Senate Inquiry into Native Vegetation Laws, Greenhouse Gas Abatement and Climate change Measures

Senate Finance and Public Administration Committee fpa.sen@aph.gov.au PO Box 6100 Parliament House Canberra ACT 2600 Australia

Submission prepared by: Dr Julene Haack

To whom it may concern,

With regard to (1) The impact of native vegetation laws and legislated greenhouse gas abatement measures on landholders:

I am writing as a concerned observer, as I have no personal knowledge of items (a), (b) and (c).

My great-great grandparents settled in the Gympie (Queensland) area in 1886 and my brother continues to farm that land today. My family is very fortunate to have not suffered any ill effect from such legislation; however, the family farming tradition prods me to consider this issue.

I am aware of the Peter Spencer case, in which a vast portion of his property was "quarantined" under native vegetation law such that, after several valiant attempts at profitable farming, he was unable to make a living. He did not receive adequate compensation.

I am also aware that his is not an isolated case. For example, in 2004, the Parliament of Western Australia held its own inquiry into the "Impact of State Government Actions and Processes on the Use and Enjoyment of Freehold and Leasehold Land in Western Australia".

(<u>http://www.parliament.wa.gov.au/web/newwebparl.nsf/iframewebpages/Legislati</u> <u>ve+Council+-+Current+Committees</u>)

I believe these legislations have the following negative impacts:

1. Compromising what we stand for as a nation.

As Australians we consider ourselves a free nation. The right to own property would be considered an inviolate tenet of our freedom. To quote from the Department of Foreign Affairs and Free Trading website: "As the highest law in Australia, the Constitution specifically protects certain rights and freedoms, including trial by jury in specified circumstances, the free exercise of any religion, and just terms for acquisition of property."

(http://www.dfat.gov.au/facts/democratic rights freedoms.html)

Morally, when governments prohibit landowners from using parts of their land, those parts have been "taken away" from the owners. Therefore, constitutionally, "just terms" compensation should apply. However this does not seem to have been the case with native vegetation legislation. To quote from the Productivity Commission Report into "Impacts of Native Vegetation and Biodiversity Regulations" (April 2004): "Compensation for the impacts of native vegetation regulations has been and remains the exception rather than the rule." (page xxxii of Overview – see attached pdf file)

As governments intrude more and more on private property, the meaning of freedom becomes highly compromised.

Governments, by their very nature, have a predilection for excessive control - this must be rigorously checked-and-balanced. By allowing these legislations to stand, the imbalance between government control and personal freedom continues unchecked.

2. Reducing productivity.

You will hear from individual landowners and farmers who have been impacted in this regard. For my part, I would draw your attention again to the Productivity Commission Overview.

With regard to farming practices, the Commission found that there is negative impact in four areas:

"preventing expansion of agricultural activities; preventing changes in land use (for example, from grazing to cropping) and adoption of new technologies (such as installation of centre-pivot irrigation); inhibiting routine management of vegetation regrowth and clearing of woodland thickening to maintain areas in production; and inhibiting management of weeds and vermin." (page xxx) These result in reduced expected net returns and subsequently: "a reduction in anticipated returns — or simply an increase in the risk premium because of the uncertainty surrounding the impact of native vegetation regulations — will also affect farm investment and the willingness of finance providers to lend." (page xxxi)

Thus these laws impact at two levels of farm capacity: the ability to deliver a food or fibre product; and the ability to create further productivity opportunities through investment.

There is also a moral component to the productivity aspect. In 2009 the UN estimated that 1.02 billion people were undernourished. (http://www.fao.org/hunger/hunger_home/hunger_at_glance/en)

We have an obligation to feed ourselves and others around the world. We must carefully counterbalance this necessity against the demands of environmental protection.

Going forward:

There is no doubt that environmental protection is a laudable goal and has become an expectation of the wider community.

However, native vegetation legislation has resulted in perverse outcomes: The focus on reduced land clearing is a narrow-minded method for and often detrimental to real environmental improvements (see page xxvii of the Productivity Commission Report Overview); and the adversarial and punitive nature of legislation is disenfranchising key participants (landowners) (see page xxviii).

The Report proposals include:

remove impediments to and promote private conservation; and
develop a formal process for sharing costs and devolving responsibilities."
(page xxxv)

I would strongly urge you to read the attached Overview of the Productivity Commission Report, with the greater details it includes.

We *must* redress the inequality that currently exists in environmental management and instead find a win-win solution.

As it stands, a small number of Australian landowners are providing the environmental outcomes that the general community demands. This small group of people "pay" through loss of freedom and loss of productivity (as described

above). And yet, the wider community pays nothing. One wonders whether they would be so demanding if payment on their part were required.

To achieve real environmental improvements, governments need to abandon the current adversarial and punitive approach.

Landowners are best-placed to understand the unique needs of their property within their region and are on the ground to undertake whatever actions are required. In many cases, all that is needed is access to training in sustainable practices. In other cases, financial incentives may be necessary to counteract the loss of income from, for example, fencing off waterways. These incentives could come through private mechanisms, as discussed in the Overview.

Landowners who are voluntarily involved will be more actively engaged and motivated than those who are forcibly involved, thus resulting in more profound outcomes. In addition, many sustainable practices can actually increase farm productivity in tandem with protecting natural resources. Thus, a win-win situation results.

In brief, I believe the various State Governments must repeal their native vegetation laws and change to a more co-operative approach. This will require some outlay from the public purse, however this is not unreasonable, given the "public good" nature of environmental management.

With regard to (2) in conducting this inquiry, the committee must also examine the impact of the Government's proposed Carbon pollution Reduction Scheme and the range of measures related to climate change announced by the Leader of the Opposition (Mr Abbott) on 2 February 2010.

In brief, the CPRS seems to be a complicated financial instrument that will make brokers (and some financially savvy individuals) very rich. It may or may not be environmentally beneficial.

Mr Abbott's Direct Action plan contains elements that are easily understood by the layman and seem to make sense. Many elements represent win-win situations – for example, sequestration of carbon in soil also improves soil fertility and therefore agricultural production.

Yours sincerely,

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