



Nature Conservation Council
The voice for nature in NSW



Agricultural Competitiveness Taskforce
Department of the Prime Minister and Cabinet
PO Box 6500
CANBERRA ACT 2600

12 November 2014

SUBMISSION TO THE AGRICULTURAL COMPETITIVENESS GREEN PAPER

Dear Sir / Madam,

INTRODUCTION

The Nature Conservation Council of NSW (NCC) is the peak environment organisation for New South Wales, representing more than 130 member societies across the state. Together we are committed to protecting and conserving the wildlife, landscapes and natural resources of NSW.

NPA NSW formed in 1957, is a community based organisation with over 20,000 supporters from rural, remote and urban areas across the state. NPA NSW promotes nature conservation and sound natural resource management. We have a particular interest in the protection of the State's biodiversity and it's supporting ecological processes, both within and outside of the formal conservation reserve system. We promote connectivity conservation, for example, through our involvement in the Great Eastern Ranges Initiative.

We welcome the opportunity to comment on the Agricultural Competitiveness Green Paper (**Green Paper**).

GENERAL COMMENTS ON THE GREEN PAPER

The stated aim of the Green Paper is to provide policy directions for improving the profitability and competitiveness of the agriculture sector to inform the preparation of a White Paper on the topic. The Green paper states that the White Paper:

“will establish the plan for the future growth and prosperity of the agriculture sector. It will enhance the sector's contribution to national and regional economic growth, job creation and national prosperity. Importantly, it will assist in bringing about a more profitable future for farmers and their families, who are at the heart of the sector and for whom a better return through the farm gate is imperative” (page 1, Green Paper).

Our organisations recognise the significance of agriculture to the Australian economy and future food security and support fair and reasonable returns to farmers for agricultural products that are produced in an ecologically sustainable manner. However, we dispute the statement in the Green Paper that currently *“Agricultural production is underpinned by the sustainable use of land and water resources”* (page 72, Green Paper).

Agriculture has had and continues to have significant negative impacts on the unique Australian natural environment. These impacts must be recognised, addressed and appropriately regulated. Impacts of agriculture include:

- clearing of native vegetation resulting in the loss of biodiversity and increased CO₂ emissions;
- salination, aridification, erosion and loss of topsoil also caused by over clearing of native vegetation;
- acidification;
- sodicity;
- depletion of aquifers;
- over-extraction of water from other water bodies leading to unhealthy river and wetland ecosystems;
- nutrification, pollution and salination of waterways;
- the escape of species such as pigs, goats, deer and buffalo which have become feral pests; and
- introduction of some weed species.

Some of these impacts have significant quantifiable economic costs. Others are not readily quantified in economic terms but nonetheless are highly significant environmentally, socially and culturally.

Some of the negative environmental impacts of farming are mentioned in the Green Paper but there is no attempt to evaluate their economic cost to the agricultural sector or the economy at large. Their social, cultural and environmental impacts are ignored. There is also insufficient discussion of how the environmental impacts of agriculture can be properly addressed. Australian farming must become ecologically sustainable to ensure its long-term viability.

Of particular concern to our organisations, is the Green Paper's lack of adequate discussion of the potential social, environmental and economic impacts of climate change on agriculture in Australia and how the agricultural sector will adapt to or mitigate these impacts. Climate change will not just increase the incidence of drought and reduce the availability of water in many parts of Australia, it will also exacerbate most of the environmental impacts listed above as well as leading to increased incidence of wildfires and major storms. These issues are not mentioned in the Green Paper.

Our organisations are also concerned that the Green Paper appears to adopt many stakeholder submissions uncritically, including in relation to removal of "green tape", the application of the *Environmental Protection and Conservation of Biodiversity Act 1999* (EPBC Act) to agriculture and the proposal to convert agricultural land from leasehold to freehold. There is a risk that if the White Paper does not objectively take into account relevant social economic and environmental matters, that it will effectively become a "wish list" for vested agricultural interests rather than a balanced document on which to base Government policy.

SPECIFIC COMMENTS

Specific comments are arranged under topic headings in the Green paper.

Working with the States and Territories

Green tape and one stop shops

While we support best practice regulation to improve the efficiency of Australian agriculture, we oppose the proposals for removal of "green tape" and establishing "one stop shops" for environmental approvals referred to in the Green Paper¹. The claims in the White Paper that such proposals would streamline or improve agricultural efficiency are not substantiated.

¹ See further NCC's submission to the Inquiry into streamlining environmental regulation, 'green tape' and 'one stop shops' (April 2014). Download [here](#).

The proposed White Paper on Agricultural Competitiveness should not be completed until the National Review of Environmental Regulation is completed and there has been proper consideration of all relevant issues. Environmental legislation is of relevance to all Australians living in both rural and urban areas and should not be developed in the narrow framework of agricultural economic policy-making.

Australia's environmental laws are the basis for environmental management that is necessary to underpin the long term ecological sustainability of agriculture. They regulate activities such as the clearing of native vegetation, which can have significant ecological and biophysical impacts and provide protection flora and fauna. With numbers of threatened plant and animal species and endangered ecological communities increasing, our national environmental laws are becoming increasingly necessary to prevent the extinction of unique Australian plants and animals.

Any move to hand back Commonwealth environmental powers to the States is likely to result in inconsistent regulation of such environmental matters between States and in poorer environmental practices and environmental assessment in some states. It also fails to acknowledge that many environmental matters are of national rather than just State significance and involve more than one state or territory, for example, the management of the Murray-Darling Basin.

The Green Paper states that in the 15 years since the commencement of the EPBC Act, there have been 54 agriculture-related projects referred for assessment, and of those only 8 projects have been subject to conditions. This indicates that the EPBC Act has only applied to low numbers of agricultural proposals. Therefore, it is unreasonable to argue that the application of the EPBC Act is overly restrictive with respect to agricultural activities.

The Green Paper also refers to "*onerous on-farm conditions, such as certain excessive flora and fauna caveats*" in the EPBC Act (p83, Green Paper). It is unclear exactly what is being referred to. There are no provisions in the EPBC Act which refer expressly to farming activities. This statement should not appear in the White Paper as it is highly misleading.

Conversion of leasehold to freehold lands

The conversion of leasehold land to freehold is another issue raised by some stakeholders cited in the Green Paper. We strongly oppose any move by State Governments to convert pastoral or agricultural leases to freehold.

Land in the Western Division of New South Wales, which is leasehold, is particularly environmentally sensitive. Leasehold conditions have maintained native vegetation and wildlife habitat and helped prevent or reduce impacts of agriculture such as erosion, dry land salinity and aridification, principally through restrictions on clearing native vegetation for cropping.

The basis of the current land management scheme of the Western Division arose out of a Royal Commission report in 1901, "*Report of the Royal Commission to Inquire into the Condition of the Crown Tenants, Western Division of New South Wales*". The report found a lack of any controls of land use had resulted in what today would be described as ecological collapse.

Predicted models of climate change suggest lands in the Western Division will be subject to longer periods of drought in the future. Such environmentally sensitive land could be rapidly degraded through freehold conversion of leases unless existing environmental controls were maintained.

It should be noted that in the western United States, where 60 million people reside and agricultural productivity is considerable, the Federal Bureau of Land Management retains public ownership of grazing lands across a vast area. This grazing licensing system underpins the management of these rangelands, including adjustment of practices to ensure the on-going sustainability of farm practices.

There are other significant leasehold lands in NSW, in the Central and Eastern Division of the State. There are also travelling stock reserves that are still used, particularly in times of fire and drought for moving and agistment of stock. Travelling stock routes are held under leasehold in the Western Division. Particularly in the Central Division of NSW, leasehold land and the travelling stock route network have maintained more of their native vegetation than the highly cleared farm land around them and the majority remaining are of high conservation value. The conservation value of both the agricultural leasehold land in the Central and Eastern Divisions of NSW and the travelling stock routes would be undoubtedly lost if leases were converted to freehold or the travelling stock network was broken up.

Agriculture and other land uses

We acknowledge that mining (including for coal seam gas and petroleum) activities at the exploration or extraction stage can destroy or significantly negatively impact the agricultural potential of land. We consider that mining should not automatically take precedence over agriculture or any other land uses. The assessment of any proposal to carry out mining exploration or extraction must be carried out in an objective and transparent manner; and provide for meaningful public participation in the assessment process and third party appeal rights to challenge decisions.

We consider that land of high environmental conservation value used for agriculture, which are outside existing reserves, should be identified and either acquired for conservation purposes by the Government or agricultural activities be appropriately regulated on such land to prevent the loss of its environmental value. In addition to Government grants and schemes such as the National Landcare Initiative, we would generally support “stewardship payments” for farmers to carry out best practice environmental management techniques to improve the quality of ecosystem services and biodiversity values, including increasing native vegetation cover.

Education, skills and training, and labour

We support vocational training as well as secondary and tertiary education in agriculture. As part of such education, it is essential that environmentally sustainable farm practices and land management be taught. Courses should also include components on the biology and ecology of Australian ecosystems addressing the importance of the retention of native vegetation. We also support initiatives to better inform farmers about climate models accompanied by information on measures to mitigate and adapt to climate change.

Drought

We consider that this section would be more appropriately headed “Drought and Climate Change” with a broad discussion of the potential impacts of climate change and steps that could be undertaken to mitigate and adapt to climate change.

Droughts, also referred to as extended dry periods, are a feature of Australian weather patterns. Their frequency, intensity and duration are predicted to increase with climate change in many areas of the continent. The focus of the Green Paper is on providing economic support to farmers during drought. We question whether the Government should be making long term commitments to drought financial assistance to farmers given the potential impacts of climate change. If droughts become as severe as predicted by climate change models, some areas may become both environmentally and economically unsustainable to farm. The White Paper should consider the option of the Government buying out pastoral or agricultural leases or freehold properties if such circumstances arise.

The role of native vegetation legislation and pastoral and agricultural lease conditions in protecting the environment from the impact of overgrazing, loss of vegetation cover and erosion during droughts must be recognised.

Natural Resource Management

Our position in relation to the reduction of green tape and the EPBC Act are set out above.

We support the National Landcare Initiative but consider there needs to be more emphasis put on conservation issues such as the creation of wildlife corridors creating connectivity between conservation reserves and protection of ecosystem services such as ensuring the health of water catchments.

We consider that the emphasis given to the construction of major water infrastructure such as dams is a very expensive and misguided response to concerns about water supplies in the future. It fails to acknowledge the negative impacts of such infrastructure including changes in availability of water for environmental flows, loss of important floodplain wetlands and the flooding of large tracts of land that can result in loss of agricultural land or high conservation land.

The large public investment aimed at reversing the decline in ecosystem health of the Murray Darling Basin has been necessary because of previous Government policies to build large instream dams and over allocate water access entitlements.

The environmental impacts of large dams are well known and well documented in a wide range of international, national and Murray-Darling Basin studies. For example:

“Dams change the chemical, physical, and biological processes of river ecosystems. They alter free-flowing systems by reducing river levels, blocking the flow of nutrients, changing water temperature and oxygen levels, and impeding or preventing fish and wildlife migration”².

The social and economic impacts of large dams are also well understood with challenges to water sharing and equity for downstream communities and industries developed around natural flood sequences.

We do not support the current Federal Government policy to cap water buybacks at 1500 GL in the implementation of the Basin Plan. The purchase of water entitlements from willing sellers is the most cost effective approach to delivering environmental flows back towards restoring river and wetland health.

The proposal to invest public money in new dams in the future is counter-productive and not cost effective.

An alternative solution that would be more cost effective would be spending money on research into new crop varieties and stock breeds that require less water. Other measures include redesigning existing irrigation infrastructure so that they are more efficient at storing and transporting water and buying back water licences and land where water rights have been over-allocated. It is critical for the irrigation industry, particularly cotton and rice, to move away from wasteful flood irrigation methods towards sub surface irrigation or efficient spray applications.

Research development and extension

We are alarmed by the Government’s recently announced cuts to funding of CSIRO and other research organizations. Given the enormous potential impacts of climate change, the Government should be increasing and not decreasing funding to research on agricultural issues, particularly, on climate change and mitigation and adaption to its impacts. We also oppose cutbacks to extension services. The importance of research into developing new varieties of crops and breeds of cattle, which are better adapted to, predicted climate change is recognised above.

² Joyce, S (2011) ‘Dams – The Advantages and Disadvantages’ Environment, Health and Safety Online <http://www.ehso.com/ehshome/energydams.htm>

Biosecurity

We support moves to improve biosecurity measures. It is important that such measures, however, focus adequately on the implications for native species and ecosystems and not just on agricultural livestock and crops.

CONCLUSION

As outlined above, we recognise the significance of agriculture to the Australian economy and future food security. We also recognise the significant environmental challenges facing our nation, including loss of biodiversity and native vegetation from land clearing, and climate change. To ensure the long term viability of agricultural activities we must ensure that they are undertaken in an ecologically sustainable manner.

Consideration of agricultural issues in a purely economic framework is not in the long term interest of individual farmers or the country. Failure to properly consider, address and regulate social and environmental impacts now will undoubtedly lead to taxpayers funding expensive measures to address those impacts in the future.

Yours sincerely,



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