit test concluded that the permit and associated fee system was justified and that the benefits of such a system to the community as a whole outweighed the costs. It also concluded that the proposed system was the most efficient and effective way of achieving the relevant objectives of the legislation. It went on to state that while the proposed changes to the fee levels may adversely impact on some users of the network, the fees were reasonable and did not constitute a material barrier to entry.

While the Government has endorsed the principles and system of permits as contained in the public benefit test and that fees should apply, it has not yet made a decision on the proposed fees struck on the basis of those principles. Therefore, the fees that currently apply to travelling stock in the *Rural Land Protection Regulations 1989* are carried over into the proposed Regulation (Appendix 1) and the current fees for agistment become the maximum that can be charged pending a decision on fees by the Government.

STAKEHOLDERS

The following stakeholders have been consulted throughout the process of developing the Act and draft Regulation.

General consultation across multiple stakeholder groups (including the general community)

Consultation on the Act and proposed Regulation has been intertwined and occurred over many years as they are dependant on each other and much of the consultation that took place related to both.

A Discussion Paper was released in 1994 outlining key issues and the proposed review process to be undertaken. A Proposal Issues Paper was released in 1995 canvassing proposals to deal with the key issues that had been identified in the Discussion Paper. A Consultation Draft of the Act was completed in 1999 which included draft regulations. A series of information meetings were conducted in locations throughout the State by Departmental Officers discussing the draft Bill and Regulation in 1999.

An Issues Paper was publicly released in 2002 discussing competition issues in the proposed Regulation and it also requested comment on the composition of the declared species lists contained in the Regulation. In 2002 another series of workshops were conducted throughout the State discussing provisions of the Act and this included some discussion of the proposed Regulation.

The Act and proposed draft Regulation are currently available on the Departmental website and have been available there intermittently for some years. A number of media releases have also been produced over the period of developing the Act and Regulation.

Rural landholders

Rural landholders include farmers and graziers. AgForce and the Queensland Farmers' Federation (both the overarching organisation and individual member organisations) have been specifically consulted on the Act and Regulation. Producer groups were also kept informed of the progression and developments in the Act and Regulation through their membership of the Rural Lands Protection Board (RLPB).

Both AgForce and the Queensland Farmers' Federation were part of the Stakeholder Reference Group which looked at the competition aspects of the Regulation and provided written submissions to the review of the Regulation. Individual landholders also provided comment on the Issues Paper.

Garden, landscape, nursery and pet industries

Nursery and Garden Industries Queensland (NGIQ), formerly Queensland Nursery Industry Association (QNIA) were consulted several

times on the form and composition of the declared plant lists between 1999 and 2002. Queensland Allied Landscaping Industries (QALI) was consulted about the composition of the declared plant lists in 2000.

Discussions were held with the Pet Industry Joint Advisory Council (PIJAC) several times on the form and composition of declared animal lists between 1999 and 2002. PIJAC had also met with the Minister and the RLPB to present their case.

Zoos, circuses, theme and wildlife parks

The Queensland Wildlife Parks Association (QWPA) were consulted several times on the form and composition of declared animal lists and they also met with the Minister and Department on a number of occasions to present their case. The Circus industry was also contacted.

State Government

A State Land Pest Management Committee comprising major Departmental landholders was established in 2000. The committee comprises the Departments of Natural Resources and Mines, Primary Industries (Forestry), Environmental Protection Agency (Queensland Parks and Wildlife Service), Main Roads and the government-owned corporation Queensland Rail. This Committee has been kept informed of developments in the Act and proposed Regulation with regards to how it will affect them.

Local Government

The Local Government Association of Queensland (LGAQ) and some individual Local Governments were the primary stakeholders in the Stakeholder Reference Panels held in 1999 and 2000 established to provide feedback on the draft Bill and Regulation. LGAQ was also involved in consultation through their membership on the Rural Lands Protection Board.

LGAQ has been kept informed throughout the review, was a member of the National Competition Policy review Reference Panel and provided a written submission to the review. Numerous local governments also provided written submissions to the review which included comment on declared species lists.

Conservation, landcare and bushcare groups

Conservation groups have been consulted throughout the review. Queensland Conservation Council (QCC) was represented on the Stakeholder Reference Group and both the QCC and the Wildlife

Preservation Society of Queensland (WPSQ) made written submissions to the review.

Landcare and Bushcare groups and other community organisations made written submissions to the review.

General community

Refer to ‘General consultation across multiple stakeholder groups’ section above.

QUALITATIVE IMPACT ASSESSMENT

A comprehensive and verifiable quantitative assessment of the impacts on stakeholders is not possible to achieve because of the lack of readily available reliable data and the prohibitive expense involved to carry out research to obtain such data. Furthermore, many of the potential costs and benefits, such as human health and environmental degradation are intangible and cannot be readily estimated in monetary terms. The rating categories of H+, M+, L+, L-, M- and H- have been adopted in line with the RIS Assistant software provided by the Business Regulation Reform Unit.

These ratings should be considered as indicative only and it is more important to consider the relativities between the categories, that is, medium is greater than low and high greater than medium when interpreting these qualitative assessments. However, where monetary values are known for particular categories of costs and benefits, these will be introduced into the analysis.

Alternative: Do nothing - No regulation

This is considered to be the “base case” scenario against which the regulatory alternative will be rated. Do nothing applies to not having the Regulation which means that large parts of the Act would not have effect because, for example, there would be no declared pests. Where financial estimates are available, these are generally provided in the Proposed Regulation alternative.

Rural landholders

Pest management: Rural landholders may initially have reduced control costs if no pests are declared but impacts on production and future control

costs would increase as pest plants and animals spread in distribution and density due to lack of coordinated control measures. Potential environmental impacts could add to further losses in agricultural production over time. Some new industries may develop based on the farming of currently declared pests.

As mentioned previously, weeds and pest animals are estimated to cost Queensland \$600 million per year in reduced agricultural production and control costs. This would increase substantially over time under a “do nothing” scenario.

Stock routes: If there were no stock route network permits or fees and access to the network was free for all, landholders may initially benefit from free access but would eventually be worse off due to the "tragedy of the commons" whereby the natural resource base would be degraded through overstocking, for example, similar to overfishing in free access fisheries.

Garden, landscape, nursery and pet industries

The plant-based industries would be able to sell a wider variety of species which could result in increased sales and economic activity. However, they could receive a negative backlash from the broader community if they were selling recognised weeds or plants that became serious weeds.

The pet industry would be able to sell rabbits, ferrets and dingoes plus other more exotic species and would benefit from increased economic activity. However, substitutability with other pets would probably temper increased sales. The risks associated with unrestricted commercial sale of some exotic animals, such as meerkats and venomous snakes are enormous, including the potential for escaped pets breeding and becoming established in the wild and impacting on agricultural production, the environment and human safety and well being.

Zoos, circuses, theme and wildlife parks

These animal-based industries would be able to keep and display a wider range of exotic species which may result in increased visitations and income. They would still need to comply with other relevant legislation such as the *Animal Welfare Act 2002*. As discussed above for pet industries, however, the greater the number of animals kept, and the greater the number of institutions keeping them, the greater the risk of escape.

State Government

As mentioned previously, the State Government would need to rely more heavily on non-regulatory approaches such as increased education and awareness in order to try and achieve pest management objectives. The State would be able to cease the loss-making activity of pest permitting. However, there is a community expectation that State Government be involved in pest management and lack of management in the short term would result in larger costs in the longer term as pest populations got out of control and became more difficult to eradicate. Indeed, once out of control, many pests would be beyond eradication.

Local Government

Local Government would no longer be legally required to undertake pest management within their local government areas or to ensure compliance because there would be no declared pests. This could result in substantial savings to some local governments. However, there is a community expectation that Local Government be involved in pest management and lack of management in the short term would result in larger costs in the longer term for many local governments. For example, many local governments would need to make numerous pest declarations under local laws. Additionally, the impact of environmental weeds would increase as would the cost of their control.

Conservation, landcare and bushcare groups

These groups are against the increased availability and spread of pests and potential pests in Queensland as those pests would represent an increased threat to the management of natural resources and contribute to greater environmental degradation, increased loss of biodiversity and potentially the greater use of chemicals to control these pests in the future.

The removal of the pest declaration system is not a realistic approach as the future costs arising from weeds and pest animals would greatly outweigh the benefits of increased access to the pests.

The lack of permits and fees on stock routes is not a realistic option as it would result in the degradation of the stock route network due to overgrazing. Appropriate management of the stock route network is required to allow for the balanced use of the stock route network by current multiple uses and its conservation for continued sustainable use by future generations. This includes preventing overgrazing and allowing regeneration of pastures after drought periods such as that currently being experienced.

General community

The general community would have access to all weeds and pest animals which could initially result in an increased “enjoyment” factor by a limited number of enthusiasts and reduced control costs but would eventually result in reduced quality of life for the majority of the community and increased control costs as these additional pests caused economic, environmental and/or social impacts (including negative impacts on human health). The community is becoming increasingly environmentally conscious, and would react against the proliferation of weeds at the expense of native vegetation and other loss of biodiversity by the impact of pest animals on native fauna.

Alternative: Proposed legislation

This alternative will be assessed against the “base case” scenario of Do nothing: No regulation.

Rural landholders

Pest management: The proposed Regulation will continue to help protect Queensland’s primary industries, which contribute over \$8 billion annually.

There will be continued management of current and potential pest plants and animals in Queensland. There will be costs associated with continued management of pests but the benefits of management will outweigh the costs. In particular, control of declared pests will prevent or slow the spread of pests from one property to the next and will help prevent a range of new pests from entering and becoming established in the State and eroding the profitability of primary production and associated rural industries. This includes protecting agricultural production by preventing declared pests from impacting on or contaminating agricultural produce. Consequently, this can help keep Australian access to international markets that are sensitive to weed contamination of exports. Appropriate pest management will also minimise the impact of pests on property management activities such as mustering.

Potential new industries, such as the farming of domestic rabbits, will be prevented from establishing, and consequently a small amount of economic activity will be forgone. For example, the public benefit test dealing with the status of domestic rabbits found that the legalisation of commercial farming of domestic rabbits might initially result in the equivalent of 4-5 full time jobs engaged in rabbit farming.

Stock routes: Landholders pay a fee to access the stock route network for the purposes of travelling and agisting stock. These fees were about

\$90,000 in 2001/02 and will be an estimated \$175,000 for 2002/03. The benefits of using the stock route network outweigh the costs. The stock route network can provide a valuable source of fodder for landholders during times of drought.

The long term benefits of lower future control costs, maintained quantity and quality of agricultural production, continued access to international markets, lower management costs and continued access to a sustainably managed stock route network far outweigh apparent short-term savings in control costs by not having to control pests initially, continued access fees for the stock route network and forgone opportunities for potential new industries such as rabbit farming.

The overall effect of the proposed Regulation on this stakeholder group is estimated as (H+) High Positive Impact.

Garden, landscape, nursery and pet industries

The Act and proposed Regulation will result in a continuation of the current style of regulation and the addition of some extra species to the declared list. This will result in the withdrawal from sale of those species by some nurseries but there are many less weedy substitutes available to sell.

The pet industry will not be able to sell declared pests such as rabbits, ferrets and dingoes as pets and will forgo potential business opportunities due to this. However, they will still be allowed to sell a range of other species that may be regarded as substitutes for some of these declared pests and the pet industry's potential economic losses may be minimised.

In summary, this industry sector would incur some losses from forgone economic opportunities. For example, the National Competition Policy review of the Regulation found that the pet industry could be forgoing up to \$2.8 million in potential producer surplus (which broadly relates to profit) by not being able to sell domestic rabbits as pets. Garden, nursery and landscape industries will also be worse off by being further limited in what they can sell. The nursery and garden industries estimated that this could be as much as \$0.5 million per year.

The overall effect of the proposed Regulation on this stakeholder group is estimated as (M-) Medium Negative Impact.

Zoos, circuses, theme and wildlife parks

This industry sector will still have access to everything that is currently available in the State and the proposed list allows for certain further

additional species. Circuses will continue to have access to the exotic species that they have traditionally used.

Zoos, theme parks and wildlife parks will be marginally worse off due to the proposed Regulation. Some visitations may be forgone by not having increased access to a greater range of exotic animal species. Circuses should not be affected by the proposed Regulation because they will have continued access to the exotic animals they require.

The overall effect of the proposed Regulation on this stakeholder group is estimated as (L-) Low Negative Impact.

State Government

Pest management: State Government will continue to have a joint responsibility with Local Government to be involved in pest management. Government involvement in pest management has been shown to provide large returns on investment. For example, strategic control of plague locusts and pest management research have both been shown to return \$18 for every \$1 invested by State and Local Governments. Likewise, prevention and eradication can also result in high returns of \$31 to 1 and \$16 to 1 respectively. The average across all pest management activities was estimated to be a benefit of \$5.20 for every dollar invested by State and Local Governments. However, not all of these benefits translate into increased economic activity. It was also estimated that the forecast combined pest management expenditure by NR&M and local governments of about \$24 million in 2002/03 will generate/maintain about \$79 million of economic output, over 700 jobs, and approximately \$39 million of value added output.

The large State Government landholders such as NR&M, Main Roads and the Queensland Parks and Wildlife Service will have a greater obligation to develop and implement pest management plans for their holdings, which is in accordance with community expectations.

Stock routes and pest permit system: The State Government makes a loss on stock route network management and the pest permit system, that is, revenue from fees do not cover the costs of administration and management. For example, expenditure on infrastructure and administration and management of the stock route network by NR&M has exceeded revenue (fees) from the network by more than \$1 million per year over the last two years.

However, the proposed Regulation was estimated to provide large benefits from saved pest impacts and saved future control and management

costs to Government which outweighed the costs of stock route network management and the pest permit system.

The overall effect of the proposed Regulation on this stakeholder is estimated as (M+) Medium Positive Impact.

Local Government

Pest management: Local government provides a valuable service to the community by being primarily responsible for ensuring that pest management in their local government areas is undertaken. The proposed Regulation will allow them to continue to manage compliance. Undertaking pest management is a costly but essential exercise and continuing to control and manage pests in the short to medium term saves large future costs to both local governments and the communities in their local government areas.

Stock routes: Local governments will be able to keep 50 percent of stock route network permit fees although this will only partly offset the costs of stock route network management and administration costs which are estimated to be in the order of about \$1 million per year across all Local governments.

Similar to the above qualitative assessment for State Government, the larger benefits from saved future control and management costs outweighs the smaller loss of saved short term control costs and stock route network management costs. Some local governments may be worse off under the proposed Regulation compared to the do nothing scenario. However, since it is highly likely most local governments would continue to undertake pest management to some degree with or without the Act and proposed Regulation, it is assumed that local government benefits overall.

The overall effect of the proposed Regulation on this stakeholder group is estimated as (M+) Medium Positive Impact.

Conservation, landcare and bushcare groups

These groups generally support the proposed Regulation due to its economic, environmental and social benefits to the community. This option is realistic because it is a continuation of current legislation and provides a workable (and enforceable) system of minimising the impacts of current and potential pest plants and animals and allows for the continued state-wide coordinated management of the stock route network for the benefit of all stock route network users. It is thought that the perceived benefits of the proposed Regulation far outweigh the perceived costs.

The proposed Regulation will result in large environmental benefits due to saved future environmental costs from preventing new weed and pest animal incursions and controlling and managing currently present declared pests.

The overall effect of the proposed Regulation on this stakeholder is estimated as (H+) High Positive Impact.

General community

The general community will benefit from the continued restrictions on the sale and keeping of declared pests as the benefits of the restrictions outweigh the costs.

The general community will be much better off because of the proposed Regulation because of saved current and future health costs from weeds that cause allergic reactions in humans (for example parthenium weed and annual ragweed), saved future control costs and future environmental benefits from preventing the future impacts of environmental pests. However, to achieve these benefits the general community will have to forgo access to certain declared plants and animals and there will be some costs/losses associated with this. For example, pet dingoes will continue to remain illegal.

The overall effect of the proposed Regulation on this stakeholder is estimated as (H+) High Positive Impact.

Summary of Alternative: Proposed legislation

As the following summary table illustrates, the stakeholder groups rural landholders, conservation, landcare and bushcare groups, general community, and state and local government will all experience a net benefit from the proposed Regulation. The benefits to these groups significantly outweighs the net costs which are likely to be incurred by the stakeholder groups of garden, landscape, nursery and pet industries and zoos, circuses, theme and wildlife parks. Overall Queensland society will be better off with this Regulation than having no regulation with an overall assessment of H+ High Positive Benefit.

Stakeholder	Predicted impact
Rural landholders (including farmers and graziers)	H+
Garden, landscape, nursery, and pet industries	M-

Zoos, circuses, theme and wildlife parks	L-
State Government	M+
Local Government	M+
Conservation, landcare and bushcare groups	H+
General community (including urban landholders)	H+
Overall assessment	H+

Conclusion

The above qualitative assessment clearly indicates that there are substantial benefits to the State from the proposed Regulation.

All other States and Territories have pest management legislation similar to the *Land Protection (Pest and Stock Route Management) Act 2002* and proposed *Land Protection (Pest and Stock Route Management) Regulation 2003*. The proposed regime is essentially a continuation of the current legislation but with modifications to account for changing fundamental legislative principles over time and to reflect current thinking and community attitudes regarding appropriate pest management principles and approaches in Queensland.

The preferred alternative, indeed the only realistic alternative, is the proposed Regulation. There is a strong expectation by many stakeholders and the community that the Act and proposed Regulation commence as soon as possible.

ENDNOTES

1. Laid before the Legislative Assembly on . . .
2. The administering agency is the Department of Natural Resources and Mines.