



Needed: the most significant single investment program ever in Australia

The Federal Government must consider imposing a new levy to fund a massive national program to ensure the ongoing health of Australia's crucial water catchments, according to a bipartisan parliamentary report released today.

The Report, by the House of Representatives Environment Committee, calls for the establishment of a National Catchment Management Authority (NCMA) to deliver Australia's entire catchment management program, from research to planning, funding, implementation and monitoring.

The result of an 18-month inquiry, the report doesn't pull any punches, describing the problem of catchment management as the most pressing public policy issue in contemporary Australia, affecting all Australians, rural and urban.

It says that unless action is taken, Australian's quality of life will suffer dramatically. Affected will be much of Australia's food and water supply, entire regional communities, regional and urban infrastructure (including roads, buildings, pipelines, water and sewerage systems, tourist and recreation areas/attractions), and natural wildlife.

The size of the problem has been identified as requiring at least \$60 billion in capital investment over 10 years, plus ongoing maintenance of about \$500 million per annum (ACF/NFF). Treasury has reportedly estimated the cost of repairing the Murray-Darling Basin alone as at least \$30 billion. These estimates put the annual funding requirement in the region of \$5-\$7 billion.

The Report doesn't recommend a specific level for a levy, but provides an indicative table (page 139) which suggests how funds could be raised from taxpayers and the private sector, which it says should also be provided with a range of incentives.

The environment levy would remain in place for 25 years, and be clearly marked and separated on taxation assessments. The recommendation to consider it received unanimous cross-party support.

It would fund a nationally co-ordinated approach, led by the Federal Government but requiring the support and involvement of the entire Australian community.

Environmental degradation of Australia's catchment systems has many facets. These include: salinity (dryland salinity, from excessive land clearing, irrigation salinity, urban salinity, river salinity); acidification, from over-fertilisation, and acid sulfate soils which leach poisons into waterways; erosion; eutrophication and algal blooms (some toxic) from excess nutrients; polluted urban stormwater affecting coastal waterways; and pest plants (weeds) and animals. All these facets need to be addressed.

The Chair of the House Environment Committee, Ian Causley, says the Government needs to act swiftly and decisively on the issue.

"Make no mistake, this is a crisis," Mr Causley said. "It is a critical situation which requires a massive Government response and the involvement and support of the entire Australian community."

.../2 (more follows)

Report of Inquiry into Catchment Management – Media Release (continued)

“Catchments sustain life on this continent, providing our food and water, the basis of many of our exports, and the entire livelihoods of countless Australians. And it is not just an issue for regional Australia, our major urban centres will also feel the brunt, with threats to water supply and infrastructure rotting from the ground up.

“The evidence is compelling that our catchments are under enormous and ongoing threat. Unless we act to address this quickly, the quality of life of all Australians will be substantially and irrevocably eroded.

“Quite simply, the inaction, the cost-shifting, the shifting of responsibility, and the political opportunism rife in this area has to cease.”

The report identifies myriad problems with the current catchment management approach. It says it is piecemeal and poorly integrated, inconsistent, confusing and inefficient. Fundamental systemic change is needed, with the Commonwealth taking the lead in reforming and boosting the institutions and funding surrounding catchment management.

While the Committee welcomed the Prime Minister’s recent *National Action Plan for Salinity and Water Quality* (October 2000), it says the plan can and must be strengthened and makes specific recommendations to do that.

Other recommendations include:

- The Australian Law Reform Commission should investigate a complete overhaul of Australia’s environmental laws, recommending ways to consolidate them into a consistent, coherent body;
- Establishing Local Catchment Management Authorities (CMAs) for each catchment system, which would be the basic administrative units of the National Authority. Under the CMAs would be local area co-ordinators and catchment management extension officers;
- Setting targets and timeframes, which would be largely legislated and mandatory;
- That all Commonwealth funding be aggregated and coordinated in line with new national plans;
- The current National Land and Water Resources Audit be formally established as an ongoing independent statutory Commonwealth authority called the National Environment Audit Office. It would conduct a comprehensive and ongoing audit of Australia’s catchment systems and policies and programs which affect their ecological sustainability. Funding for the Audit should come from general revenue, and not from the National Heritage Trust or be tied to asset sales. All information should be available to the community free-of-charge;
- An audit of all Federal, State and Local Government policies to identify and remove incentives counter-productive to sustainable use (eg removal of subsidies for irrigation water);
- All funding to be tied to meeting mandated accreditation levels and targets;
- Complete public exposure of all funding and contracts involving public money.

The Committee recommends the Government in the first instance try to work through a co-operative approach (COAG), although the Federal Environment Minister, Senator Hill, has recently suggested the co-operative approach is now on its last chance.

Problems cross the urban-rural divide, and include:

- Some farmers will be unable to continue farming unless immediate action taken, and massive losses in production could occur;
- Rural communities are experiencing degraded water supplies, and rising water tables and salinity are destroying towns and villages from the ground up, including infrastructure like roads;
- The same problems now evident in outlying suburbs of coastal cities;
- Threat to food and water supply, and quality of drinking water;
- At present rate, Adelaide won’t have a reliable supply of drinking water by 2020.

For a copy of the Report, contact the House Environment Committee Secretariat on 02 6277 4580 or visit the House Environment Committee web site: www.aph.gov.au/house/committee/environ/ (after 12.30pm Monday)

To arrange media comment, contact **Ian Causley**, House Environment Committee Chair, through 02 6277 4218 (Canberra, Monday)