



National Farmers' Federation

Submission to the Senate Inquiry into the National Landcare Program

8th August 2014



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The National Farmers' Federation

The National Farmers' Federation (NFF) is the peak national body representing farmers and, more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These member organisations then go on to form the NFF.

Since its inception in 1979, the NFF has earned a reputation as a leader in the identification, development and achievement of policy outcomes – championing matters affecting farmers and dedicated to the advancement of agriculture. The NFF is dedicated to proactively generating greater understanding and awareness of modern agriculture and its contribution and value to the entire community.

1. Introduction and key messages

NFF welcomes the opportunity to provide a submission to the senate inquiry into the National Landcare Program.

Australian farmers continue their role as environmental stewards. Farmers own, manage and care for 61 percent of Australia's land mass. Farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 94 percent of Australian farmers actively undertaking natural resource management (NRM)¹. The farming community has a deep interest in ensuring environmental sustainability as the continued success of their livelihoods depend on it.

The key messages of this submission are:

- Given that farmers are responsible for managing so much of the Australian land mass, it is imperative that NRM investment programs are designed and focused in a way that supports farmers to achieve the NRM aspirations of the broader community.
- Much of the investment in the current National Landcare Programme is focused on the Green Army and the 20 Million Trees Initiative. These initiatives are a significant shift – both in priority and delivery methods - from Caring for Our Country. Active review of the first phase of these programs is required to ensure that implementation is meeting the objectives of government and the community.
- NRM investment should be focused on delivering real outcomes, which requires a change in practice by someone, somewhere. Support for practice change must be underpinned by rigorous evidence that the changes will result in the strategic natural resource management outcomes sought by government and the community. Ultimately, change is more likely to occur when it is beneficial for both the environment and farmer profitability.
- NRM is more than just the traditional perception of Landcare groups planting trees on marginal land. A more expansive view should be taken which includes links NRM outcomes to farming systems, based on solid evidence is required.

¹ In 2006-07, 94.3% of Australian agricultural businesses reported undertaking NRM activities to prevent or manage weeds, pests, and land and soil. (ABS Cat 4620.0 - Natural Resource Management on Australian Farms, 2006-07)

- IN NFF's view, enhancing linkages between NRM investment programs and industry-led initiatives is vital to achieve broadscale adoption and change. NRM projects shouldn't be an "add-on" to a farm business, it should be part of it.
- Market-based approaches to achieving NRM outcomes must be part of investment mix of the future. While this should include initiatives similar to the recently axed Environmental Stewardship Program, further research into and trialling of market initiatives is required.

2. Landcare & National Farmers' Federation – 25 years

The NFF was a founding partner of the Landcare movement, and we continue to support the Landcare movement.

In 1989 the ACF and NFF convinced the Hawke Federal Government to support a movement that would engage communities across Australia in activities to reverse the degradation of farmland, public land and waterways. This was the beginning of Landcare as a national movement. Over the 25 years since its inception, the program has grown to the stage where there are now more than 6000 Landcare and Coastcare groups around the country, working to improve Australia's farmland, waterways and natural environments.

NFF has been at the forefront of ground-breaking initiatives that recognise farmers' commitment to the environment. In partnership with the Australian Conservation Foundation – NFF secured government commitment to the decade of Landcare (1989) and the National Action Plan for Salinity and Water Quality (2000) and was instrumental in the establishment of the Environmental Stewardship Program (2008).

In 2014, NFF and ACF reiterated their commitment to Landcare. In a joint statement, NFF and ACF highlighted clear overarching actions that need to be taken by government:

- Commit to a decade of action to overcome the challenges confronting Australia's land, water, wildlife and farmland that lie at the heart of our economic security and way of life.
- Strengthen the connections between farmers, traditional owners, urban Australians and all those working to improve the health of our environment.
- Recognise the maintenance and improvement of our farmlands and natural environment as vital components of our living national infrastructure

3. National Landcare Programme – The current focus

The new National Landcare Programme includes funding for a range of initiatives delivered at both the state and national scale. The following sections explore some of the key components of the new program that have been announced to date.

Green Army

For the Green Army program to be successful from an agriculture perspective, it is important that the Green Army effort can be utilised in situations such as:

- The management of feral pests and weeds, including weeds of national significance.
- Small scale revegetation and vegetation management projects, such as those undertaken by Landcare groups.
- Fencing activities on private land that contribute to achieving regional NRM priorities, and not just those linked to matters of national environmental significance.

The NFF will continue to advocate for Green Army initiatives that focus on achieving environmental as well as agricultural outcomes.

20 Million Trees Initiative

While the 20 million trees initiative may assist achieve long term carbon sequestration targets, it is important that the design of the program does not result in a repeat of the Managed Investment Scheme, which continues to affect landholders caught in the fall out of the collapse of those schemes.

Water infrastructure investment

Investment in water infrastructure is a key element of drought support that is welcome by NFF.

It should be noted that often budget appropriations to NRM programs are seen as a funding solution for initiatives such as this. Another example was the re-direction of funds to develop information management systems at the Department of Human Service to support the role out of drought programs.

In NFF's view, it is important to ensure the integrity of NRM funding appropriations.

4. National Landcare Program – The focus of future investment

The following sections outline NFF's views on the key focus for future investments. It explores:

- The key principles that should underpin investment
- The role of regional NRM organisations in delivering NRM outcomes
- The value in supporting industry led initiatives to deliver NRM outcomes through sustainable agriculture practices.

Natural Resource Management investment principles

In NFF's view, the principles for government investment in NRM should be

- Local. Decision making should be devolved to the most appropriate scale. We need to strike the right balance between governance and local connection.
- Long term. The achievement of NRM outcomes is a long-term investment. Long-term commitment provides certainty for all those involved in delivering these outcomes.
- Real. Ultimately, to achieve real NRM outcomes a change in practice is required by someone, somewhere. Investment should target supporting practice change by land and natural resource managers.
- Evidence based. Support for practice change must be underpinned by rigorous evidence that the changes will result in the natural resource management outcomes sought. The evidence base must include a future focus, to ensure that the activities of today will be suited to longer term social, economic and environmental context of natural resource management.
- Strategic. Regional and catchment scale planning is important. This planning must focus on prioritising the outcomes we are seeking to achieve, the practice change required to achieve these outcomes, and the best approaches to encourage the changes that is needed.
- Effective. Investment should be focused on the most effective pathway for driving change and partnering with the most effective party to deliver the required change. This decision is intrinsically linked to regional planning.
- Efficient. Administrative efficiency in the delivery of investment is critical to maximising the funds available to invest in on-ground change. Efficiency also means ensuring that it is streamlined and simple for landholders and delivery partners to participate in programs and projects and to demonstrate they have

delivered on their commitments. Using market-based initiatives where appropriate provides another avenue to drive efficiency.

Practice Change – A Missing Link in the NRM Planning Logic

Changes in practice by land managers are required to achieve the change in natural resource condition. Examples of this include adopted of minimum tillage practices or controlled grazing practices that maintain groundcover. Practice change is not an end in itself, rather it is an integral part of a logic that links activities to long term improvements in natural resource condition.

It is important in NRM planning to make the link between desired resource condition outcomes and the specific actions and investments that best support this change. To drive efficiency and effectiveness of investment, we need to ensure we have a better understanding of:

What changes in practice could improve resource condition?

- Where is the best location in the catchment for this change to happen?
- Who manages the natural resources in these areas?
- How do we best motivate or influence these resource managers to change?
- Which investments do we make to support practice change?
- Which service organisations are best placed to support and drive practice change?

Consideration of practice change is in NFF's view critical to truly engaging farmers to deliver on-ground outcomes. It is also critical for investors to choose the best and most efficient pathway for delivery. In NFF's view, mechanisms that encourage consideration of practice change in planning and prioritisation processes are important to ensure efficient and effective investment.

The role of Regional NRM Organisations and other delivery partners

There has been varying degrees of success of the NRM model around Australia. This is likely to be due to a number of factors. While some of these may be structural, in NFF's view, local circumstances and relationships have also been a key influence to success.

NFF supports the Regional NRM Model as a focus for regional planning. While the structure and functions of regional NRM organisations vary considerably between States & Territories, NFF's view is that they are best placed for co-ordinated, catchment scale planning.

There must be a clear expectation from the Commonwealth for Regional NRM organisations to consult with and engage their communities in NRM planning activities. Actively engaging natural resource managers such as landholders is critical to identifying both NRM priorities, the practice change required to influence these priorities, and the

best pathways for investing in this change. Understanding the drivers and motivations of land managers is key to making decisions.

The regional NRM Model is not the be all and end all for NRM delivery. There are other organisations and entities that are well placed to deliver NRM investment. As state primary industry extension services continue to be withdrawn, industry groups are playing an increasingly important role in the delivery of a range of information and extension services to farmers. Industry groups often have a greater reach to farmers who may not traditionally engage with NRM Groups and there is a natural synergy between productivity and NRM outcomes. Extension efforts that focus on precision agriculture, soil health, effluent management, vegetation management and chemical and water use efficiency are examples of this.

The delivery of the on-farm water use efficiency program is an example of this – where the best placed delivery partner was identified. In northern Victoria this was the CMA and in southern NSW irrigation corporations and the RiceGrowers' Association partnered with the Commonwealth. Industry specific and regional organisations have consistently demonstrated their ability to deliver effective and efficient programs on behalf of Government.

While NFF acknowledges the role for NRM Groups, it is important that the policy settings encourage devolving funding to those groups or businesses who are able to best partner with landholders and other natural resource managers to achieve the identified resource condition outcomes.

Scope of investment priorities

Past environmental funding programs such as Caring for Our Country have had a very strong focus on achieving biodiversity outcomes on public and private land and on water quality in the Great Barrier Reef.

The 2013 Regional Wellbeing Survey highlighted that 97.5% of more than 2000 farmer respondents had undertaken activities to improve the environmental condition of their land, and that more than 65% were currently undertaking specific activities. The survey concluded that NRM activities were least likely to be undertaken as part of a Landcare group and that activities were more likely to be undertaken either unassisted or with the advice from local people and experts².

NRM is more than just the traditional perception of Landcare groups planting trees on marginal land. A more expansive view should be taken which includes links NRM outcomes to farming systems, based on solid evidence is required.

² Schirmer, J. and Berry, H. 2014. People and Place in Australia: the 2013 Regional Wellbeing Survey. University of Canberra, Australia.

In NFF's view, there is an opportunity to expand the focus of the current National Landcare Programme to support the delivery of NRM outcomes by encouraging the adoption of evidenced based sustainable agricultural practices.

Industry – led sustainability initiatives

Industry led initiatives that encourage farmers to take a holistic view of farm management and to identify practice changes to improve environmental management are in NFF's view important to achieving outcomes. These initiatives make sense to farmers and have the additional benefit of enabling the industry to improve and demonstrate their environmental sustainability. Examples of these programs include DairySAT, Smartcane BMP, Rice Environmental Champions and Cotton BMP and initiatives in the pork industry.

Many industry led initiatives are based on the concept of continual improvement, and support farmers to think about new practices and technologies. They are evidence based and are intrinsically linked to the farming system – meaning that both environmental and production benefits can be achieved.

Environmental Stewardship Funding

The NFF was very disappointed that the Environmental Stewardship Programme was abolished in the budget. This program was public investment for public benefit, and involved long-term projects to improve threatened ecological communities on private land.

The ESP recognised the important role that farmers play in managing matters of national environmental significance on their properties, including threatened species and ecological communities. The program was unique in that project proponents could obtain funding of up to 15 years, with this allowing for long-term environmental management programs to be undertaken.

The ESP was delivered using a competitive reverse auction mechanism, whereby land managers competed for Government funding to undertake conservation management actions on their land. The levelled (average annual) cost across the ESP for the Box Gum Grassy Woodland Project was \$202 per hectare per year³.

The 2010 Review of the Program conducted by Marsden Jacob found that overall the program has “generally been a well-designed, well run, effective and efficient approach to enhancing conservation on private land⁴.”

³ See Review of the Environmental Stewardship Program, Marsden Jacob Associates 2010
<http://www.nrm.gov.au/resources/publications/stewardship/pubs/esp-review.pdf>

⁴ *ibid*

The past success of the ESP highlights opportunities for government to explore opportunities to adopt market-based approaches to achieving NRM outcomes and other environmental stewardship activities. While the ESP favoured landholders with remnant native vegetation, there is an opportunity to recognise re-vegetation activities that can assist in protecting threatened species and creating vegetation corridors including creating climate change adaptation corridors.

Reinstating the Environmental Stewardship Program is a key priority for the NFF. In addition, our view is that further work is required to develop more sophisticated market approaches that value the biodiversity and other environmental services that are delivered by farmers.

Sustainable Agriculture Innovation Grants

NFF seeks Government's ongoing commitment to-and expansion of-the Sustainable Agriculture Innovation Grants program. In 2013 the Government funded a new Innovations Grants program through the Sustainable Agriculture stream of the then Caring for our Country. These grants were available to promote the development and adoption of innovative sustainable practices and technologies and allow new ideas and technologies to be shared and tested across industries and regions.

A key success of this program was the diverse range of service providers who partnered with Government. Industry associations, farming systems groups and rural research and development corporations – as well as more traditional NRM stakeholders – delivered projects. Through the focus on innovation and industry involvement, this program is a key mechanism to foster industry and government partnerships to develop strategic and practical projects that promote long term solutions to current and future NRM issues.

Managing pests and weeds.

Additionally, National Landcare Program funding could be extended to other areas that have twofold benefits for both agriculture and the environment. An example of this are initiatives under the recently endorsed National Wild Dog Action Plan, which have action at a local, regional and national scale to mitigate the impacts of wild dogs on native flora and fauna as well as on farm businesses.