

The Decade of Landcare

Looking Backward - Looking Forward

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About the Authors

Phillip Toyne

Phillip Toyne is Director of Eco Futures, an Australian based international policy firm working on building sustainable strategies with business, government and civic leaders. Previously, Phillip was the Deputy Secretary for the Commonwealth Department of Environment, where he played a major role in the international policy arena on issues such as biodiversity, sustainable development and climate change, leading delegations to UNEP, CSD, and OECD. Domestically, he led the environment law reform agenda that began with the Keating Government, and played the major role in developing the partnership agreements with the States under the Natural Heritage Trust.

Between 1986 and 1992 Phillip was Executive Director of the Australian Conservation Foundation, where he led successful campaigns on mining in Kakadu, the Wet Tropics and Antarctica, and began the long process of merging green and aboriginal partnerships. With Rick Farley, he also developed the National Land Care program, a movement that has radically changed land-use practices in Australia and which is now moving to Africa and America. His leadership brought the green movement an unprecedented level of political influence and public support.

Rick Farley

Rick Farley is the Managing Director of the Farley Consulting Group, which specialises in land-use agreements. He is the chairman of the NSW Resources and Conservation Assessment Council, the chairman of the Lake Victoria Advisory Committee, an Ambassador for Reconciliation and a member of the NSW State Reconciliation Committee.

Mr Farley has been a member of the National Native Title Tribunal, the Council for Aboriginal Reconciliation, the Australian Landcare Council, the Australia China Council and the Commission for the Future. He worked for rural organisations for 20 years and was the Executive Director of the National Farmers' Federation and the Cattlemen's Union of Australia.

Mr Farley facilitated the Cape York Land Use Heads of Agreement and pioneered the national Landcare program with Phillip Toyne. He was a key figure in the passage of the Native Title Act in 1993.

Preface

Phillip Toyne and Rick Farley were the architects of Landcare, a movement that has transformed both rural politics and attitudes to land management in Australia. When, on behalf of the ACF and NFF, they took their idea to Prime Minister Hawke in 1989 they asked for \$340 million over ten years. It sounded like a lot of money and they were surprised when Bob Hawke agreed so readily. As they left the Prime Minister's office Rick Farley said: "Damn, I knew we should have asked for a billion". We now know that even a billion dollars would have fallen far short of what is required to address the appalling decline of the Australian landscape. It has become increasingly apparent that money is not enough, even very large amounts of it.

In this Institute Discussion Paper, Phillip Toyne and Rick Farley look back on the achievements and failures of Landcare after ten years. On the basis of a hard-headed assessment, they put forward a set of proposals for the future that goes much further than anything previously suggested. They call for an enforceable compact between the Australian public and those who have responsibility for managing the land. In so doing, they declare that the comforting rhetoric must be discarded if we are really to face up to what must be done.

The Australia Institute is pleased to publish this far-reaching report in the hope that it may act as a circuit breaker. The hand wringing has gone on for too long.

Clive Hamilton
Executive Director

Executive Summary

Despite the massive increase in resources devoted to overcoming the chronic decline of Australia's lands and waterways, most of the problems that the Decade of Landcare set out to address are increasing in severity and scale.

The problems of water management in the Murray-Darling, continued tree clearing in Queensland and the slow death of the Snowy River show how poorly connected our management and policy are to the necessary responses. The evidence showing continued environmental decline is alarming, yet the warnings issued by scientists are largely ignored.

In retrospect, the goal of Landcare – to achieve ESD on all properties in ten years – was hopelessly optimistic. There was no way that Landcare could fix land degradation within a ten-year timeframe when so much of agricultural practice in Australia is unsustainable in its current form. It was equally unrealistic to have expected that \$340 million, thought to be a vast amount at the time, could do any more than prime the process.

If, however, the goal of Landcare were to move community norms and attitudes in the direction of sustainability, it may be judged a success. An unexpected spin-off from the formation of Landcare groups has been the creation of a new political force in the bush. Some landholders have been able to harness their new organisation to tackle many issues other than land and water degradation, such as declining services in regional Australia.

While Landcare has been successful in providing information and stimulating, attitudinal change, Landcare groups themselves have only a marginal direct impact on environmental actions, which are on the whole initiated and paid for by individual farmers.

A clear deficiency with the policy environment of Landcare has been the failure to properly articulate its place in the bigger picture. Structural adjustment, market systems, macroeconomic policy and economic incentives are all disconnected from Landcare policy. So too are issues such as State government responsibilities, regional structures, service provision and incentives.

The Coalition's Natural Heritage Trust (NHT) raised the funding for Landcare-related activities to over \$1 billion over five years and tried to take a more integrated approach. But in our view the NHT has failed to overcome the earlier deficiencies of Labor's approach. Funding of works on private land has always encountered resistance within the Public Service, and particularly within Treasury, due to resistance to the idea that public funds should be used to generate private benefit. As a result the acquittal requirements for funding today are rigid, and the most practical skill of Landcare members today is often their ability to write submissions.

Landcare has also made it easier for State Governments to withdraw from regional Australia and from their traditional role of providing agricultural support. The States have used this opportunity to 'cost shift' and to substitute federal money and positions for State resources. In addition to solving this problem, one of the great challenges to

be faced in the next decade of Landcare is to fully integrate indigenous land interests into the whole policy and program matrix. The Cape York Heads of Agreement shows what can be achieved when traditional opponents are brought together with goodwill and a willingness to engage in creative thinking.

The recent Commonwealth discussion paper on the future of natural resource management, designed to show the way ahead for Landcare, is an unremarkable document that makes no obvious attempt to draw on the lessons of the Decade of Landcare or to identify adequately the additional rate of effort needed to reverse a growing problem. It is all rather 'more of the same' in its approach except in one important respect. It does support the concept of devolving authority, 'investing strategically' and empowering the regions.

The recent ACF-NFF document *Repairing the Country* for the first time attempts to quantify the investment required if we are seriously to address the sustainability of land use in Australia. While the actions recommended are well known, the scale of the costs involved is at last being recognised.

There is a fundamental issue that must be addressed in any serious approach to Landcare in the future. What obligation will there be on land managers if they are to receive the billions needed for remediation, structural adjustment and other initiatives? Surely the concept of 'mutual obligation' must be extended beyond the welfare system to the much greater personal financial benefits to be received in future by landholders. If a land manager is to receive a private benefit from public expenditure on the scale required, he or she must accept the goal of sustainable land use and accept independent verification of progress towards it.

Building on this principle we propose a ten-point plan to tackle Australia's land-use crisis. Such a plan must go beyond the comfort zone of the current debate, for progress is being prevented by platitudes. The points of our plan are as follows.

1. There is a need to apply the concept of a 'Social Contract' between the community and land users as recipients of the vast amounts of public funding.
2. Landcare activities should be based on Regional Plans that would be given effect by legislation.
3. Commonwealth funding should be allocated on the basis of regional plans to encourage a whole-of-region approach. Project funding would be a regional responsibility with grants in accordance with the regional plan.
4. A process like the Resource Assessment Commission should be restored to provide Cabinet with a solid and independent base of fact upon which to make major resource decisions.
5. There should be a steady proportional increase in research funding in each Commonwealth and State budget.
6. A 1% National Landcare Tax should be imposed for the next ten years to raise funds in the order of \$30 billion.

7. Partnerships with business should be initiated to assist in the repair of Australia's lands and rivers, using mechanisms such as greenhouse emissions trading to drive commercial vegetation plantings, and water markets to bring full commercial value to water use.
8. This national initiative should commence with a meeting of stakeholders from across Australia to lay down the broad policy direction for its implementation.
9. There must be a 'tollgate' mechanism attached to policy development, integrated under the national natural resources management umbrella to ensure that policy objectives are achieved.
10. Indigenous people, issues and lands must be a core element of national and regional strategies.

1. The Scope of the Problem

Most of the problems that the Decade of Landcare set out to address are increasing in severity and scale, despite the massive increase in resources devoted to overcoming the chronic natural resource issues we face (Commonwealth Government, 1999, p.4).

In February 2000, a month or so after the end of the Decade of Landcare, *The Australian* newspaper reported:

The flow of the once mighty Murray River into the sea has slowed to a trickle and is expected to cease altogether for only the second time since European settlement, highlighting the growing problem of poor water management upstream (*The Australian* 18/02/00 p.1).

The poor water management referred to is the unsustainable extraction of water from the Murray-Darling system over more than a century, to the point that there is simply not enough water for agriculture and human consumption and to maintain the river in ecological balance. Salinity has now reached critical levels in the Basin's rivers and important wetlands and three to five million hectares of land will suffer serious salinisation within 50 years (Murray-Darling Basin Commission, 1999).

The CSIRO has reported that the annual movement of salt in the landscape will double in the next hundred years across all major valleys. It further estimated that by 2100, salinity could be costing landholders in the Basin between \$600 million and \$1 billion each year in lost productivity and infrastructure damage (Walker et al, 1999).

Within days of the article above, the cotton farmers of Gunnedah were protesting about New South Wales Government plans to reduce water entitlements, claiming that their businesses will be ruined if water is withheld. The State Government's action was in response to a damning report (Cox and Baxter, 1998) showing irrigators were consistently taking more water than allowed under an inter-government cap aimed at stabilizing the overuse of the system's water until a way can be found to reduce it to sustainable levels. This cap, set on 1993-94 levels of use, was conservatively aimed at preventing even greater extraction in future. Water use will certainly need to be further reduced by at least 20% from the levels set in the cap if sustainable use is to be achieved.

At the same time, tree clearing, predominantly in Queensland, has received national attention. The Australian Conservation Foundation released figures showing 'Australia as the fifth worst land clearing nation in the world on current estimates', (placing us behind Brazil, Indonesia, Congo and Bolivia). It estimates that 529 200 hectares per year are lost and that for each tree planted under the Federal Government's Natural Heritage Trust program, 100 000 were cleared by land-holders (ACF press release, 21/02/00).

In response to mounting pressure to stem this 'environmental haemorrhaging', the Queensland Government has passed, but not proclaimed, native vegetation protection legislation to control broadacre clearing on freehold land for the first time in the State. The operation of the law is to be dependent on the Commonwealth contributing \$103 million dollars to compensate graziers for not clearing native vegetation on the land they manage. The Coalition Government in Canberra appears to be in no mood to

accommodate the demands of the Labor Government in Brisbane. Politics, and in particular, the politics of federalism, work against this vital measure. As the ACF has pointed out:

The Federal Government could save 30 times more trees per dollar than it currently does by supporting the Queensland ...legislation, which will protect 4.7 million hectares, or 940 million trees (ACF press release, 21/02/00).

We know, on the basis of irrefutable science, that such vegetation clearance on our ancient soils will result in rising water tables and that these will carry suspended salts to the surface resulting in scalding, erosion, soil infertility, saline rivers and biodiversity loss (Commonwealth Government, 1996, Chapter 6). In Queensland's Brigalow Belt, the clearing, once commenced, has to be done over and over again to stop the regrowth of suckers and woody weeds. In marginal country, the increased productivity from pasture is often outstripped by the cost of clearing.

At a Queensland State Cabinet meeting held in Winton in February, farmers and graziers protested against the legislation and the curtailment of their right to use their land as they choose. They described the removal of vegetation as essential for the economic viability of their grazing operations.

As all this was unfolding, the landholders of the Snowy River, and their supporters, were mounting a vigorous political campaign to restore water flows in the river, diverted 50 years ago by the Snowy Mountains Hydro-Electricity Scheme. This once wild river, deeply etched in our national psyche, now has 1% of the water that flowed down it before the dams. Environment activists are calling for 28% of its water to be returned, to bring the river back to life, but Victoria, New South Wales and the Commonwealth cannot agree on this because of the claimed impact on irrigators further down the Murray-Darling system.

Andrew Campbell, Australia's leading expert on Landcare and now the Head of the Land and Water Resources Research and Development Corporation, has commented:

We'd have no trouble supplying the 28% of water to the Snowy without reducing the amount available for irrigators or Adelaide water consumers, if the average irrigator was as efficient in using water as the best irrigators are.¹

This proposition is given considerable weight by the findings of a review of the cap on use of water in the Murray-Darling Basin, undertaken this year, which found that 24% of all water diverted for irrigation is lost as a result of poor irrigation practices (Murray-Darling Basin Ministerial Council, 2000).

These three current examples of disputes over aspects of natural resource use, and the consequent increasing threats to both the environment and long-term economic viability, show how poorly connected our management and policy are to the necessary responses. They are symptomatic of the enormous issues facing natural resource management in Australia. Collectively, they are the results of European methods of

¹ Interview, Radio National *Earthbeat*, February 26th 2000.

agriculture and other land use imported automatically to Australia's fragile soils and environment – to a country that is two-thirds desert. We struggle today to change the land management systems we have inherited, with all the social fall-out involved, at a time when globalisation is putting other gigantic pressures on the farm sector.

Perhaps the underpinning problem is the incapacity of resource users and governments to see the pace and size of the change we are perpetrating and to face up to the scale of responses required, in human and financial terms.

A good illustration is found in recent research done by Dr Jon Olley and Dr Peter Wallbrink from CSIRO, who found that:

European settlement unleashed erosion, sediment deposition and changes in river systems to a much greater degree than has been assumed to date.²

Their study of siltation in the Murra River in New South Wales, which appeared to be the accumulation of several hundred years, found that it had in fact taken place since about 1960, with a third resulting from a single massive flood in 1971.

As Wallbrink describes it:

We went, in effect, from slow rivers dominated by organic material to rivers dominated by rushes of abrasive inorganic sediment. This has had huge consequences for native fish, animals, water plants and insects.

It is unquestionably true that, if sufficient research were conducted, similar impacts of our land-use practices would be revealed in most of Australia's grazing and agricultural lands. On past indications, the warnings issued by scientists like Wallbrink and Olley will be largely ignored.

It is possible to draw other illustrations of land management in crisis, from all around Australia. The salinity crisis affecting Western Australia's wheat-belt is an obvious example, but we make no attempt to make a compendium of them all.

² Environment News Network (www.enn.com), February 3rd 2000.

2. The Origins of the Decade of Landcare

The Decade of Landcare was announced by Prime Minister Bob Hawke in July 1989, with the Commonwealth making an initial commitment of \$340 million over ten years.

The initiative arose from a joint submission by the National Farmers' Federation and the Australian Conservation Foundation in February 1989, which was supported strongly by the Minister for Resources, Senator Peter Cook. It built on the encouraging, path-breaking work of the first Landcare groups in Victoria, pioneered by the highly influential Potter Farm Project in the Western District and promoted as a State-wide initiative by Joan Kirner, the then Environment Minister, and Heather Mitchell, the head of the Victorian Farmer's Federation. The NFF-ACF proposal was to take this State initiative and make it national.

At the time the Federal Government was enmeshed in the debate about the balance between conservation and development, focussed by the Brundtland report, *Our Common Future*, of the World Commission on Environment and Development.

In 1989, the Government formally responded to the Brundtland report and adopted the principle of ecologically sustainable development (ESD), remarkable in itself, given that it predated the Earth Summit in Rio de Janeiro and Agenda 21 by three years.

This was followed in 1990 by the establishment of working groups on ESD including conservationists and industry, an approach consistent with Mr Hawke's 'consensus politics' and the need to deal with the issue for the 1990 Federal election. Political factors and broad policy pressures favoured an initiative like the Decade of Landcare.

The NFF and ACF made best use of the opportunity, putting to the Prime Minister an 'offer too good to refuse'. It suited both organisations. For the NFF, soil erosion, soil degradation and loss of fertility were important economic issues. Studies at the time estimated that they resulted in over \$500 million in lost production each year, but the issue had low political priority. The NFF could see the steady increase in land degradation leading to a parallel decline in farm profitability and viability.

There were 17 Parliamentary and other reports between 1944 and 1983, all of which recommended various forms of national action on land conservation issues. Little had happened.

For the ACF, it was an emerging high-priority issue, as more and more attention was given to signs of deep ecological stress over the majority of Australia's lands. Prior to this, surprisingly little attention had been given to these problems, with the focus instead on 'charismatic' locations such as tall forests, the Wet Tropics and the Great Barrier Reef. The chance to stem land clearing, species loss and water quality decline, amongst other things, was compelling.

Both organisations were able to achieve more by acting together than by acting alone. Prime Minister Hawke paid tribute to both in the Government's Environment Statement:

They're two organisations one would probably not immediately imagine forming an alliance - but it is an indication of the importance of the issue, and an inspiring demonstration of the way forward that they used their imagination and commitment to develop proposals and put them constructively to Government. Their work has been an invaluable contribution to the creation of this new program (Hawke, 1989).

Part of the fascination the media had about Landcare was simply to see whether these two organisations, from different ends of the political spectrum, could work together. Indeed both of us initially met with suspicion and resistance when we took the proposed alliance to our respective Councils for ratification. 'When you sup with the Devil, use a very long spoon', Farley was warned.

Two of the most important elements of the political negotiations at the time were the need for support by all the political parties and the need for a 10-year funding commitment, so landholders would have the confidence to change their management practices. The NFF was particularly important in gaining the support of the Coalition Parties, which were quick to see the benefits to their constituents in the bush. Similarly, the ACF was able to convince Labor that such an initiative would broaden its environment credentials with both urban and regional voters.

The NFF and ACF understood that prevention of land degradation is far more effective and efficient than attempting remedial action and that a long-term adjustment process therefore was necessary.

They also understood that landholders deserved community partnership support while they changed management, because land degradation was a national responsibility, created in part by previous government policies (there were taxation incentives for land clearing until 1983). There was an acceptance by ACF that no retrospective blame for the problem would be attributed to individual land owners. This was to be a national initiative for a national benefit, so the nation should contribute financially.

ACF's 'no fault' approach to the problem carried with it a clear expectation that the commencement of the Decade and the flow of funds, would see a rapid end to the land-use practices identified as underlying the many land degradation problems.

The NFF and ACF said in their 1989 submission:

Our aim is to work together towards ensuring that Australia's agricultural and pastoral lands are used within their capability by the year 2000 and that there is sustainable use of lands from that time on (ACF-NFF, 1989).

3. What Has Been Achieved?

In retrospect, the goal of Landcare – to achieve ESD on all properties in ten years – was hopelessly optimistic. This is all the more so given that the goals we had in mind expanded with the addition of Coastcare, Rivercare and other programs.³ It was more of a philosophical statement than a target. There was no way that Landcare could fix land degradation within a 10-year timeframe when so much of agricultural practice in Australia is unsustainable in its current form. It was equally unrealistic to have expected that \$340 million, thought to be a vast amount at the time, could do any more than prime the process.

If, however, the goal of Landcare were to move community norms and attitudes in the direction of sustainability, it should be judged as a success. There can be no doubt that it brought into stark focus for all Australians the problems that our nation is confronting. This was particularly true of urban dwellers, who not only gained a better understanding of what was happening in the bush, but also produced their own impressive Landcare projects in the cities.

The best performances in Landcare activities have been inspirational beyond the positive impacts on the individual properties involved. It is possible to glimpse the land management practices of the future by looking at any of the winners of the National and State Landcare awards.

Landcare also must be rated as a huge success if judged by the fact that it has involved one third of Australia's farmers. This equates to over 4500 Landcare groups, far exceeding the ambitious target of 1000 groups, which was set for the decade. This has led to shared information, access to collective resources and the spread of new ideas and advice – above all, a change in the ethic of land ownership towards stewardship. The groups provide mutual support, encouragement and reinforcement. They changed community norms on what it is to be a good farmer, often between generations.

Equally, in its later years Landcare has forced a degree of integration of environment, natural resource and agriculture policies and service delivery in both Commonwealth and State Governments.

An interesting spin-off from the formation of Landcare groups has been the creation of a new political force in the bush. Some landholders, who in times past were poorly equipped to deal with issues of concern to them, were able to harness their new organisation to tackle many issues other than land and water degradation, such as declining services in regional Australia. They became powerful voices in a structure that sat quite outside the traditional farm organisations and were capable of acting independently from them. They have the potential to play a pivotal role in changing the way that services and funding are delivered to the bush, aided by governments extremely nervous about the mood of regional Australia. They are learning the political benefits of effective local and regional organisation, in pursuit of mutually beneficial goals.

³ The Department of Primary Industry and Energy even introduced 'Fishcare' to the growing list of 'care' products.

A good illustration, although not specifically a Landcare one is the emergence of the Lake Eyre Basin regional process. Faced with what they saw as the threat of a World Heritage listing of part of the Basin, the Coopers Creek and Georgina-Diamantina Catchment Committees (which dealt with water and other natural resource management issues) mounted an effective campaign against listing. This evolved into a much broader agenda – to get acceptance by governments that the Basin should be dealt with as a whole when it came to the development of policy and the delivery of services. Through a detailed community consultative process, they formed a Coordinating Group comprising catchment representatives, and Aboriginal, scientific, conservation and industry interests to put their views to government. The Commonwealth, Queensland and South Australia have agreed to manage water and other issues on the basis proposed by the Coordinating Group and are establishing legislation and a Ministerial Council to do so, using the Coordinating Group as its advisory body.

In essence, Landcare has been about information, attitudinal change and increased awareness about sustainability. But Landcare groups themselves have only a marginal direct impact on environmental actions, which are on the whole initiated and paid for by individual farmers. Whether particular individuals participate is influenced by their profitability (or their level of debt), commitment to sustainability, availability of good advice and resources. Even having time available, particularly for people forced to seek off-farm work to stay viable, is a key determinant. In the best instances, Landcare practices are seen as a high priority even in lean years.

4. Some Failings of Landcare

A clear deficiency with the policy environment of Landcare is the failure to properly articulate its place in the bigger picture. Where does community participation, capacity building and awareness raising fit within the bigger public policy agenda? Structural adjustment, market systems, macro economic policy and economic incentives are all disconnected from Landcare policy. So too are issues such as State government responsibilities, regional structures, service provision and incentives. How do the 'doers' of the Landcare process also gain a pivotal role in policy development, which has such a big impact on Landcare outcomes? We do not restrict this comment to farmers. Conservationists, local government leaders and rural businesses are just some of the other stakeholders with a key role to play. Simply to put representatives of peak bodies on a toothless Australian Landcare Council is insufficient. Landcare groups have often felt disconnected from that process, and the members of the Council (and its forerunner, the National Landcare Advisory Committee) often expressed frustration at their lack of direct input to economic Ministers over policy.

It has to be acknowledged that all of the important advances achieved over the Decade of Landcare took place against some of the most far-reaching changes in Australia's rural history. Farm sectors were placed on fast track plans to restructure, driven by globalisation and the revolution in technology, particularly communications technology. We saw an acceleration of the trend towards the absorption of medium size, family farms into large agri-enterprises (to achieve economies of scale) or their subdivision into 'hobby' farms (which rely on off-farm income for viability). It is remarkable that so much was done in such unstable times.

One of the frequently aired criticisms in the early years of the Decade was the compartmentalisation of Landcare funding into programs jealously administered by either the Federal agriculture or environment departments (this is generally true of State agencies as well). This led to complex and often overlapping applications by groups for funds. The Natural Heritage Trust (NHT), which raised the funding for Landcare related activities to over \$1 billion over five years, was introduced by the Coalition Government in 1997. It tried to take a more integrated approach, but in our view has failed to overcome the earlier deficiencies of Labor's approach because of the complex structure it involves. We believe this stems in part from the difficulty bureaucrats have in endorsing funding of works on private land. This has always encountered resistance within the Public Service, and particularly within Treasury. The 'money Departments' have always had difficulty with the proposition that public funds should be used to generate private benefit, believing that it is the landholders' duty not to degrade the land, and that grants for remedial works tend to reinforce perceptions that land degradation is a government problem. That has not changed and the acquittal requirements for funding today are rigid. The most practical skill of Landcare members today is often their ability to write submissions.

There are other underlying institutional problems in the way government deals with multi-faceted issues such as Landcare. At both Commonwealth and State levels, the sharp separation of responsibilities between agricultural and the environment agencies led to poorly integrated policy and program delivery. There was a clear sense that each represented different 'constituencies', with often deeply entrenched and

conflicting policies and attitudes. A good example was the threshold issue of ‘cross compliance’, which was the question of whether Landcare funding should be conditional upon farmers accepting certain responsibilities for the sustainable use of their properties. One condition might be that in order to be eligible for a grant, damaging practices such as broadacre clearing should be prohibited. Setting such conditions was resisted by primary industries agencies because of their perception that it would alienate the farmers they were trying to encourage into the program. Environment agencies were more philosophically predisposed to attach conditions to public funding.

Perhaps a more fundamental criticism of the present Government’s role has been the perception that it has used the large resources of the NHT for ‘political’ purposes. The Opposition has been critical of the fact that a high proportion of NHT funding, some 90%, has been spent in Coalition-held seats. The Government countered by saying that the Coalition holds most of the seats where land degradation problems are acute, and by pointing out that the distribution of funding across electorates was essentially the same under Labor. Whilst there is some truth in this, the criticism is easily made because of the way the funds are allocated.

At the moment, the Commonwealth Ministers for the Environment and Agriculture make final decisions about funding for projects based on recommendations from State and Regional Assessment Panels. Inevitably, they are open to charges of political convenience about the way funds are allocated, and there is a political imperative to maximise the number of projects funded across the country so that as many voters as possible can see where their Telstra dollars have gone.

This means that after spending \$1.5 billion over five years, the main outcome is further increases in awareness, rather than substantial on-ground improvements on some strategic national priority issues such as land clearing, salinity and water quality. A better model would be for the Commonwealth to fund implementation of accredited regional plans, against national priorities and targets developed by expert advisory groups and agreed by all governments. Decisions about funding and oversight of implementation at a project level would be left to regional bodies, subject to audit against agreed priorities and targets.

Related to this is the claim that the Federal Government has vetted appointments to the National, State and Regional Advisory Bodies to ensure that its supporters are appointed and its critics excluded. Such claims also were made in relation to the Labor Government.

A core criticism is the small proportion of money allocated to research and development related to sustainable systems to ensure that public funding is invested where it can make the greatest impact in the long term. It is abundantly clear that much of the information needed by natural resource managers to manage sustainably is not available to them in a practical form. In almost all instances, when research has been conducted, it has demonstrated that the problems are greater than we previously understood. Olley and Wallbrink’s work on the Murra River is just one of many examples. In the light of this, it is hard to understand why the Federal Government has shown itself unwilling to allocate proportional increases in funding to these activities as an indispensable foundation for policy and action. Especially at a time when unprecedented funds are being spent on ‘on-ground works’, it would seem wise

to make sure the science is available to ensure that these publicly funded actions can achieve what they set out to do.

The Australian federal system has not assisted the effective resolution of land and water degradation problems. Natural resource management has, since Federation, been jealously held as a central domain of the States. They have fiercely resisted interference from the Commonwealth in any matters relating to land and water use. Historically, this has led to many constitutional battles fought over 'interference by Canberra' (Toyne, 1994).

Landcare has also made it easier for State Governments to withdraw from regional Australia and from their traditional role of providing agricultural support. The Federal Government has provided funds for positions such as Landcare Coordinators, allowing the State funded agricultural extension officers to be withdrawn. The Commonwealth agriculture department now funds well over 2000 full time equivalent positions (over 3400 individuals) to work on Landcare. The States have used this opportunity to 'cost shift' and to substitute federal money and positions for State resources.⁴

One of the great challenges to be faced in the next decade of Landcare is to fully integrate indigenous land interests into the whole policy and program matrix. Aboriginal people are significant land-owners, have native title rights, and are becoming a higher proportion of the regional population. Early in the Decade, there was resistance from some interests to Landcare money being spent on Aboriginal land. They argued that these areas should be funded under 'Aboriginal Affairs' programs. This view was rejected, because much of this land had previously been used for agriculture and was in need of repair, and because it contained much of the environmentally significant resources of Australia. There are many ways to reconcile the land and water interests of indigenous people with those of conservationists and primary producers. Although not developed under the auspices of Landcare, one of the most promising processes has occurred at Cape York.

⁴ This has also been seen in the administration of World Heritage areas and indigenous land management schemes.

5. Cape York Heads of Agreement

In an attempt to resolve the then new and confused questions of native title over the vast area of Cape York in far north Queensland, Aboriginal, conservation and pastoralist organisations came together to negotiate an agreement to accommodate each others' interests. These groups had long been locked in what seemed like irreconcilable conflict. It was a bold and completely unexpected outcome, one achieved independent of government and with funding from the Council for Aboriginal Reconciliation (Cape York Heads of Agreement, 1996).

Under the 1996 Agreement, the cattlemen would gain security in relation to native title, involvement in negotiations on conservation initiatives on the Cape, the restructuring of their leases and improved tenure and economic security.

Aboriginal people would gain resolution of native title issues by negotiation rather than litigation, access to pastoral leases for cultural purposes as a condition of restructuring the leases, title to pastoral leases purchased for their high natural and cultural values, and an improved economic base.

Environmentalists would gain assessment of World Heritage values throughout the Cape, environmentally sustainable land use, a Commonwealth fund to purchase land with assessed high natural and cultural values, and money to manage land purchased through the fund.

The concept was that pastoral leases would be evaluated, and the boundaries consequently redrawn, to exclude areas of high cultural or environmental value, which would become conservation areas. The pastoralists would have more economically valuable holdings under more secure title. Land use would be more sustainable and Traditional Owners would have access to more country.

The fund was \$40 million provided by the Commonwealth, initially for a detailed evaluation of the natural and cultural values of the Cape, and later for acquisitions and management.

The Agreement was met with mixed reactions. In response to attacks on the Agreement by cattlemen's organisations elsewhere, the Coalition State Government froze the activities needed to give effect to its provisions. They saw it as conceding rights to Aboriginal groups, which would establish undesirable precedents for the resolution of native title elsewhere.

The Agreement showed a new maturing of environmentalists' attitudes to Aboriginal ownership of conservation areas. This was all the more remarkable because North Queensland had seen some of the most virulent opposition by conservation groups to Aboriginal-owned national parks.

Implementation of the Agreement is far from complete, and there is huge frustration on the part of the signatories at the lack of progress. In particular, they are concerned at the slow progress in assessing natural and cultural values and the consequent failure to move towards new lease arrangements, protected areas and commercial purchase of land with high natural and cultural values. But a new Queensland Government has

now identified eleven pastoral leases to pilot the changes set out in the original agreement.

The process of reaching the Agreement is of greatest significance. It shows what might be achieved to create social, environmental and economic benefits. Traditional opponents can achieve exceptional natural resource management and other outcomes when goodwill is combined with creative thinking. This broad approach offers great possibilities elsewhere in Australia. There are significant opportunities under the Indigenous Land Use Agreement (ILUA) provisions of the Commonwealth Native Title Act.

6. Where To From Here?

The Decade of Landcare has ended. By 2002 designated Federal Government funding for natural resource management will also end. Without Government support, or with lower levels of funding, the speed at which we move towards sustainable resource use will slow, and the gap between the size of the problem and the efforts to repair them will dramatically widen.

The Commonwealth has released a discussion paper on the future of natural resource management, which is soon to be the basis of Cabinet consideration of the way ahead for Landcare and other natural resource issues (Commonwealth Government, 1999). It is an unremarkable document that makes no obvious attempt to draw on the lessons of the Decade of Landcare or to adequately identify the additional rate of effort needed to reverse a growing problem. It is all rather 'more of the same' in its approach except in one important respect. It does support the concept of devolving authority, 'investing strategically' and empowering the regions. This, if done in the constructive way being applied to the Lake Eyre Basin and Cape York, could well be the key to acting successfully on the proper scale. It is essential that bio-geographic and social integrity drive the responses to natural resource issues.

Recently, the ACF and the NFF have again joined forces to further pressure governments to face the growing severity of the natural resources crisis in Australia. They launched a jointly commissioned study, which for the first time attempts to quantify the investment required to conserve rural landscapes and the many productive and environmental values they sustain (Virtual Consulting Group & Griffin nrm PL, 2000). The study comes to the following conclusion.

The scale and rate of change needed to arrest the trend of degradation in both our land production and the landscape will take a large and strategic investment of public and private funds.

Around \$6.5 billion in public and private investment will be required each year over the decade to implement the proposal and to spark and to capitalise upon the development of sustainable production systems based upon current technology. A further \$0.5 billion will be required annually to support this change.

The report goes on to identify a strategy that is based upon implementing and achieving existing Commonwealth targets for natural resource management, factoring in the estimated costs and benefits associated with achieving these targets. The Commonwealth's targets emphasise the need for significant change in the way Australia manages its land, water and vegetation resources. The targets set out in the Commonwealth Discussion Paper are as follows.

Sustainable rural natural resources management targets

<i>Target</i>	
<i>By 2005</i>	<i>There should be an increase to 75 per cent in the number of landholders and communities actively monitoring resource conditions.</i>
	<i>There should be no net loss of native vegetation within each jurisdiction.</i>
	<i>All stressed rivers and a significant proportion of other priority-regulated rivers should have an environmental flow regime to ensure maintenance of ecological processes.</i>
<i>By 2010</i>	<i>Fifteen per cent of all agricultural produce should be from environmental accredited properties (ISO 14000 or other).</i>
	<i>A majority of farms should be using a whole-farm plan, which is consistent with regional strategies.</i>
	<i>There should be double the number of landholders and community leaders participating in rural training and leadership courses that incorporate natural resources management. There should also be an increase in levels of participation by landholders in Landcare and other natural resources management groups.</i>
	<i>There should be a net gain in native vegetation cover and a net reduction in species and ecological communities listed as threatened or endangered.</i>
<i>By 2015</i>	<i>At least 50 per cent of regions should have information management systems that are comprehensive, supported and accessible, including through the Internet.</i>
	<i>There should be a net reduction in the area of productive land lost to acidity, salinity, sodicity, acid sulphate, soil carbon loss, structure decline and soil erosion.</i>

Source: Managing Natural Resources in Rural Australia for a Sustainable Future, AFFA

The ACF-NFF paper suggests that solutions will involve a strategic approach which:

- envisages changed rural economies and production systems, which could turn around the decline in the resource base and prosper from sustainable production;
- foresees a much larger role for trees in rural landscapes in the form of:
 - forests and forest industries, with commercial plantations and agro-forestry, ranging to revegetation with indigenous vegetation, and
 - revegetation and management for biodiversity conservation under stewardship agreements;

- affords better protection to areas of high conservation value, including remnant vegetation, rivers and river corridors;
- provides for eradication of environmental weeds in high-value wetlands and for representative protection of habitat in pastoral rangelands;
- provides for improved irrigation practices and reduced nutrient and salt drainage from our major irrigation areas; and
- encourages the development and growth of robust sustainable production industries, particularly through leverage of private investment in forestry to areas where public gains in salinity mitigation add value to commercial investment opportunities.

It is impossible to argue against these vital actions and we find the basis for the cost estimates convincing. We believe that there is not much new in this material except the conclusions on the size of the problem and the cost of the repair bill. There will inevitably be a major debate on how such a massive amount of money is to be raised, although to keep it in perspective, the government share amounts to less than three years of the Defence Budget.

The *Repairing the Country* document is a timely reminder of the task ahead. But there is an urgent need for a dispassionate look back over the years of the first Decade of Landcare to see what needs to be kept and reinforced, and what should be changed.

The 2000-01 Federal Budget was handed down without a statement of what funding is to be made available for natural resource management after the end of the five years of the Natural Heritage Trust, funded through the partial sale of Telstra. The Howard Government is clearly not going to go to the next election, due in late 2001, without a comprehensive follow up to Landcare. We confidently predict that this will be an even larger package than the NHT, and again it will be tied to the sale of the remainder of Telstra. It will be targeted at regions. It will be aimed at neutralising opposition to the sale of Telstra in the National Party and the bush and will attempt to push the Democrats into support for its passage through Parliament because of their strong environmental concerns.

Whether this works remains to be seen and depends on the Coalition being returned. So far Labor has not revealed its proposals for Landcare into the future.

Leaving the size of the funding package aside, critical adjustments are needed to ensure that the failings of our natural resource management are addressed and that the expenditure of the vast amounts of money needed and the policy settings are closely linked.

The process is inexorable. It will continue to be driven by a combination of economic, market and regulatory forces. The real issue is how fast do we want to go. What priority does the Australian community give to the problems?

There is another fundamental issue to be addressed. What obligation will there be on land managers if they are to receive the billions needed for remediation, structural adjustment and other initiatives? Surely the concept of 'mutual obligation' must be

extended beyond the welfare system to the much greater personal finance benefits to be received in future by landholders. This will be resisted by some, but cannot be seriously denied. If a land manager is to receive a private benefit from public expenditure on this scale, he or she must accept the goal of sustainable land use, and accept independent verification of progress towards it.

7. A Ten-Point Plan

The overall task is to lift the standard of national debate about the future of our land, and be prepared to move beyond the comfort zone of some conventional wisdom which is not only wrong, but constrains us from moving forward.

To continue to pay lip service to the environment and biodiversity but not be seen to be taking the hard decisions, such as providing for environmental flows for the major rivers and controlling broadacre land clearing, is hollow in the extreme.

To constantly reduce the issues of environment, habitat preservation, land use and pest control to property-by-property evaluation, in the absence of a regional planning context, is futile.

To continue to claim to be the most efficient producers in the world, without taking into account the constant loss of natural capital, is to perpetuate the illusion of excellence.

To treat the depletion of natural capital as income is a road to bankruptcy. If we are to be driven by rational economics, let us at least apply it rationally.

To continue to treat the natural cycles of drought, fire and flood as bad luck, or a natural disaster or 'exceptional circumstances', is to continue to misunderstand our natural environment and its use.

To continue to fund environmental restoration programs while some land-holders continue to make the problem worse, is self-defeating. It is easier and much cheaper to prevent land and water degradation problems than to repair them.

1. There is a need to apply the concept of a 'Social Contract' between the community as taxpayers and land users as recipients of the vast amounts of public funding necessary to arrest or repair damage.
2. Landcare activities should be consolidated into clearly identified and appropriately resourced regions. Each should be responsible for the production of Regional Plans and strategies that would be given effect by legislation.
 - Localised catchment or other plans and property plans would be developed within the regional framework and only landholders with activities proposed in accordance with the broader regional goals would be eligible for grants.
 - Catchment and property plans should be based on a full suite of economic, agronomic and ecological considerations.
 - The process should be transparent and the plans certified by third parties.
 - There should be generous incentives (especially in transition) for landholders owning critical habitat or salinity recharge areas for example, to act in the long-term public interest. Where landholders in such areas refuse to change practices that are contributing to resource degradation, regional bodies or state agencies should have sufficient authority and resources to require them to do so.

- This would require a better information base than exists at present in most regions.
3. It seems to us that outcomes would be more positive and coherent if Commonwealth funding was allocated on the basis of regional plans. This would have the dual advantages of generating a whole-of-region approach and generating greater confidence about the objectivity and coherence of funding decisions. Project funding would be a regional responsibility with grants in accordance with the regional plan.
 4. There is a compelling argument for restoring a Resource Assessment Commission process, or something very similar to it, to provide Cabinet with a solid and independent base of fact upon which to take major resource decisions.⁵ Such an evaluation of salinity, water use, biodiversity protection, vegetation clearing, and many other matters would certainly raise the quality of the debate and improve government decision making.
 5. Funding for research and information transfer must be increased. There should be a steady proportional increase in funding in each Commonwealth and State budget. Research results then must be integrated across Commonwealth and State agencies and other research institutions.
 6. A 1% National Landcare Tax should be imposed for the next ten years to raise funds in the order of \$30 billion. This is the government contribution indicated by the ACF-NFF study (which, as a matter of urgency, should be validated by the Commonwealth with a study of its own). Ideally, the tax should have the unanimous support of the Commonwealth Parliament so the public funding base is absolutely secure in the long-term. It would be possible to drive up the private sector share of the total capital required for the task, and thus reduce the public outlay.
 7. Partnerships with business should be initiated to assist in the repair of Australia's lands and rivers, using mechanisms such as greenhouse emissions trading to drive commercial vegetation plantings, and water markets to bring full commercial value to water use. Government should review tax and other measures to ensure these activities are attractive for investors.
 8. This national initiative should commence with a meeting of stakeholders from across Australia to lay down the broad policy direction for its implementation. Its agenda should include the conditions upon which funds should be granted for work on private lands, the roles of Commonwealth, State and Local government and the setting of priority actions. The stakeholders should be broadly representative and not limited to representative bodies. They should include strong representation from farmers and farmer organisations, conservationists and green organisations and scientists with expertise in the area. Recommendations should be achieved on a consensus basis.

⁵ The RAC was vilified after its report on the Coronation Hill mine for failing to make conclusive recommendations on a decision. This totally misconceived its role, which was to provide a clear statement of the options for use of a resource and the economic, ecological and social implications of the options. Cabinet was to choose from the options.

9. Governments should adopt mechanisms that ensure the principle of sustainable development is integrated into policy and programs.⁶ There must be a ‘tollgate’ mechanism attached to policy development, integrated under the national natural resources management umbrella, to ensure that policy objectives, such as greenhouse reduction, vegetation protection, biodiversity preservation and salinity abatement are all achieved.
10. Aboriginal and Islander people now own 15% of Australia, but receive only 2.8% of funds allocated under Landcare, NHT and other land management funding⁷. Indigenous people, issues and lands must be a core element of national and regional strategies.

⁶ The Hawke Cabinet established a sub-committee of cabinet to examine these matters, but it lost its meaning when its membership eventually included nearly every Minister in Cabinet. The meetings went on as they had always done.

⁷ Proceedings of National Meeting on Indigenous Protected Areas, Alice Springs, April 1997.

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