

Chapter 3

Caring for our Country

Introduction

3.1 Caring for our Country officially commenced on 1 July 2008, with the Commonwealth Government allocating a budget of \$2.5 billion over the first five years. The government announced its intention to introduce the new Caring for our Country program progressively during 2008-09 and indicated that regional natural resource management organisations would be provided with a guaranteed base level of funding. The government announced that some funding had also been committed for the 2009-10 financial year, for foundational activities and previously approved multi-year projects.

3.2 The new program seeks to integrate delivery of all previous natural resource management programs, including:

- Natural Heritage Trust (NHT);
- National Landcare Program (Landcare);
- Environmental Stewardship Program;
- Working on Country (Indigenous land and sea ranger programs);
- Community Coastcare; and
- World Heritage.¹

3.3 The government announced that in order to address the identified weaknesses of previous programs – as outlined in reviews conducted by both the ANAO and the Keogh Ministerial Reference Group – key aspects of the new program would involve:

- establishing five-year program outcomes and shorter-term (one to three year) targets to guide priorities for investment;
- an annual Caring for our Country business plan, inviting proposals from all relevant organisations to undertake activities that will contribute to achieving the national priorities, outcomes and targets;
- a streamlined and integrated system for managing information, funds, contracts, acquittals and reporting;
- providing certainty for long-term decisions by supporting programs of investment that span multiple years;

1 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, pp 3-4.

- introducing a consistent assessment process to select investments (this will be trialled through the Caring for our Country Open Grants process);
- establishing clear and uniform requirements for monitoring and reporting on progress (to be included in all funding agreements) and the framework for the annual Caring for our Country report card; and
- introducing improved web-based tools for accessing and sharing data and information about investments, outcomes and natural resource management activity across Australia.²

3.4 Responsibility for the delivery of Caring for our Country is shared between the Department of the Environment, Water, Heritage and the Arts and the Department of Agriculture, Fisheries and Forestry (the Departments).

3.5 This chapter provides an overview of the Caring for our Country program and considers the extent to which the program builds on knowledge and experience gained from previous NRM programs.

Caring for our Country Business Plan

3.6 A key component of the Caring for our Country program is the Business Plan. Under the new arrangements, a Business Plan will be released in September each year.³ The Business Plan will outline the Commonwealth Government's five year program outcomes, short term targets and priorities for investment.⁴

3.7 The 2009-10 Business Plan identifies the following six priority areas:⁵

- **The national reserve system** – which aims to conserve Australia's distinctive landscapes, plants and animals through a system of reserves across Australia.
- **Biodiversity and natural icons** – priorities for government funding will include protecting World Heritage Areas, tackling weeds and pest

2 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, pp 3-4.

3 The government's first Business Plan was delayed and was not released until November 2008. (*Committee Hansard*, Senate Environment, Communications and the Arts Committee, Estimates Hearing, 24 February 2009, p. 66).

4 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

5 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, pp 4-14.

animals that threaten biodiversity, and improving outcomes for nationally threatened species and communities.

- **Coastal environments and critical aquatic habitats** – includes the delivery of the Great Barrier Reef Rescue package, protecting and rehabilitating areas for critically endangered and endangered species and migratory shorebirds, improving the quality of water discharged into coastal environments and protecting Ramsar wetlands.
- **Sustainable farm practices** – builds on the National Landcare Program and encourages the adoption of on-farm land management practices that continue to maintain and improve production and deliver ecosystem services for the whole community.
- **Community skills, knowledge and engagement** – which will invest in the skills and knowledge of Indigenous people, volunteers and communities and assist them to partner more effectively with regional and other organisations to deliver landscape-scale change. This priority will build on the work undertaken by groups such as Landcare and Coastcare over many years.
- **Natural resource management in northern and remote Australia** – will aim to secure better environmental and natural resource outcomes in northern and remote Australia, particularly for Indigenous groups. Funding of \$50 million has been committed through Caring for our Country for Indigenous Protected Areas and \$90 million for the employment of an additional 300 Indigenous rangers across Australia.

3.8 In a joint submission, the Departments told the committee that they would be drawing on key principles and processes from tools such as the Investment Framework for Environmental Resources in the development of outcomes, draft targets and the business plan. These principles and processes would also be applied to the assessment and funding recommendations.⁶

Monitoring and evaluation

3.9 As noted in Chapter 2, the adequacy of evaluation and monitoring frameworks in previous NRM programs has been an area of some concern. The Departments advised the committee that these criticisms have been responded to a number of ways.

3.10 First, outcome statements identifying what will be achieved by June 2013 were publicly released on 30 September 2009. The Departments told the committee that the statements were developed based on:

- priorities identified through the Commonwealth Government's legislation, policy and international commitments;

6 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 15.

- priorities identified through election commitments;
- the highest priorities where investment and intervention can make a significant difference in the medium term; and
- budget available and limited consultation with key stakeholders and scientists.⁷

3.11 These outcome statements are then supported by the annual publication of the Commonwealth Government's short-term targets in the Business Plan. Finally, the Caring for our Country Monitoring, Evaluation, Reporting and Improvement (MERI) Strategy, released in July 2009, provides a standard approach for monitoring and reporting on performance under Caring for our Country.

3.12 The key aims of the MERI strategy are to:

- enable the achievement of the Caring for our Country five year outcomes by monitoring implementation against key MERI evaluation questions;
- meet the Commonwealth Government requirements for accountable and transparent expenditure of public funds through reporting by outcomes; and
- articulate clear requirements for funding recipients and the Commonwealth Government.⁸

3.13 Mr Thompson, an officer from DAFF, told the committee that:

We actually developed that strategy in consultation with states, communities, regions and scientists. That is out there for the community so they are in a much better position to understand what sort of data we need to measure performance, which they can use for measuring their performance.⁹

Access to funding

3.14 A budget of \$2.25 billion has been allocated for the first five years of Caring for our Country. Up to \$260 million (including regional budgets) will be available each year through the Business Plan.¹⁰

7 *Submission 37A*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 3.

8 *Submission 37A*, p.1.

9 *Committee Hansard*, 13 November 2009, p. 89.

10 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p.3.

Continued funding commitment to existing regional organisations

3.15 In their submission to the inquiry the Departments advised the committee that under Caring for our Country, the 56 existing regional organisations were guaranteed a total of \$159 million – which represented approximately 88 percent of the funds they received in 2007-08. All regional bodies were advised, in April 2008, of the exact amount of funding they were guaranteed to receive for the 2008-09 financial year.¹¹

3.16 Commencing in 2009-10, the government has also committed to providing regional natural resource management organisations with secure base-level funding for the first five years of Caring for our Country (2008-09 to 2012-13). It is the government's intention to provide, as a minimum, \$138 million each year to the 56 regional organisations. This figure is the equivalent of approximately 76.7 percent of the funding allocated in 2007-08 (under NHT and NAP).¹²

3.17 The Departments compared this with the availability of funding under the NHT and NAP programs, where regional organisations were restricted to accessing a specific regional pool of funds (\$181.8 million in 2007-08) and had limited access to additional funds through small, state-wide, competitive funding rounds. The Departments submitted that under Caring for our Country, these organisations will be eligible to apply for funding (and participate in activities) from a much larger pool of funds (approximately \$300 million in 2008-09).¹³

3.18 However, the committee notes that although regional organisations were guaranteed an amount of funding collectively in 2008-09, in reality the amount allocated to each regional organisation could vary from 80% to 60% or less.¹⁴ This is a source of great uncertainty for many of the regional organisations. The committee also notes that, based on figures supplied by the Departments, the total amount of funds allocated to the 56 regions decreased by \$22,790,179 in 2008/09 compared with that 2007/08.¹⁵

3.19 The Departments also advised that during the 2008-09 transitional year of the program, a further \$132.1 million of funding would be available, in addition to the \$159 million guaranteed baseline funding for regional organisations. This additional funding was to be allocated through a range of processes, including:

11 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 12.

12 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 13.

13 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 13.

14 *Committee Hansard*, 17 October 2009, p. 26.

15 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, Attachment B.

- Landcare Sustainable Practice Grants – up to \$18 million;
- National Reserve System – up to \$25.6 million;
- Community Coastcare – up to \$20 million;
- Open Grants (including further opportunity for landcare activities) – up to \$25 million;
- Working on Country – up to \$6 million;
- Environmental Stewardship – up to \$7.5 million; and
- Reef Rescue – up to \$30 million.¹⁶

3.20 At its hearing on 17 October 2008, the committee sought clarification from the Department of Environment, Water, Heritage and the Arts of the funding that would be available to each regional NRM organisation:

Ms Colreavy—I will break it down for you. In 2008-09, \$127.2 million was allocated to the regional bodies. Every regional body got 60 per cent of their average funding. That is the 60 per cent—it is \$127.2 million—plus they were each given a share of \$31.9 million, which was 15 per cent of the previous regional allocation. They were each given a share of \$31.9 million which was termed assistance for the transitional costs.

Senator IAN MACDONALD—And that is the \$159 million?

Ms Colreavy—That adds up to \$159.1 million. For 2009 through to 2013, we will be allocating the \$127.2 million, which is the 60 per cent—they will each receive a four-year budget and they will get that in the next few weeks—plus there will be transitional funding of \$10.8 million.

Senator IAN MACDONALD—For the next four years the global figure is \$127 million plus \$10 million?

Ms Colreavy—Yes, so it is \$138 million. The global figure for the next four years will be \$138 million.

Senator IAN MACDONALD—Per year?

Ms Colreavy—Per year.

3.21 Ms Mary Colreavy, Acting First Assistant Secretary, Department of Environment, Water, Heritage and the Arts, went on to explain that each regional organisation would also have a four-year budget and would be required to submit a proposal in response to the Business Plan indicating how they intended to spend their guaranteed baseline funding. At that time, regional organisations would also be able to submit bids for additional projects over and above that guaranteed baseline funding.¹⁷

16 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

17 Ms Mary Colreavy, Acting First Assistant Secretary, Australian Government Land and Coasts Division, Department of Environment, Water, Heritage, and the Arts, *Committee Hansard*, 17 October 2008, p. 31.

Scale of projects

3.22 Caring for our Country has been designed to fund projects of varying size and scale. Large and medium scale projects are expected to be delivered through partnership arrangements between a number of stakeholders and are expected to:

- have a high degree of integration;
- outline a strong governance structure across the range of sectors and interest groups;
- build on existing investments; and
- have a work plan and risk management plan.

3.23 Large-scale and medium scale projects are a priority for investment, particularly where they protect key assets and address multiple targets. There is an expectation that large and medium scale projects will be delivered through partnerships.¹⁸

3.24 Medium-scale projects are also defined as those that contribute to the delivery of multiple targets at a landscape scale. Medium-scale projects will have a budget of between \$2 and \$3 million per annum and will be expected to contain the same components as large-scale projects.

3.25 With regard to small-scale projects, the Business Plan states that preference will be given to projects which contribute directly to identified targets and require funding of between \$20,000 and \$100,000. Smaller, community-based organisations with project proposals requiring less than \$20,000 are encouraged to form partnerships with other organisations before submitting a proposal, or to contact their local regional natural resource management group to determine whether there are other options available for local grants.¹⁹ The Business Plan anticipates that community groups such as Landcare, Coastcare, and local Indigenous organisations will become involved in some medium-scale projects.²⁰

18 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 25.

19 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, Figure 4: Options for submitting a small project, p. 31.

20 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 30.

Additional funding commitments

3.26 A number of Caring for our Country targets and activities were committed for 2009-10 outside the competitive funding process, through funding of multi-year projects and election commitments. These include:

- *Previous commitments:* funding has been committed to a range of existing multi-year funding programs including Landcare Sustainable Practices Grants; Environmental Stewardship (targeting critically endangered White Box, Yellow Box and Blakely's Red Gum grassy woodland) as well as the National Reserve System, Indigenous Protected Areas and Working on Country.²¹
- *Election commitments:* the delivery processes and delivery agents for a number of activities which have already been determined, include:
 - development of a Cane Toad Threat Abatement Plan;
 - preparation of the Ningaloo Reef nomination for submission to the World Heritage Centre;
 - support for research into the Tasmanian Devil facial disease;
 - restoration and enhancement of salt marsh vegetation in the Tuggerah Lakes estuary; and
 - contracting of Indigenous rangers through Working on Country funding (with over 200 Indigenous rangers to be recruited by June 2009).²²
- *Great Barrier Reef Rescue Package:* \$200 million has been allocated over five years to "reduce the decline in water quality by providing assistance to land managers in the reef catchments to accelerate the uptake of improved land management practices".²³
- *Commitments with state governments:* a range of projects for which the relevant state government will match funds including a program to reduce the impact of rabbits and rodents on Macquarie Island; the eradication of foxes from Tasmania; the development of secure management arrangements for the Wet Tropics of the Queensland World

21 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 15.

22 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 16.

23 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 40.

Heritage Area; and the national coordination and delivery of the Weeds of National Significance Strategy.²⁴

- *Foundational activities*: some funding will be made available for projects that arise outside of the normal Business Plan funding cycle, to allow projects of a critical nature to be undertaken. The types of projects that may be included in this category include: a review of Australia's Ramsar sites, and the preparation of a draft national framework for the identification, classification and management of Australia's high conservation value aquatic ecosystems (HCVAE).²⁵
- *Caring for our Country facilitators*: \$8 million per annum has been allocated to fund a new Caring for our Country Facilitator Network. The government intends that the new Facilitator Network will address some of the concerns in relation to previous facilitator arrangements – including duplication of processes and a lack of clarity. The funding will also support an extension of the Indigenous Land Management Facilitator Network.²⁶

Committee comment

3.27 The committee notes claims that the total allocation to NRM under Caring for our Country is consistent with similar allocations of funding to NRM in previous budget allocations.²⁷ However, the committee notes that the calls on this funding include allocations to existing regional organisations, a range of additional funding commitments including election commitments. The committee is of the view that while the pie may be of similar proportions, the government is expecting it to fund many more projects.

Streamlined application process

3.28 In their submission, the Departments noted that the evaluations of the NHT and National Landcare Program had called for more simplified program design and more streamlined accountability requirements. The Departments submitted that the

24 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 17.

25 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 17.

26 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p.17.

27 Department of Agriculture, Fisheries and Forestry, *Annual Report 2008-09*, p. 19 and Senate Environment, Communications, and the Arts Legislation Committee Estimates Hearing, *Committee Hansard*, 28 May 2009, pp 5-7.

process by which groups would apply for funds under Caring for our Country had been developed in response to this. The Departments stated that:

Rather than having separate requirements for funding, contracts, monitoring, reporting and information sharing for each individual component of the program, Caring for our Country will integrate, simplify and streamline [sic] all these requirements in one consistent approach.²⁸

3.29 The committee notes that in seeking funding under Caring for our Country, groups will not be required to submit multiple applications for funding. Groups will need only provide a single application for funding.²⁹

3.30 Ms Colreavy told the committee that the program arrangements under Caring for our Country were a clear response to feedback from the regions. Ms Colreavy said that the Departments had received criticism from the regions over a number of years regarding the complexity of previous program arrangements. She said:

We were also criticised by the regions in particular about the complexity of our program arrangements and about the complexity of the funding decision models that were made because of the various hierarchies of program delivery through national, regional and local; ... and, quite rightly, regions criticised us for that because they found it very difficult to work with and they found that each of those programs had their own reporting arrangements and therefore it created a very heavy workload for them in terms of reporting.³⁰

3.31 The committee noted that in August 2008 the Departments were finalising the details of the new arrangements that would apply from 2009-10 and that a standard contract was progressively being introduced for all investments made under Caring for our Country.³¹ Ms Colreavy told the committee:

We are also investing a lot of effort this year in streamlining our arrangements so that it is less complex. For instance, regions will only have to apply once to us in a given year for any of the component parts of the program. Within the business plan we will capture all of the underlying component parts. This year there have been separate calls for the NRS, for Working on Country, for IPAs and for Coastcare grants. We had the open grants, which we will not have again. That was another grants model. We had a separate call for Landcare earlier in the year. In future all of those component parts will be captured within the business plan and a body such as the south west region, or whatever, will have first of all from us a guaranteed baseline sum of money that they will have for their ongoing future investment work on which they will be able to take out a small

28 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

29 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 15.

30 *Committee Hansard*, 17 October 2008, pp. 30 -31.

31 *Submission 37*, p Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 14.

proportion for their administrative overheads. Most of their funds will have to be spent on targeted, on-ground work but we will accept a proportion of their funds to be spent on their administration overheads.³²

Partnerships

3.32 The committee notes that the Business Plan states that "the Australian Government recognises both the need for many different groups to work together to bring about change, and the importance of the diverse range of stakeholders working and volunteering in natural resource management across Australia".³³ The Business Plan states that multi-regional and cross jurisdictional projects are encouraged, as is the inclusion of community grants where they are consistent with Caring for our Country targets.³⁴

3.33 The Business Plan also states the expectation that regional investment proposals will:

- have regard for the diversity of stakeholders and the skills and knowledge that each sector brings to a partnership; and
- identify the most relevant delivery agents and delivery mechanisms such as market-based instruments and devolved grants.³⁵

3.34 The Business Plan also outlines the government's support for regions that are able to develop partnerships with key groups in their community, with a view to addressing the widest range of natural resource management priorities. The Business Plan notes, for example, that:

- the government is keen to see the inclusion of community grants in investment proposals;
- regional groups are encouraged to participate in multi-regional and cross jurisdictional projects; and
- regional groups are expected to coordinate local level projects [to support the delivery of targets that address the national priority area of community skills, knowledge and engagement].³⁶

32 *Committee Hansard*, 17 October 2008, p. 31.

33 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 20.

34 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

35 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, pp 20-21.

3.35 In addition to encouraging regional groups to form partnerships, the government has declared its support for all stakeholder groups to build partnerships and work together to achieve outcomes. There is an expectation, for example, that investment proposals will have regard for the diversity of skills and knowledge that various sectors can bring to partnerships and the Business Plan notes that:

The Australian Government is particularly keen to support projects delivered by parties having complementary skills and interests and working together to more effectively deliver projects.³⁷

3.36 Non-government organisations (such as WWF-Australia, the Humane Society International and Greening Australia) are seen as important to the delivery of long-term projects, particularly because these groups are frequently able to "provide the mechanism to mobilise public support and voluntary contributions for natural resource management activity".³⁸

3.37 Mr Thompson, representing DAFF, told the committee that it was an objective of Caring for our Country to provide opportunities for a broader range of participants. He said that under previous programs the major competitive element was "Envirofunded small-scale projects". Caring for our Country opens up larger scale funding to a broader range of delivery agents.³⁹

3.38 The Business Plan also notes that industry groups, research and development institutions and consultants are in a position to provide expertise to assist in the delivery of programs and support on-ground results. The government has indicated that it would support partnerships between these types of organisations, particularly where these groups are able to directly contribute to the achievement of Caring for our Country targets. There is an expectation that large-scale projects will include these type of organisations in partnership arrangements.⁴⁰

3.39 The government has also announced its intention to work toward further improving the Commonwealth's relationships with the state and territory governments.

36 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

37 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 20.

38 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 22.

39 Mr Ian Thompson, Executive Manager, Sustainable Resource Management, Department of Agriculture, Fisheries and Forestry, *Committee Hansard*, 13 November 2009, p. 72.

40 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 22.

In contrast to the more complex joint decision making processes established under the NHT and NAP, the government intends to "work cooperatively with states and territories to invest in mutually beneficial actions that achieve shared outcomes in our national priority areas for investment". The arrangements which existed for measuring state contributions – including 'in-kind' contributions – will no longer be in effect. However, the Commonwealth expects states and territories to continue to invest in natural resource management programs at a level at least equivalent to that invested under NHT and NAP.⁴¹

3.40 The government has indicated that it intends to continue working with the states in designing implementation arrangements for Caring for our Country, and more particularly, will look for opportunities for cooperative delivery throughout the life of the program. The details of this new partnership with the states and territories will be developed as part of future bilateral agreements with each state and territory.⁴²

3.41 The Business Plan outlines its approach in encouraging Indigenous organisations to participate in Caring for our Country, and acknowledges the significant and unique knowledge, skills and management responsibilities which Indigenous groups are able to bring to natural resource management. The Business Plan notes that any approach to engaging Indigenous groups needs to be flexible, and that preference will be given to proposals which include active engagement with Indigenous people and proposals:

... that incorporate Indigenous ecological knowledge with the delivery of Caring for our Country targets are encouraged, in particular those that draw together the use of traditional ecological knowledge, local knowledge and western science to protect, restore and better manage the environment and productive agricultural lands.⁴³

Discussion of issues

Caring for our Country - a comprehensive NRM plan?

3.42 The question of whether Caring for our Country represents a comprehensive approach to natural resource management, as with a number of the issues raised during this inquiry, provoked a mixed response.

41 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 17.

42 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 17.

43 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 22.

3.43 A number of submitters welcomed the clear and concise articulation of the Commonwealth's NRM priorities and suggested that Caring for our Country offered a cost effective means of achieving them.⁴⁴ The CSIRO argued that:

This greater problem-based and geographical focus presents a genuine opportunity to limit the transaction cost of regional bodies and their partners seeking to engage in a diverse range of issues across large areas with multiple partners.⁴⁵

3.44 Some submitters expressed optimism that Caring for our Country might lead to a more integrated approach to NRM. Greening Australia was supportive of the scope of the program and noted that the use of a Business Plan to secure bids for work might be constructive if it encourages large scale restoration work rather than a piecemeal approach.⁴⁶

3.45 Some industry groups welcomed the emphasis given to particular NRM themes. The Ricegrowers' Association of Australia was supportive of the emphasis given to sustainable management of private land.⁴⁷ Similarly, the Queensland Farmers' Federation (QFF) was pleased to note that certain of their recommendations for improvements in the lead up to NHT3 were reflected in Caring for our Country, in particular the priority attached to sustainable agriculture. However, the QFF expressed concern that there appears to be less funding available for sustainable agriculture than under previous programs and that there was a question mark over the extent to which the strategic investment arm of the National Landcare Program would be replicated under the new arrangements.⁴⁸

3.46 However, some submitters expressed concern that Caring for our Country had the potential to alienate certain groups. The committee has noted elsewhere concerns about the potential disenfranchisement of community groups and the negative impact on partnerships. The committee also notes concerns that the role of local governments appears to be diminished within the new program and that local government organisations appear to be excluded from decision making processes in relation to NRM priorities and investment.⁴⁹

3.47 Other submitters expressed more qualified support for the six national priority areas. The Northern Gulf Resource Management Group (NGRMG) argued that, as it

44 *Submission 19*, South West Catchments Council Inc, p. 7; *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, p. 9; *Submission 22*, Bass Coast Landcare Network, p. 5.

45 *Submission 50*, CSIRO, p. 14.

46 *Submission 34*, Greening Australia, p. 7.

47 *Submission 32*, Rice Growers' Association of Australia, p. 3.

48 *Submission 67*, Queensland Farmers' Federation, p. 8.

49 *Submission 19*, South West Catchments Council Inc. pp. 8-9; *Submission 36*, Western Australian Local Government Association, p. 4.

currently stands, the Caring for our Country program does not represent a comprehensive approach. Whilst the Management Group is supportive of the six national priority areas, it argued that "there is as yet little substance as to how these priorities can be effectively delivered and little evidence of how the evaluations of previous NRM programs have been used to refine delivery."⁵⁰The South West Catchments Council stated that the government's targets may be too broad and lack enough specificity to give strong guidance to groups submitting proposals.⁵¹

3.48 The Queensland Regional Natural Resource Management Groups Collective (QRNRMGC) argued that, in its present form, Caring for our Country will not deliver on Australia's future NRM needs.⁵² Whilst it was supportive of the six national priority areas, the QRNRMGC argued that for these national priorities to be effectively delivered, the one-off open grants scheme should not be the principle means of delivery. It was also argued that there needs to be more focused consultation with stakeholders when determining delivery mechanisms and there needs to be greater security of funding for regional bodies. QRNRMGC is also aware of the need for probity and accountability, but argued that there are better ways to achieve this than competitive bidding, which it argued will fail unless it occurs within the framework of an agreed national plan:

We are not building roads, ie. well defined projects that lend themselves well to competitive bids, we are dealing with NRM – complex, requiring collaboration, intertwined with social and economic imperatives and requiring fundamental social and economic change eg. ETS and Peak Oil.⁵³

3.49 The ACT Natural Resource Management Council's submission also expressed the view that that Caring for our Country does not represent a comprehensive approach to addressing NRM issues in Australia. The Council argued that:

It is rather a set of selective investments in particular natural resource areas against a set of priorities determined solely by the Australian Government. The program addresses biodiversity, land and community capacity, while most issues to do with water are excluded. It remains a challenge for the Australian Government to integrate the delivery of their investment programs.⁵⁴

3.50 A similar view was put by the Fitzroy Basin Association (FBA) who argued that Caring for our Country is essentially only a funding program and therefore only one part of the system required. The FBA suggested that a comprehensive approach or framework should also take account of climate change and water management, which currently rest outside the program and with another minister and department. The

50 *Submission 15*, Northern Gulf Resource Management Group, p. 10.

51 *Submission 19*, South West Catchments Council Inc, pp 8-9.

52 *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, p. 9

53 *Submission 41*, Queensland Regional Natural Resource Management Groups Collective, p. 9.

54 *Submission 21*, ACT Natural Resource Management Council, p. 3.

FBA also stressed that a comprehensive approach requires a national framework supported by state frameworks and underpinned by regional plans.⁵⁵ The committee notes that this view is supported by other evidence to the inquiry discussed previously in the report.

Consultation on the Business Plan

3.51 A number of witnesses expressed concern to the committee that the development of the Business Plan and identification of national priorities was not underpinned by a consultative process. In particular, witnesses were concerned that regional and local input into the identification of priorities had been lost in favour of centralised decision making.⁵⁶

3.52 Ms Andrews, from the National Natural Resource Management Regions Working Groups and the National Resource Management Board of the Northern Territory, told the committee that her understanding is that the priorities in the Business Plan were developed in Canberra and that the data sets upon which they were based came from Commonwealth departments. She said that:

This is where we need to make a distinction between how we set national priorities, state or territory priorities and regional and local priorities. There should be a good overlap between them, but they should all be informed by the best available knowledge and datasets. Then the priority-setting process should be something where there is partnership and consultation. That did not happen in this instance.⁵⁷

3.53 On behalf of the Departments, Mr Thompson confirmed for the committee that:

It is probably fair to say that the initial prioritisation for some elements of Caring for our Country, because it was a new program being introduced by a new government, was not able to be as widely discussed as might have been desirable in other circumstances, but we did consult with a targeted group of people to do a bit of a reality check on things. We have subsequently got a little broader than that, over the last 12 months, in getting more information on the targets.⁵⁸

3.54 The committee notes that the Departments have subsequently provided avenues for feedback on Caring for our Country and the Business Plan through stakeholder workshops. Participants in these workshops have found them a positive exercise.⁵⁹ Mr Berwick told the committee:

55 *Submission 25*, Fitzroy Basin Association Inc, p. 6.

56 See for example, *Committee Hansard*, 13 November 2009, p. 3, p. 10 and pp 34-35.

57 *Committee Hansard*, 13 November 2009, p. 30.

58 Mr Ian Thompson, Executive Manager, Sustainable Resource Management, Department of Agriculture, Fisheries and Forestry *Committee Hansard*, 13 November 2009, p.75.

59 See for example, *Committee Hansard*, 13 November 2009, p. 12 and p. 40.

We did have a stakeholder workshop that the Commonwealth ran and I attended, as did the other state chairs. There were also other peak bodies—the conservation sector was there, the farming sector was there, the science sector and so on. It was quite a good workshop. That workshop raised from all the sectors all the same sorts of things that we have been raising today.

...

We do not know whether they adopted all of them, ignored all of them or if they ever went anywhere.⁶⁰

3.55 The committee sought a copy of the summary report of the Caring for Our Country Stakeholder Workshop held on 3 August 2009 and notes that the issues raised are highly consistent with those raised during this inquiry.⁶¹

3.56 The committee notes that the government's clear intention was to establish a set of national priorities and to target funding toward these priorities.⁶² The committee heard that this was a response to appeals from regional bodies for the Commonwealth to identify its priorities. Ms Colreavy, representing DEWHA, told the committee:

They felt that in their regional plans they inevitably had such a wide range of things that were all worthy of funding that, in order to align their activities as closely as they could with the Commonwealth's program of preferred actions as well as the state actions, they were very keen to have the Commonwealth articulate more clearly what our priorities were. They wanted to be able to revise and amend their plans to address that.⁶³

3.57 The committee also heard that the NRM groups feel constrained by the Business Plan in their ability to leverage Commonwealth funds as they have in the past. Ms Gross of the QCNRMG told the committee:

Previously when we were given the amount of money we said, 'These are our national targets. What could you deliver for us with this amount of money?' What we were able to do was go out and catch a whole heap of other investment to build on the amount that the Australian government gave us. At the moment we do not have that ability. We are just given that 60 per cent and we say, 'You can only spend it on these areas in accordance with the business plan.' In the past we might have gone to an international company like ESRI and said, 'We need to deliver these sorts of mapping products in the landscape to achieve these national targets,' and they would have said, 'We like you because you are a not-for-profit and we like what you're doing. You give us 10 per cent and we'll fund the other 90 per cent.' So we did not need all of the Australian money to achieve this major

60 Committee Hansard, 13 November 2009, p. 12.

61 Answers to Questions taken on Notice, DAFF and DEWHA, Attachment A, Summary Report of the Caring for our Country Stakeholder Workshop , 3 August 2009.

62 Ms Mary Colreavy, Department of the Environment, Water, Heritage and the Arts, *Committee Hansard*, 13 November 2009, p. 73 and p. 75.

63 *Committee Hansard*, 13 November 2009, p.74

achievement. We only needed 10 per cent as seeding. I cannot seed anything in the existing framework. I cannot take this model and build that money.⁶⁴

3.58 Groups also feel frustrated that they are unable to challenge the priorities set by the Business Plan where these do not accord with those established in regional plans. Ms Andrews of the National NRM Regions Working Group and the NRM Board for the Northern Territory illustrated this by saying groups were encouraged to prioritise physical targets over community or engagement targets.⁶⁵

3.59 Mr Berwick explained to the committee that this disconnect between regional priorities and national priorities had the potential to produce very non-strategic results. Mr Berwick told the committee:

For example, in the western part of Queensland there is a parthenium weed problem in the headwaters. Those headwaters drain into wetlands of national significance and RAMSAR wetlands and so on. The business plan does not allow you to target the weeds in the headwaters. You have to wait until they get to the wetlands and then you can target them. We have had the same experience with tilapia in the wet tropics where it is widespread. Our strategy with neighbouring regions has been to stop it getting into those regions of high conservation significance, but you cannot do that until it gets there. Our tilapia funding was knocked back because we did not fit within the guidelines. That sort of top-down approach has led to a much less strategic approach to how you manage the landscape.⁶⁶

3.60 The committee notes that consultation prior to the release of the latest 2009-10 Business Plan appears to have been limited and rushed.⁶⁷ The committee notes the commitment of the Departments to respond to feedback with regard to particular NRM issues in various areas of Australia in setting targets in future Business Plans. The committee agrees with the observation of Mr Berwick that it appears problematic to release a new Business Plan every year. "It takes time to put these things together and to consult and collaborate".⁶⁸

Management of the transition to Caring for our Country

3.61 By 14 August 2008, the date by which the committee invited submissions, applications for funding under the Caring for our Country Open Grants had recently closed. In October, when the committee held its first hearings, the results of that competitive funding round were still to be announced.⁶⁹

64 *Committee Hansard*, 13 November 2009, p. 11.

65 See for example *Committee Hansard*, 13 November 2009, p. 13, p. 30, p. 37 and p. 51.

66 *Committee Hansard*, 13 November 2009, p. 4.

67 *Committee Hansard*, 13 November 2009, p. 12 and 75.

68 *Committee Hansard*, 13 November 2009, p. 13.

69 The announcement was made on 20 November 2008.

3.62 It was, therefore, no surprise to the committee that much of the evidence provided to it at that time was characterised by uncertainty. A number of witnesses told the committee that they were unable to determine how the transition to Caring for our Country would impact on existing NRM groups in the medium to longer term. However, even at that early stage some significant impacts were already being felt at the regional and local level.

3.63 As noted in paragraph 4.18 the financial year 2008/09 was a transitional year for the Caring for our Country program during which time the 56 existing regional organisations were guaranteed a proportion of the funding they had received in 2007-08. In recognition of the need for regional bodies to plan with some certainty, the government advised every region in April 2008 of the funding they were guaranteed to receive in 2008-09.⁷⁰

3.64 However, the committee received evidence that the uncertainty involved with transitional funding had the potential to undermine successful projects and partnerships and place a great strain on some existing NRM groups.⁷¹

Loss of continuity and momentum

3.65 The CSIRO submitted that the transitional, one year funding arrangements proposed under Caring for our Country risked the potential loss of momentum, strategic focus and continuity in the delivery of on-the-ground natural resource management outcomes. The CSIRO argued that the transition from the first to the second phase of NHT resulted in the marginalisation of individual land managers.⁷²

3.66 Growcom told the committee that the partnership to deliver Reef Rescue, that had been developed through the collaboration of the Queensland state industry groups and the reef NRM regions, was a model all partners were keen to continue. However, at the time of lodging its submission, Growcom had been advised that funding for this sort of collaborative process was for the 'transition year' only and that ongoing funding for the partnership had not been guaranteed. Growcom argued that terminating funding in this way "puts a strain on all organisations involved as with only one year funding (or perhaps six months) truly strategic and comprehensive approaches are not obtainable".⁷³

3.67 The NGRMG expressed concern about how the changed funding structure had undermined regional planning and cooperation. NGRMG noted that, in 2008, the key changes to funding under the Caring for our Country program have been a reduction in funding to regional NRM bodies, and open, contestable grants. The NGRMG argued that:

70 *Submission 37*, p. 12.

71 *Submission 1*, Mr Rob Ryan, pp 1-2.

72 *Submission 50*, p. 14.

73 *Submission 65*, Growcom, p. 17.

The reduction in funding to regional NRM bodies has resulted in the cutting of programs which were in full implementation phases resulting in both the loss of momentum and staff. In particular, the cutting of funds for all the Regional Landcare Facilitators and Strategic Regional Facilitators over and above the reduction in funding for regional investment strategies has exacerbated the loss of momentum and increased the impact on delivery.⁷⁴

3.68 Professor David Pannell told the committee that the shift in funding approach also placed a serious question over the continued funding of regional NRM groups

... there is a large overhead cost required to keep the regional bodies operating. With the reduction in funds that they have now had under the new program, all of the core funds will be spent in just keeping the doors open and funding the staff that they have, so they are very reliant on attracting additional funds in competitive rounds or from other sources. If they were to be unsuccessful in doing that, then you would have to ask why they are being supported; what is happening with the core funds and why are we supporting core funds without the real doing funds.⁷⁵

Loss of staff

3.69 A number of witnesses told the committee that they had lost staff as a consequence of the changes and that this had been extremely disruptive. Mr Damien Hills, General Manager of the South West Catchments Council told the committee that the uncertainty and instability associated with the change in direction had disenfranchised many community volunteers and groups and had led to an exodus of staff.⁷⁶

3.70 The committee notes that with the provision of transitional funding some organisations were able to retain or replace staff in the short term. However, the uncertainty regarding future funding had placed many other organisations under a great deal of stress. Mrs Belinda Brennan, Network Coordinator for the South Gippsland Landcare Network, told the committee that the gap in funding between the completion of one funding program and the commencement of the next had meant that the network had lost one and a half staff members. She said:

My position as network coordinator is currently covered through the money that the West Gippsland Catchment Management Authority receives. They got their base-level funding. They are in the same boat, as I would suggest every other NRM organisation in Australia is, waiting for the competitive process to be announced. We have all put our applications in. We have had tremendous support from the West Gippsland CMA in that they have given each of the six networks in West Gippsland a half-time network coordinator. Unfortunately they do not have the funds to cover the

74 *Submission 15*, Northern Gulf Resource Management Group, p. 8.

75 Professor David Pannell, *Committee Hansard*, 10 October 2008, p. 6.

76 *Committee Hansard*, 10 October 2008, p. 33.

facilitator positions that were in the networks prior to 30 June. They funded those positions until the end of September with the hope that we would find out prior to then what the funding was, but we did not. We lost one and a half staff members from our network and that was a similar loss across the other networks as well.⁷⁷

3.71 Mr Greg Hales, Project Manager for the Blackwood Basin Group, one of the largest subregions of SWCC, told the committee that:

We are not currently government funded at all. We have gone from a four-year average of \$2¼ million per year down to we [sic] have been able to manage so far, which is \$46,000. We are down to three staff—in fact, last week we lost 19 years of corporate NRM experience because we could not offer even six-month contracts. In six months, we may lose the rest of our staff—another 35 years of NRM experience in the south-west of WA gone as our income streams are taken away from us.⁷⁸

3.72 The committee notes the evidence it received regarding the impact of these staff losses on the ability of groups to carry out current work. While in some cases groups were able to continue with projects and field work, in other cases these activities had already been curtailed out of necessity.⁷⁹ The committee notes that the ability of an NRM body to retain staff depended on the type of organisation and the extent to which it was able to access other sources of funding for staffing purposes.⁸⁰

Unintended consequences of the competitive funding model

3.73 The committee notes that on 20 November 2009, the government announced that out of more than 1300 applications seeking nearly \$3.4 billion in Caring for our Country funding, approximately \$28.5 million in funding had been allocated to support 137 local and community groups with environmental and sustainable farming projects.⁸¹

3.74 The committee notes that this appears to be a low success rate for proposals that take proponents many hours to prepare. The committee also heard many examples

77 Mrs Belinda Brennan, Network Coordinator, South Gippsland Landcare Network, *Committee Hansard*, 17 October 2008, p. 109.

78 *Committee Hansard*, 13 November 2009, p. 63.

79 *Committee Hansard*, 17 October 2008, p. 112.

80 *Committee Hansard*, 13 November 2009, p. 21.

81 See *Caring for our Country Business Plan 2009-10 Investments, Frequently Asked Questions*, DAFF Website <http://www.nrm.gov.au/business-plan/faq.html> accessed 11 December 2009 and Joint Media Statement, the Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry and the Hon. Peter Garrett AM, MP, Minister for the Environment, Heritage and the Arts *Caring for our Country Grants*, 20 November 2008, <http://www.alp.org.au/media/1108/msaffenh200.php> accessed 14 December 2009.

of seemingly worthy projects that had not received funding and of the adverse impacts this had had on morale and partnerships.⁸²

Impact on partnerships

3.75 The committee heard that the competitive funding model had the potential to hinder rather than facilitate effective working relationships. A consistent concern raised with the committee was that the competitive model would potentially pit groups who had previously relied on each other for support and assistance against each other in the bid to secure funds.⁸³ Mr Greg Hales, Program Manager with the Blackwood Basin Group, told the committee that competition could lead to distrust and a confusion of roles in the delivery of NRM programs:

Regional bodies are supposed to provide support and admin assistance to the end user groups and local groups, and the link between state and federal governments and grassroots. Instead it has become another layer of bureaucracy that makes local groups' jobs more difficult. Regional groups are also competing with local groups for funding. This creates mistrust and hinders good working relationships.⁸⁴

3.76 The CSIRO also argued that there was a risk of hard-won alliances, and partnerships between resource managers and users from regional and state bodies and industry sectors being dismantled. However, the CSIRO added that it is not the competition for funds itself that presents the risk, rather, the possibility of the process removing the incentive to cooperate.⁸⁵

3.77 Mrs Brennan expressed concern that the application process did not require groups to consult or collaborate with each other. The extent to which this might occur appears to depend on the nature of the relationships between groups. Mrs Brennan told the committee that Caring for our Country:

... did not seem to be encouraging partnerships. Some parts of it does, but in most parts it is 'everybody needs to get a grant in, because if you don't you will miss out'. There was no requirement for us to talk to the CMA about our grant. We did, because it is a relationship that we have, which is a strong relationship. But in other areas that relationship might not be as good.⁸⁶

82 See *Committee Hansard*, 13 November 2009, Ms Kathryn Andrews, Natural Resource Management Board Northern Territory, pp. 31-32, Dr Peter Greig, Victorian Catchment Management Authority, p. 43 and Mr Alan Bradley, Northern Agricultural Catchments Council, p. 53 and p. 57.

83 See *Committee Hansard*, 17 October 2008, p. 112. See also *Submission 6*, Yarram Landcare Network, p. 5 and *Submission 16*, South Coast NRM Inc, p. 4.

84 *Committee Hansard*, 10 October 2008, p. 70.

85 *Submission 50*, CSIRO, p. 14.

86 *Committee Hansard*, 17 October 2009, p. 112.

3.78 Mr Bradley expressed the view that it is not possible to have both a competitive and a collaborative approach. He said:

Either you foster the collaborative approach by putting someone in charge and working with all the different partners or you have a competitive approach and then it is basically the best dollar value you can get out of the community for the program that you want to achieve.⁸⁷

3.79 Mr Berwick told the committee that to date the competitive process has actually discouraged collaboration between groups. He said:

We had an attempt with the first round to bring together government agencies, conservation groups, farming groups and Greening Australia, to try and get some level of collaboration. But of course you end up in a room with 150 people and 300 projects—and another hundred projects that you still do not know about—and a month or two to do it in. People come in and say, ‘This is my project.’ To get some alignment between those projects is a huge job. So, whilst everyone would like to collaborate, as CFOC asks you to, the process does not allow you to actually do that. And, of course, everyone has to survive so they go for what they can get, and you end up without cooperation.⁸⁸

3.80 Ms Andrews told the committee of her concerns that a competitive process may undermine the ability to develop partnerships. She said:

I do not think that NRM is a market place in most [of] Australia. It is not as if there is an excess capacity where you can create a competitive field for people to compete to give you the best possible result. Quite the contrary, we are constantly trying to build the capacity for organisations and individuals. I think [a competitive] approach is useful as a proportion of Caring for our Country or NRM but it cannot become the sole mechanism.⁸⁹

3.81 Ms Andrews also expressed concern that the competitive process did little to address capacity building. Ms Andrews explained that regional bodies, community groups and other stakeholders need support throughout the application process. In her view, the feedback from government that a lot of the proposals were not particularly good supports this. She said:

We need to be continually improving capacity and we need to be working together to do this. It might be that one particular group cannot do it by itself but if you create a positive partnership or just behind the scenes help to support them, which is what we are trying to do in the NT, then you get to a level where it is effective.⁹⁰

87 *Committee Hansard*, 13 November 2009, p. 56.

88 *Committee Hansard*, 13 November 2009, p. 22.

89 *Committee Hansard*, 17 October 2009, pp. 32-33.

90 *Committee Hansard*, 13 November 2009, p. 33.

3.82 The Blackwood Basin Group expressed concern that competitive funding situations can lead to a breakdown in data sharing. The group stressed that inter agency, industry, community and cross regional data sharing is paramount to moving forward with economical NRM projects. The group expressed concern that a competitive funding situation may create a disabling non sharing attitude between those involved in the delivery of projects.⁹¹

3.83 Professor Pannell made a similar point to the committee. In his submission, he stated that the government needed to develop a standard NRM investment framework to underpin all public investments and to assist regions in identifying worthy projects for funding. In the absence of such a framework, regions have been left to develop their own approaches, with sometimes unpredictable results. The committee was introduced to one such model: Investment Framework for Environmental Resources (or INFFER) which is currently being used by 19 regional environmental management bodies to identify internally consistent projects with the best prospects to be good value for money.⁹²

Maintaining community engagement under Caring for our Country

3.84 The committee notes the clear acknowledgement in the Business Plan of the important role played by community-based organisations. For example, the Business Plan notes that Landcare and Coastcare groups, Indigenous organisations and industry groups have "been at the leading edge of on-ground delivery in environmental protection and sustainable production for many years".⁹³ The Business Plan also argues that community-based organisations and groups are well placed to coordinate local level actions or undertake work on private land.⁹⁴

3.85 The Business Plan outlines an expectation that regional natural resource management organisations will coordinate local level projects to support the delivery of targets to address the national priority area of community skills, knowledge and engagement.⁹⁵ As discussed above, the Business Plan also envisages that some

91 *Submission 9*, Blackwood Basin Group, p. 3.

92 See *Submission 42* and <http://cyllene.uwa.edu.au/~dpannell/inffer.htm> for further information.

93 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

94 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

95 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

community groups will apply for small-scale grants and enter into partnerships for the delivery of medium-scale projects.⁹⁶

3.86 Several submitters argued that whilst a national approach may be necessary to set strategic goals, it is important that such an approach is balanced and provides respect and support for the volunteer work done by community groups.⁹⁷

3.87 The committee noted concerns that a lack of consultation in the development of priorities, together with the cessation of some projects due to an inability to secure ongoing funding through the competitive funding process, has already resulted in a loss of community support. Mr Berwick told the committee of the impact of disillusionment or disenfranchisement on community trust. He told the committee that such trust was hard won. "It is really important to maintain trust, expertise and people with the right skills in these regions. Every time you lose it, it is harder to get it back".⁹⁸

3.88 Ms Gross told the committee that in her view the disenfranchisement of a wide range of key stakeholders was the root of a lot of the problems experienced during the initial phase of Caring for our Country:

All the national and global evidence right around the place concludes that to achieve sustainable landscapes you really require the people who live in those landscapes to be mobilised and aligned towards common goals to actually get there. This Caring for our Country program has disenfranchised those people who live in those landscapes as well as a lot of the other stakeholders—a lot of the science community and things like that as well. It is not harnessing, acknowledging or respecting the knowledge, the skills, the capacity, the co-investment and the commitment of people who are actually in those landscapes.⁹⁹

3.89 Dr Greig also stated that a lot of activity is now without any kind of direction, or at least without funded direction and, that as a result, various different and diverse community members were now "feeling rather lost".¹⁰⁰ Dr Greig stated that:

If just a little more encouragement could be fitted within the terms of the current business plan by using one of the six main headings under the business plan – the one to do with community skills, knowledge and

96 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 21.

97 See, for example, *Submission 7*, Wonyip Landcare Group, pp 1-3; *Submission 8*, Mr Murray Hooper, p. 1; *Submission 13*, South Gippsland Landcare Network and *Submission 59*, Tasmanian Landcare Association, p. 2.

98 *Committee Hansard*, 13 November 2009, p. 12.

99 *Committee Hansard*, 13 November 2009, p. 3.

100 *Committee Hansard*, 13 November 2009, p. 40.

engagement – and just a little bit of funding were provided towards that, we could make that little bit of funding go a lot further in many places.¹⁰¹

3.90 The Blackwood Basin Group argued that the top-down approach doesn't work and that in order for projects to be successful and to achieve real results, the community has to be engaged and want the project to succeed. They told the Committee that:

Time and time again we see projects fail, not because of bad management, but because of lack of enthusiasm. The policy makers need to consider what will happen on the ground as a result of their decisions, because ultimately, that's what all top level decisions should be driving towards.¹⁰²

3.91 In particular, the Committee notes the large number of submissions expressing concern about the impact of the change in program on the work currently undertaken by Landcare groups over a long period of time. Submitters expressed the view that the goodwill of the farming community, volunteers and rural communities had delivered good outcomes over many years.¹⁰³ Submitters expressed concern that smaller groups such as Landcare would be unable to access suitable funding given the emphasis on funding large projects under Caring for our Country.¹⁰⁴

3.92 During Additional Estimates hearings in February 2009, the Committee put these concerns to representatives from the Department of Agriculture, Fisheries and Forestry:

Senator Ian Macdonald – I have complaints from nearly every Landcare group in Queensland, complaining about not being able to get funds. What should I tell them? They can apply directly for smaller grants, and take their chances through the NRM body for bigger grants? And for those that did employ coordinators, facilitators, get rid of them and we will see what we give you.

Mr Shaw – I think there are a few suggestions. I would say you can apply directly for the small grants component. As I said, that is \$20,000 to \$100,000 under the Caring for our Country business plan. I would strongly recommend they also work closely with their regional bodies in putting forward projects that may have a larger potential that could feed into

101 *Committee Hansard*, 13 November, p. 40.

102 *Submission 9*, Blackwood Basin Group, pp 1-2.

103 See, for example, *Submission 3*, Ashbourne Landcare, p. 1; *Submission 4*, Arawata Landcare Group; *Submission 5*, Woodend and Five Mile Creek Landcare Group; *Submission 10*, Wellington Shire Council, pp 1-3 and *Submission 12*, Tasmanian Farmers and Graziers Association, p. 1.

104 See, for example, *Submission 3*, Ashbourne Landcare, p. 1; *Submission 4*, Arawata Landcare Group; *Submission 5*, Woodend and Five Mile Creek Landcare Group; *Submission 10*, Wellington Shire Council, pp 1-3; *Submission 26*, Molonglo Catchment Group Inc, p. 2; *Submission 59*, Tasmanian Landcare Association, p. 2 and *Submission 62*, Mt Roland Rivercare Catchment Inc, p. 2.

medium-sized projects being managed by the regions themselves. I would encourage them to talk with our sustainable practices Landcare facilitators that are out there. Each one has a state, and I would strongly recommend they talk to them about their application as well.¹⁰⁵

3.93 In evidence during this inquiry, representatives of the Department of Agriculture Fisheries and Forestry and the Department of the Environment, Water Heritage and the Arts told the Committee that the Commonwealth Government would continue to support Landcare activities, and that:

- Landcare is one of the six national priorities for investment under Caring for our Country;
- Landcare would be included under the banner of "sustainable farm practices"; and
- approximately \$189 million would be available to support Landcare activities in the first five years of Caring for our Country.¹⁰⁶

Regional delivery model

3.94 As discussed in Chapter 2, the continuation of the regional delivery model was strongly emphasised by stakeholders as a positive element of previous NRM programs.

3.95 The submission by the Departments states that under Caring for our Country, the government continues to support the regional model "but in a way that combines the provision of some longer-term security of funding, with support and encouragement for the continued growth, independence and outcomes focus of regional bodies". The Departments' submission also refers to the provision of incentives for regions to work with other skills or networks.¹⁰⁷

3.96 The committee notes that there is an expectation that the regions will be key partners in delivering resource management outcomes.¹⁰⁸ Mr Thompson, representing DAFF, told the committee that the regions had an important role to play in planning and identifying local scale activities, monitoring, and for developing or brokering consortiums.¹⁰⁹

105 *Committee Hansard*, 23 February 2009, pp 56-57.

106 Ms M Colreavy, Department of the Environment, Water, Heritage and the Arts, *Committee Hansard*, 17 October 2008, p.17.

107 *Submission 37*, Department of Environment, Water, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, p. 12.

108 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 20.

109 *Committee Hansard*, 17 October 2009, p. 32

3.97 However, the committee notes the frustration among regional groups stemming from uncertainty as to the future role and significance of the regions and in particular regional investment plans.¹¹⁰ A number of witnesses expressed disappointment that years of hard work to develop plans which took account of national priorities appeared to have been jettisoned in the move to establish a new set of national priorities. Mr Damien Hills, General Manager of the South West Catchments Council told the committee that:

It seems to have discarded in our opinion, tens of millions of dollars of previous work in developing regional plans, targets and program logic, with five years of target work at least in Western Australia at a regional scale trying to be repeated within six months out of Canberra. We fear that many of the new targets will be too broad, not specific, measurable or time bound. There is a real sense of devolved decision making being removed from regional communities to be replaced by directives coming from Canberra. Rather than being active members of a joint initiative between the states and the Australian Government ... we feel like we have been demoted somewhat to being service providers only.¹¹¹

3.98 The Departments expressed confidence that most regions should be able to directly align their investment or regional plans to the national priorities set out in the Business Plan. Ms Colreavy, told the committee that the department was confident that "all regions are well placed to draw from their regional plans to identify suitable investment activities to address our national priorities."¹¹²

3.99 The Business Plan invites proposals from groups seeking funding for activities that will contribute to meeting the targets and priorities identified in them. Groups will be encouraged to use their Regional Plans and Regional Investment Strategies to outline their proposed programs of activity in response to the Business Plan.¹¹³

3.100 The committee heard that the process of developing regional plans was significant in underpinning a cooperative, collaborative approach to NRM and overcoming tension between the national agenda and local aspirations.¹¹⁴ The committee notes the value in including the communities who will be relied upon to implement projects in the identification of priorities.¹¹⁵

110 See for example Mrs Brennan, South Gippsland Landcare Network, *Committee Hansard*, 17 October 2008, p. 113 and Mr Michael Berwick, Chair, Queensland collective of Natural Resource Management Groups, *Committee Hansard*, 13 November 2009.

111 Mr Damien Hills, *Committee Hansard*, 10 October 2008, p. 33.

112 *Committee Hansard*, 17 October 2008, p. 30.

113 *Committee Hansard*, 17 October 2008, p. 32.

114 Mr Michael Berwick, *Committee Hansard*, 13 November 2009, Ms Andrews, *Committee Hansard*, 13 November 2009, p. 34.

115 Dr Peter Grieg, *Committee Hansard*, 13 November 2009, p. 39.

3.101 The committee also notes the calls for the formal integration of regional, state and national plans in the identification of national priorities. For example, Mr Berwick told the committee that he did not believe a national strategy could be developed in Canberra in isolation. He argued that the development of the Business Plan needed to be more collaborative and needed to recognise and build on regional plans. He also stressed the importance of involving state governments in this collaborative process. Mr Berwick summarised his view by stating "I think the solution is to bring back a sort of vertical integration and build from the bottom up and the top down."¹¹⁶

Assessment process

3.102 The committee was concerned that despite the government's intention that Caring for our Country would be underpinned by a transparent assessment process, a number of NRM groups appeared not to have a clear understanding of the assessment process. The committee notes that the assessment criteria are set out in the Business Plan. The assessment process is undertaken by a range of panels of different sizes and composition to assess applications. These include community panels made up of community members from across the country and some expert panels made up of scientists.¹¹⁷

3.103 Despite this, some witnesses indicated that they were having difficulty understanding why certain projects had been successful and others had not. Ms Andrews told the committee:

There were some projects that I would have thought were just a shoo-in because they had a good previous record and they seemed to be really important. I would have thought they put in high-quality submissions but they did not get funded.¹¹⁸

3.104 Ms Andrews went on to state that where groups sought feedback it had been provided, but she was not able to comment on how thorough that feedback was.¹¹⁹

3.105 Mr Bradley expressed concern that the Northern Agricultural Catchments Council did not receive any direct feedback on its individual applications. He said:

There were some broad comments provided about why projects in general were rejected. Some of it was to do with the fact that the size and the scale were too large; the areas proposed were not priority areas for the Australian government; the leverage that the proposals brought, which meant the amount of other money that was being contributed to the projects, was not sufficient nor as attractive as other projects; and some of the projects did not meet the target specified in the Caring for our Country business plan.

116 *Committee Hansard*, 13 November 2009, p. 10.

117 *RRAT Supplementary Estimates*, 23 February 2009.

118 *Committee Hansard*, 13 November 2009, p. 33.

119 *Committee Hansard*, 13 November 2009, p. 33.

They were the general comments provided for why competitive projects were not supported.¹²⁰

3.106 Ms Gross expressed concerns in relation to the transaction costs associated with the application process. She said:

The issues and the concerns are around the transaction costs and the fact that, of 1,300 applications submitted, 129 have been approved. It is probably the fact that there has been so much time, money and effort in submitting applications that have not got up as opposed to a more integrated and consultative method where, even though you may not get any more money on the ground, you have gone through a process whereby, instead of submitting an application that does not get funded and all that effort is in a sense sort of wasted, that effort actually reaps rewards through co-investment and other partnerships that can often achieve those anyway.¹²¹

Monitoring and evaluation

3.107 A number of witnesses expressed concern that Caring for our Country does not respond appropriately to the ANAO findings and that the links between investment and NRM outcomes could not be demonstrated.

3.108 Mr Berwick expressed concern that Caring for our Country has moved further away from resource condition monitoring and has moved to contract monitoring. Mr Berwick expressed the view that this was due to the magnitude of the task. He said:

In talking to staff in the department, they said, 'It was just too hard to monitor the resource condition. It was just too big a job and too expensive. In order to respond to the audit office, we are therefore going to tighten up on contract management.' I think that was one of the foundations of the move to a competitive basis.¹²²

3.109 Ms Andrews also drew the distinction between monitoring and evaluation of program implementation and the evaluation of resource conditions. In Ms Andrew's opinion the MERI process is focussed on program monitoring and evaluation. For Ms Andrews the bigger issue in Australia is the evaluation of resource conditions. Ms Andrews said:

I think we do need a set of national environmental accounts so we can understand the trends in our resource conditions and whether we are managing to go up, down or whatever it might be.

...

There will always be an issue about attribution: are that intervention and that investment leading to that change in resource conditions? That is a

120 *Committee Hansard*, 13 November 2009, p. 57.

121 *Committee Hansard*, 13 November 2009, p. 3.

122 *Committee Hansard*, 13 November 2009, p. 5.

tough one, and that needs to be done with good science and long-term investment but also an understanding and an ability to monitor and evaluate resource conditions. I think we need a set of national environmental accounts to achieve that. No matter how effective our interventions are, if we are not monitoring resource conditions we cannot prove to the Audit Office that we are doing a good job and we cannot learn ourselves whether we can do a better job.¹²³

3.110 Other witnesses expressed support for the model for national accounting standards set out in the Wentworth Group of Concerned Scientists Accounting for Nature proposal.¹²⁴ Dr Greig told the committee:

... I believe that its basic thrust is highly appropriate. I very much like the idea that a national picture can be drawn from estimates made at a regional level, using indicators that are derived as being appropriate within those regions but scaled on a basis that can allow aggregation to the national level. That concept appears to achieve the best of both worlds and be able, for once, to give us a collective view about whether we are winning the war against gradual decline in the Australian landscape or whether we are losing it.¹²⁵

3.111 Ms Gross expressed disappointment with the approach taken to demonstrate resource condition change under Caring for our Country. Ms Gross told the committee that the proposal was to use Bureau of Statistics data to show how landholders had made changes to their practice, income and so on and would draw on MODIS imagery to try and capture change in landscape health. Ms Gross told the committee:

... that process is at such a core scale and is not working collaboratively with systems that already exist in the state and regions that landholders are participating in, and therefore the scale at which they are reporting, as to whether the programs are being affected to resource condition change, is not really at a scale that is truly informing whether the investment has been worthwhile.¹²⁶

3.112 Ms Gross described for the committee the approach being used in Queensland to benchmark land conditions and showed the committee a series of maps which illustrated the level of detailed information the system was able to capture. She expressed disappointment that not only was this another example of how Caring for our Country could benefit from collaborating with existing programs being employed by state governments and regional bodies, but that her group had been unsuccessful in

123 *Committee Hansard*, 13 November 2009, p. 31.

124 Wentworth Group of Concerned Scientists, *Accounting for Nature A Model for Building the National Environmental Accounts of Australia*, May 2008. See Mr Berwick, *Committee Hansard*, 13 November 2009, p. 5 and Dr Peter Greig, *Committee Hansard*, 13 November 2009 p. 44.

125 *Committee Hansard*, 13 November 2009, p. 44.

126 *Committee Hansard*, 13 November 2009, p. 23.

securing funding to continue the system that has been developed collaboratively across Queensland. She said:

We developed a GI system across Queensland. They resubmitted that work to try and continue to get that funded because it does deliver good reporting and provides good information to enrich the Australian Government's reporting on national targets, but the business plan, being so prescriptive, does not allow us to fund that work anymore. In fact, our ability to continue to provide such a rich scale of information that is very valuable, to look at your return on investment, cannot be funded under the current program.¹²⁷

Projects funded under the initial Business Plan

3.113 On 20 November 2008, \$28.5 million in funding for projects was announced.¹²⁸ The committee notes that the recipients of this funding included state governments, industry organisations, universities, catchment management authorities, and some existing Landcare and Coastcare groups. The committee also notes that several of the projects funded will draw together a number of local or regional organisations to address environmental issues on a larger scale. For example, the Murrumbidgee Catchment Management Authority's project Murray Mouth to Mountains Ecosystem Corridors will bring together ten catchment management organisations along the length of the Murray River. They will work together to build on and create links of native vegetation between the river and the ridgelines areas from the mouth of the Murray in South Australia through to NSW, Victoria and the ACT.¹²⁹

3.114 However, the committee is concerned at the large number of project proposals that were unsuccessful in securing project funding and the extent to which demand for funding exceeded the funds allocated. The committee notes that over 1300 applications were submitted seeking a total of nearly \$3.4 billion in funding. Of these, about 100 were for base level funding for the 56 NRM regions, 57 applications were successful, and 41 were either ineligible or withdrawn.¹³⁰ The committee also notes

127 Committee Hansard, 13 November 2009, p. 24.

128 Joint Media Statement, the Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry and the Hon. Peter Garrett AM, MP, Minister for the Environment, Heritage and the Arts *Caring for our Country Grants*, 20 November 2008, <http://www.alp.org.au/media/1108/msaffenh200.php> accessed 14 December 2009.

129 Joint Media Statement, the Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry and the Hon. Peter Garrett AM, MP, Minister for the Environment, Heritage and the Arts *Caring for our Country Grants*, 20 November 2008, <http://www.alp.org.au/media/1108/msaffenh200.php> accessed 14 December 2009.

130 *Caring for our Country business plan 2009-10 Investments Frequently Asked Questions*, Questions 1, <http://www.nrm.gov.au/business-plan/funded/09/faq-business-plan.html> accessed 11 December 2009

that of the 57 successful projects only 26 projects received 100 percent of the funding requested.¹³¹

3.115 The committee was also concerned that there appeared to be only a limited amount of funding directed to existing Landcare and Coastcare groups. For example, the committee notes that under Caring for our Country open grants, of the 138 successful projects only 47 were Landcare projects. The committee also notes that while a number of NSW and Victorian Landcare groups were successful in receiving funding under the Sustainable Practices Project Funding, groups in other states received little or no funding.¹³²

3.116 In July 2009 the government announced an additional \$26 million in funding for Landcare projects across Australia as part of a "major investment in land management and sustainable agriculture".¹³³ The committee notes that once again, while Landcare groups in some states were successful in obtaining funding, minimal or no funding was allocated to Landcare groups in some states.

Committee comment

3.117 While the committee notes the government's intentions to address the identified weaknesses of previous programs, the evidence provided to this inquiry paints quite a different picture. The committee notes that the government's intention was to enact change by a process of transition and evolution. The committee also notes the departments' efforts to seek feedback on the delivery of the program and their commitment to address these concerns in the development of future Business Plans.

3.118 The committee also notes that the nature of the concerns raised during this inquiry mirror those raised with the department in stakeholder workshops and those raised in recent surveys.¹³⁴ As Mr Berwick observed for the committee:

... consistently right across Australia there are a lot of people very unhappy with the delivery of the Caring for our Country program—not just those you wish to speak to today.¹³⁵

131 Caring for our Country business plan 2009-10 Investments Frequently Asked Questions, Questions 13, <http://www.nrm.gov.au/business-plan/funded/09/faq-business-plan.html> accessed 11 December 2009

132 Under Sustainable Practices Funding projects are to be funded from 1 July 2008 to 30 June 2010.

133 Media Release DAFF09/294B, The Hon. Tony Burke, MP, Minister for Agriculture, Fisheries and Forestry, 13 July 2009.

134 National Landcare Network, *Community Response to Caring for our Country Survey*, Tabled Document 13 November 2009, Centre for Environmental Economics and Policy, University of Western Australia, Implementation of 'Caring for our Country' Impacts at the Regional Level, 11 November 2009, Tabled Document 13 November 2009.

135 *Committee Hansard*, 13 November 2009, p. 3.

3.119 The next chapter sets out the committee's conclusions and recommendations.