

QLD COMPETITION AUTHORITY

17 SEP 2013

DATE RECEIVED



Hon Tim Nicholls MP

Member for Clayfield

Treasurer and Minister for Trade

TRY-04803

16 SEP 2013

Dr Malcolm Roberts
Chairman
Queensland Competition Authority
GPO BOX 2257
BRISBANE QLD 4001

Dear Dr Roberts

A handwritten signature in blue ink that reads "Malcolm".

REPORT ON REGULATION OF THE AQUACULTURE INDUSTRY

As part of its focus on regulatory reform and reducing red tape, the Queensland Government has determined that a review should be undertaken of the regulation governing the State's aquaculture industry.

As you are aware, aquaculture regulation was identified as a priority reform area by the Office of Best Practice Regulation (OBPR) in its Final Report on a Framework for Measuring and Reducing the Burden of Regulation. A review of aquaculture regulation was also recommended by the Agriculture, Resources and Environment Parliamentary Committee (AREC) in its November 2012 report, following its inquiry into the Queensland Agriculture and Resource Industries.

In its formal response to AREC's recommendations, the Government indicated that the review should be undertaken by either OBPR or the Department of Agriculture, Forestry and Fisheries (DAFF). Having now given further consideration to this issue, we consider it would be appropriate for OBPR to undertake the review, with DAFF to establish a steering committee (including representatives of key relevant Government agencies) to provide advice and guidance to OBPR in undertaking the investigation.

Please find enclosed a Direction Notice issued under section 10(e) of the *Queensland Competition Authority Act 1997*, specifying the terms of the review. In particular, you will note the Direction Notice requests that the review should explore the use of a single, dedicated piece of legislation as used in South Australia to reduce the regulatory burden on that State's aquaculture industry.

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Should officers from the Authority require further information, I encourage them to contact Mr Peter Johnson, Director, Regulatory Reform and Inter-Governmental Relations, on (07) 3035 1407 or peter.johnson@treasury.qld.gov.au.

Yours sincerely



Tim Nicholls
Treasurer and Minister for Trade



Deb Frecklington
Assistant Minister for Finance,
Administration and Regulatory Reform

Encl.

QUEENSLAND COMPETITION AUTHORITY ACT 1997
SECTION 10(E)
MINISTER'S DIRECTION NOTICE

Direction

In our capacity as the responsible Ministers, pursuant to section 10 (e) of the *Queensland Competition Authority Act 1997*, we hereby direct the Queensland Competition Authority (the QCA) to investigate and report on regulation of the Queensland aquaculture industry. The report is to include recommendations for a regulatory approach that could facilitate expansion of aquaculture in Queensland, to promote economic development while balancing environmental protections.

1. Matters to be considered

Queensland has a number of key attributes to attract and support the development of a diverse aquaculture industry. However, there have been no new major entrants to the aquaculture industry and only three significant pond farm expansions approved during the last 10 years. The Agriculture, Resources and Environment Committee (AREC) of Parliament recommended in November 2012 that the Government review the regulations governing Queensland's aquaculture industry.

In undertaking this investigation and developing options for regulatory reform, the QCA should take into account, but is not limited to:

- environmental, economic and social considerations;
- fish health and biosecurity issues;
- predictability and security for investors;
- marine park considerations;
- applicable Commonwealth Government regulation and policy; and
- consumer perceptions of Queensland aquaculture practices and products.

The AREC report noted that South Australia and Tasmania have more developed aquaculture industries. This review should incorporate a comparison of regulatory arrangements in Queensland and those states, as well as any other jurisdictions of interest, inside and outside Australia. In particular, this review should explore, but not be limited to, the use of a single, dedicated piece of legislation as used in South Australia to reduce the regulatory burdens on that state's industry.

The review should also consider the possibility of updating geographic overlays to identify further strategic and suitable areas for aquaculture.

2. Consultation

In undertaking the investigation, the QCA should consult with all relevant stakeholders, including but not limited to:

- the Queensland aquaculture industry;
- relevant Queensland and Commonwealth Government departments; and
- consumer, retail and environmental groups with an interest in aquaculture.

In undertaking the review, the QCA should take into account advice and guidance from the review Steering Committee, to be established by the Queensland Department of Agriculture, Fisheries and Forestry (DAFF).

Commonwealth Government regulation and policy has a significant impact on Queensland aquaculture and any proposals for regulatory reform need to take this into account. Where possible, the review should include consultation with relevant Commonwealth Government agencies. This may include, or be separate to, any participation by those agencies in the Steering Committee established by DAFF.

3. Timing

The review should commence on 12 November 2013.

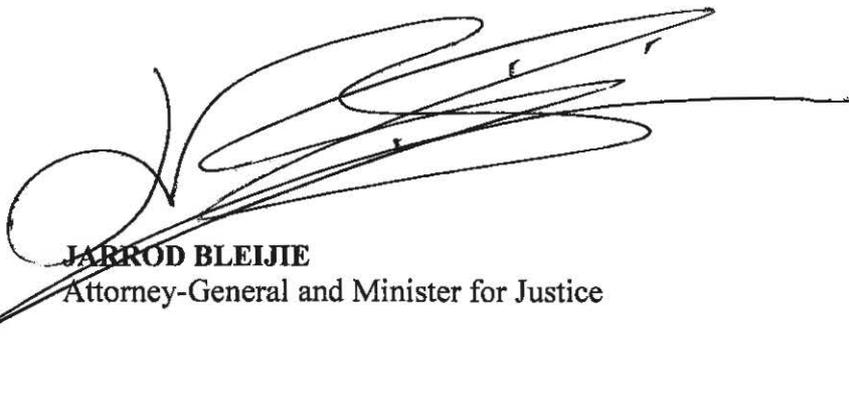
The QCA should provide a final report to the Ministers responsible for the QCA and the Minister for Agriculture, Forestry and Fisheries by 15 September 2014.

4. Other matters

The QCA may exercise all the powers under Part 6 of the *Queensland Competition Authority Act 1997*.



TIM NICHOLLS
Treasurer and Minister for Trade



JARROD BLEIJIE
Attorney-General and Minister for Justice