

Department of the Environment and Energy

Submission to the *Inquiry into the impact on the agricultural sector of vegetation and land management policies, regulations and restrictions*

The Department of the Environment and Energy designs and implements Australian Government policy and programs to protect, conserve and sustainably manage Australia's environment and heritage, promote climate action, advance Australia's interests in Antarctica, and provide adequate, reliable and affordable energy.

The Department recognises that farmers are important stewards of our unique environment, with agriculture accounting for 58 percent of Australia's land use. Consistent with the Australian Government's legal responsibilities, the Department's engagement with the farming community is aimed at supporting sustainable land management and regional economic growth, while maintaining the high environmental standards Australia is renowned for. We are working with farmers to ensure regulations can be easily understood and applied.

Environmental regulation of vegetation and land management

The general responsibility for land use planning rests with state and local governments. The Department only has a regulatory role relating to land use in instances where the approval provisions of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) are likely to apply.

Under the EPBC Act, an agricultural project requires approval by the Commonwealth Environment Minister if it is likely to have a significant impact on one or more 'matters of national environmental significance'. Matters of national environmental significance include wetlands of international importance, nationally threatened species and World Heritage properties, among others.

Routine agricultural activities that were already occurring when the EPBC Act came into effect in July 2000, such as grazing, cropping, weed spraying and fire management, are exempt from this requirement.

Historically, only a small proportion of agricultural projects have required EPBC Act approval. An analysis by the Department has found that between July 2000 and May 2018, sixty agricultural projects required EPBC Act approval, constituting 3.46 percent of all projects that have required approval during this period.

Nevertheless, it is expected that the EPBC Act will continue to play a role in the regulation of Australian agriculture as the sector continues to expand. The Department is working with state regulators and industry groups to increase awareness of the EPBC Act and the role of the Australian Government in environmental regulation.

The Department helps land owners know about, and understand, their obligations with respect to complying with national environmental law. Skilled and experienced

assessment staff are available to assist land owners to determine whether, and/or how, the national environmental laws might apply to them. For example, the Department is working with the New South Wales Department of Primary Industries on tailored training for Local Land Services staff and developing plain English information products to support land owners to make decisions about if and/or how national environment laws might apply to their land management activities.

The Government recently initiated an independent review of interactions between the EPBC Act and the agriculture sector, to identify practical solutions to improve regulatory clarity for farmers. The review is now complete and the Government is considering recommendations from the review.

Investment programs supporting sustainable vegetation and land management

National Landcare Program

The National Landcare Program is the Australian Government's primary commitment to natural resource management. Through a \$1 billion investment across the country, Phase One of the program (2014-15 to 2017-18) provided funding to support the work of Australia's 56 regional natural resource management bodies and World Heritage Grants, the 20 Million Trees Program and the Threatened Species Recovery Fund.

This has directly supported the improvement and protection of Australia's natural resources. Achievements included the adoption of new and innovative farm practices and technologies; improvements in farm-gate profits, productivity and market access; and the uptake of sustainable management practices across more than 9.5 million hectares of land. This has resulted in complementary improvements to agricultural productivity, the environment and social outcomes.

Phase Two of the National Landcare Program (2018-19 to 2022-23) is continuing to build on this work by investing a further \$1 billion in the delivery of targeted activities against agreed natural resource management priorities for sustainable agriculture and the environment. As part of this investment, the Regional Land Partnerships Program is investing up to \$450 million in on-ground environment and agriculture projects, including improvements to soil and vegetation, and increasing the capacity of our farms to adapt to climate change and evolving market demands.

Environmental Stewardship Program

The Environmental Stewardship Program was established to maintain and improve the condition and extent of targeted, high public-value environmental assets on private land, and secure enduring changes in land manager attitudes towards environmental protection and sustainable land management practices. Under the program, 288 private land managers were contracted for up to 15 years to manage over 52,000 hectares of five EPBC Act listed threatened ecological communities across New South Wales, Queensland and South Australia.

Emissions Reduction Fund

The Emissions Reduction Fund (ERF) provides incentives for Australian businesses, farmers and other landholders to voluntarily adopt new practices and technologies to generate carbon offsets and reduce Australia's greenhouse gas emissions. ERF funding can be used to provide an additional source of revenue to the agriculture sector.

Landholders in pastoral regions are undertaking projects to store carbon by regenerating native vegetation, for example, by altering livestock grazing strategies, ceasing clearing of vegetation and managing feral animals. There have been around 300 such projects approved, located mainly in New South Wales, Queensland and Western Australia.

Across northern Australia, around 70 ERF projects use tropical savanna fire management to generate carbon offsets. These projects involve working with landholders to undertake dry season cool burns on their land in order to generate measurable carbon abatement. Early burns reduce the impact of severe fires in the late dry season, which also results in lower greenhouse gas emissions and generates carbon offsets.

Reef Trust

The Reef Trust is designed to improve the health and resilience of the Great Barrier Reef, targeting investment to the highest priority threats to the Reef, based on the best available science and expert advice. A major focus for the Reef Trust has been working with land owners in Reef catchment areas to reduce the amounts of sediment and nitrogen entering the Great Barrier Reef from agricultural runoff.

The Reef Trust has been investing in on-ground improvements in Reef catchment areas since 2014 and investments are coordinated with those of the Queensland Government through joint implementation of the Reef 2050 Water Quality Improvement Plan. Governments work closely with the six Natural Resource Management groups in the Reef catchment, industry bodies and a range of other organisations to implement Reef Trust projects.

As well as providing environmental outcomes, many Reef Trust funded projects help to improve farm productivity and can save land owners money. For example, through Reef Trust reverse tenders in the Burdekin and Wet Tropics regions, 109 cane farmers have been contracted to reduce nitrogen application by 2,602 tonnes over 6 years. The reduction in applied nitrogen fertiliser represents about 494 tonnes less nitrogen reaching the Great Barrier Reef and a saving of \$2.6 million on fertiliser costs for the engaged farmers.

Research on vegetation and land management

The National Environmental Science Program (NESP) is a long-term commitment by the Australian Government to environmental research. NESP funding of \$145 million over the six years from 2015 to 2021 supports six themed research hubs, along with projects to address emerging environmental research needs.

Interaction with the agriculture sector is an important component of this work. For example, since the NESP started, about \$1.4 million has been invested in research projects aimed at preventing gully erosion in Queensland – an issue of importance to both agricultural productivity and the environment.