

30 July 1999

Mr Ian Dundas
Committee Secretary
House of Representatives Standing Committee
On Environment and Heritage
Parliament House
Canberra ACT 2600

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Dear Mr Dundas

The National Farmers Federation welcomes the opportunity to present our views on Catchment Management to the House of Representatives Standing Committee on Environment and Heritage.

Australian Governments at all levels have endorsed the principles and practices of Ecologically Sustainable Development (ESD), and NFF acknowledges the importance of operating within ESD parameters

We are committed to a dynamic and productive agricultural sector, within a sustainable natural resource system. NFF recognises that sustainable farm systems and sustainable landscapes are broadly interdependent

NFF therefore supports the principles of management at catchment and regional scales. A fundamental requirement for management at such levels to be successful, is the support of the individual landholders within the catchment. Further, the catchment's or region's wider community must be willing to address natural resource management issues in a holistic and coordinated way.

Landholder support is dependent on ensuring that they are included and have a sense of ownership of the planning process for management at the catchment scale. The rights of the individual should also be respected in any approach.

Development of catchment management in Australia

Management at the catchment and regional scale are accepted as useful structural units for consideration of land and water management issues in an integrated way. Catchment management requires a whole of community approach and the commitment of the entire community.

We believe that there has been considerable success in achieving uptake of change in environmental management practices which are more environmentally sustainable through cooperative and voluntary approaches, such as Landcare.

Landcare has demonstrated that rural communities are willing to commit to addressing land and water degradation issues in their regions. Landcare has demonstrated that voluntary and incentives based approaches can lead to attitudinal change and adjustment to farm management practices which are more environmentally sustainable.

The development and uptake of catchment management approaches, has in our view benefited greatly from Landcare, due to factors such as enhanced awareness and subsequent desire of landholders to manage their natural resources in a more sustainable way.

The value of a catchment approach to the management of the environment

Ecological land, water and vegetation systems are interdependent and do not recognise State, local government and individual farm boundaries. If the systems are to be managed as an integrated entity, management must at least occur at the catchment scale.

It should be noted that although management of water resources is well suited to the catchment approach, other ecological systems, such as vegetation do not respect the catchment boundary and may need to be managed at different scales such as regional, bioregional or as vegetation types.

A further consideration in management of catchments is that a number in Australia cover large areas. Resulting in either management plans that must incorporate a large number and variety of activities and ecological systems or plans over extensive areas, with few activities and few inhabitants. Both situations place pressures and limitations on effective management at the catchment scale.

Australia is currently faced with land and water degradation inherited from the application of what we now know to be unsuitable management regimes and incentives to develop the continent for agriculture. The latest estimate of this legacy stands at \$1.2 billion in lost agricultural production.

Further, a number of these land and water degradation issues cannot be addressed by action by the individual landholder in isolation. For example, in the case of dryland salinity, those farmers most adversely affected could well be suffering from the actions of landholders up stream.

Although a great deal is achieved through the capacity building of individual landholders, if we are to comprehensively learn to address and management degradation issues resulting from mistakes of the past, everyone in a catchment has a role to play.

NFF therefore supports the “beneficiaries pays principle” which can be described in terms of where the benefits of an activity are shared across the entire community, then the community should share the responsibility of meeting the costs which result from that activity.

The farming community is committed to achieving management approaches which will lead to the long term sustainability of agriculture and the natural resources base. It is widely recognised that the approach must incorporate management at the individual farm level with management at the catchment or regional level.

NFF believes sustainable agricultural systems result from actions by individual farmers to apply best practice to their farm management creating a farm that is productive, viable and maintains, repairs or enhances the natural resource base.

In the long term, sustainability of the individual farm is dependent on community commitment to also manage the landscape sustainably, thus requiring action at catchment and regional scales.

Best practice methods of preventing, halting and reversing environmental degradation in catchments, and achieving environmental sustainability

Australia's farmers recognise they have a responsibility to manage their land and water resources as sustainably as current knowledge, technology and their resources allow. NFF supports and promotes the uptake of best management practice on farms and farm management plans.

We believe that a critical step toward sustainable management of farms is the preparation and use of a plan. The process of farm management planning develops the individual farmer's skills and capacity to manage their economic viability and natural resources in an integrated way.

NFF is aware of examples where individual farmers, having committed to preparation of their own individual farm management plan, then look beyond their farm gate at the activities and management issues in their surrounding region. It is therefore important to invest in enhancement of the individual's management skills in order to achieve flow on benefits of integrated management at the catchment and regional scale.

The move toward market based systems in natural resource management is welcomed by NFF. NFF supports the most efficient and equitable allocation of natural resources. Markets should allow for the movement of resources from less productive to more productive and efficient enterprises. A fundamental requirement for markets to function are clearly defined property rights regimes.

NFF supports the concept of transferable water entitlements under strict conditions, both within and between States. Tradability conditions must take into account the social, economic and environmental impacts that may result from these policies.

Free trade in water should lead to the optimal use of water by industry, but system managers may need to be able to impose limitations on transfer to avoid over-commitment or under utilisation of the water resource. Constraints to trade may include:

- where significant infrastructure is involved in water delivery, there will be engineering limitations to the tradability of water (eg. incapacity of a system to supply demands);
- environmental implications (eg. transfer from A to B may lead to salinity concerns, but a transfer from B to A may deliver environmental advantages);
- matters of equity and social justice (eg. ensure the benefit to one party does not jeopardise the interests of a third party).

Permanent transfers within river valleys are also acceptable subject to physical and environmental constraints. It is important to bear in mind however, the possible adverse impact on the viability of some areas. For example, if an area were to transfer 50 per cent of its entitlement to another river valley, it could put those remaining at risk by reducing the security of their water entitlement. Transferable water entitlements must not be permitted in high risk areas such as those where rules are already in place for salinity.

A market in water provides a price discovery mechanism which puts a value on additional entitlements to water and has the flexibility to reflect the reality of wide differences in the value of water between regions and production types.

NFF believes environmental flow management should be incorporated into the land and water management processes of a catchment. Given that ecological systems in a catchment are linked, and co-dependent, NFF does not believe action should be taken to split one factor of management from the others.

NFF agrees with the principle that State and Territory governments should enter the water market and purchase additional water for the environment. Such participation by government, on behalf of the wider community ensures that water to the environment is valued. However, such participation by government must not distort the market which could in turn undermine the viability of industry.

The role of different levels of government, the private sector and the community in the management of catchment areas

Individual landholders can achieve a great deal toward enhancing the sustainability of their own property and providing flow on benefits to their catchment and region. NFF believes that such individual investment must continue to be encouraged and fostered.

However, when confronting degradation issues which are operating at a landscape level – such as dryland salinity, there must be shared responsibility and coordinated action by the community if the issue is to be effectively managed.

Governments have a role as a facilitator, coordinator and the provider of resources to support coordinated community action. Without resourcing and support, few communities have the capacity to take coordinated action and address issues in a holistic way.

To ensure that government investment is applied in the most effective way, communities have a responsibility to commit to the preparation of regional strategies or catchment management plans to ensure the efficient use of resources and return on investment can be demonstrated. Governments can assist this process by providing access to investment capital, skilled facilitators and technical knowledge

There is also a role for government where action to address an issue is required at a more rapid and widespread rate than the resources of the individual landholder allows. In such cases the provision of incentives may be the most appropriate response, which enable the landholder to undertake work sooner or on a larger scale than their individual capacity may have allowed.

Approaches to achieve significant change at the catchment and regional scale do require government support. NFF believes that there will quite clearly be a role for cost sharing approaches between government, communities and individual landholders to bring about the changes required to address such issues as dryland salinity.

Although there is widespread support for the principles of catchment management, the limitations of the approach should be recognised. There is concern in some states of the plethora of committees now in existence and in some cases there is concern about the balance of representation on those groups.

There is also some frustration that committees can become mini-bureaucracies and lose sight of the reason for their existence and the people they represent. The committees must be truly representative of the needs of the catchment community and should have access to expert and technical advice.

The usefulness of catchment management can also be limited in some of our rangelands regions. The issue is one of lack of human resources. The responsibility for management in an integrated way of these large areas may fall on only a few individuals. A task that can be well beyond the capacity and resources of those individuals.

NFF notes that the Federal Department of Agriculture Fisheries and Forestry Australia (AFFA) is in the process of developing the National Natural Resource Management Statement. It is our understanding that the NNRMS will ultimately be the policy framework through which AFFA will deliver government programs such as Landcare and Property Management Planning.

NFF is therefore taking a keen interest in the development of the Statement and will be seeking to consult widely when a draft of the NNRMS is made available. It is critical important that the NNRMS ensures the continued commitment of the Federal Government to facilitating uptake of sustainable agriculture and delivery of programs such as landcare through voluntary and incentives based approaches.

Planning, resourcing, implementation, coordination and cooperation in catchment management

Adequate resourcing and access to sound technical advice is critically important if catchment management committees are to make a difference.

We should also not become tied to merely delivering outcomes through a community catchment approach. Individual action, on farm, which combine the needs of meeting productivity goals with environmental goals should be pursued and encouraged. Farmers in a catchment should have access to information which identifies the approaches and practices which are the most sustainable and environmentally beneficial for their enterprise and their region. Examples include opportunistic cropping where production is matched to rainfall. Not only will the farmer's production pattern make the most efficient use of their input resources (such as fertilisers) but by doing so they will be having a positive impact on their region by reducing water wastage and drainage, which may ameliorate saline impacts.

Advice from the CSIRO and the National Dryland Salinity Program indicates that we will have no choice but to address the dryland salinity issue on the individual, regional and landscape level, and actions must be targeted at locations in each region which will bring optimal outcomes for the community.

As an example, this may require re-vegetation on a massive scale in recharge zones, remedial work lower down the catchment in regional "hot spots" and adjustment in other areas to find agriculturally viable uses of saline lands – this may include different crops or cropping patterns.

The statistics produced recently by the National Dryland Salinity Program certainly outline a crisis of national proportions, and partnerships, will be required if we are going to have any chance of arresting spread and ameliorating the degradation.

The crisis threatens not only Australian agriculture, but its biodiversity, fresh water quality and the security of roads, railways, bridges and other private and public infrastructure.

Based on current figures and projected expansion of the problem, the potential adverse impact on a loss of productive opportunities, social dislocation, damage to private and community assets is immense.

Around 80 towns in Australia are already suffering damage to buildings and roads through salinity and around 2.5 million hectares are currently under threat, or 4.5 per cent of our intensely farmed land.

To achieve any kind of impact, salinity will require an unprecedented level of cooperation, coordination and resourcing if it is to be adequately tackled on a landscape level, and it will involve disparate groups including engineers, farmers, local councils and governments. Alex Campbell, the Chairman of the National Dryland Salinity Program has warned that there are no “soft options” when it comes to salt.

NFF also supports the Great Artesian Basin Draft Strategic Management Plan – arguably one of the largest regional planning exercises undertaken. The plan recommends continued investment by governments and land holders on a cost sharing basis, for the capping and rehabilitation of bores.

Over 15 years the Plan advises that up to 300,000 megalitres of water every year could be saved under the capping and piping program. This investment will not only make more water available for rural development but will also reduce the negative environmental impacts created by free flowing bores.

The solution to the complex series of problems involved in establishing a satisfactory water regime in the GAB will have to come from a concerted effort and *partnerships*. The partnerships will need to include farmers, local government, private and public providers of infrastructure and urban dwellers.

Mechanisms for monitoring, evaluating and reporting on catchment programs, including the use of these reports for state of the environment reporting, and opportunities for review and improvement

Extension services and the dissemination of research and development information to the local level is an ongoing challenge for research and development organisations and government agencies. There is still considerable work required in improving such services to ensure better quality and targeted information resources are made available to farmers.

One option may be greater use of grower groups for delivery of extension services from both government and private research organisations. Further, community/landcare/local industry groups should be encouraged to investigate and source current aspects of sustainability which are relevant to their region and the issues they face.

The collection of data at the individual landholder and local community scale can be advantageous in terms of enhancing knowledge of how ecological systems operate at the local level. Such knowledge can facilitate better land management decision making on farm. However, we would question the capability for such data to be aggregated and used for evaluation. The levels of uncertainty and error in such data could potentially lead to misleading interpretations.

Government should note that practical research is also occurring on effective practices on farm for the management of, for example biodiversity. There could be some benefit to other landholders to have such information recorded and available should those landholders be comfortable with providing it.

NFF is concerned that there will be considerable difficulties in demonstrating to the wider community their return on investment through the Natural Heritage Trust. There is a need to continue to improve monitoring, evaluation and reporting processes. There is genuine concern that it will become increasingly difficult to justify to the wider community the need for ongoing, long term investment in addressing environment and agricultural sustainability issues.

Should you require any further information on the issues raised in this submission, please don't hesitate to contact NFF.

Yours sincerely

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