

Northern Territory Government

Department Natural Resource, Environment, The Arts and Sport

**Submission to the Senate Inquiry on Inquiry into Native Vegetation
Laws, Greenhouse Gas Abatement and Climate Change Measures**

Background

Agriculture in the Northern Territory is presently dominated by extensive pastoralism. Less than 1% of the native vegetation cover has been cleared of woody vegetation for more intensive use. A number of attempts to establish large scale agricultural developments have failed in the past, in part due to inadequate appreciation of the constraints imposed by severe climate (seasonal and longer term extremes of dryness and intense rainfall events) and relative infertile and often unstable soils¹ in all but a few favourable sites.

The challenges have been most recently catalogued by the Northern Task Force in their thorough and scientifically robust exploration of opportunities for irrigated agriculture in northern Australia². Their analysis rejects the myth of unlimited water to drive development of the region as a regional food bowl.

Historically, regulation has played little role in determining low rates of intensive agricultural development in the Northern Territory. Until 2002, there were no controls on land clearing on freehold land and controls on pastoral land - introduced in 1991 - were lightly exercised. More recent tightening of controls recognised public concerns at risks to the condition of the Daly River in particular. As scientific understanding of the region and the pressures on it has improved, together with community and government capacity to monitor environmental effects, controls have been varied to permit orderly and clearly sustainable development.

The Northern Territory Government recently introduced the Territory 2030 Strategy, to set priorities and guide government's efforts over the next two decades. Territory 2030 contains 129 targets linked to six key priorities including economic development, and the environment.

The *Northern Territory Climate Change Policy*, a comprehensive action plan to combat climate change in the Territory was also introduced in December 2009. This policy commits to new native vegetation management legislation in 2011, incorporating regional native vegetation plans, and requiring consideration of greenhouse gas impacts in land use change decisions.

Consistent with these policy positions, the Northern Territory Government is also committed to a search for new sites³ that are demonstrably capable of

¹ Woinarski JCZ and F Dawson (2002). Limitless lands and limited knowledge: coping with uncertainty and ignorance in northern Australia, in *Ecology, Uncertainty and Policy: managing ecosystems for sustainability*, eds J.W. Handmer, T.W. Norton & S.R. Dovers, Prentice-Hall.

² See relevant summary and scientific reports at <http://www.nalwt.gov.au/>.

³ Northern Territory Government (2009) Territory 2030 Strategic Plan

supporting quality agricultural developments meeting the high environmental standards demanded by the community, including management to mitigate greenhouse gas emissions. New regulatory frameworks under development for management of native vegetation will provide a vehicle for more effective planning of new agricultural development to avoid the mistakes of the past.

Consideration of Issues before the Inquiry:

(1) Impact on landholders

There is no evidence of any serious impacts of native vegetation laws on the economic position of landholders, and certainly no diminution of land values in the Northern Territory. There has been no reason to consider compensation.

The current Northern Territory *Pastoral Land Act* constrains vegetation clearance for the purpose of agricultural activities other than those related to the primary purpose of pastoral lands - pastoralism. However, there is little evidence that this has unreasonably compromised landholder development opportunities in any major way, and current revisions of the Act should increase flexibility in this area.

Some submissions to the 2009 Senate Inquiry on Tiwi Islands forestry and mining asserted that obligations under the *Environmental Protection and Biodiversity Conservation Act* placed unnecessary and excessive burden on forest plantation development, and hence the economic viability of the enterprise and Tiwi people generally. Such assertions were contested; and ultimately other factors were far more important in determining the viability, or otherwise, of the operation.

(2) Carbon Pollution Reduction Scheme (CPRS)

Our understanding of the CPRS as is currently proposed is that it will not attract direct liabilities for landholders, as emissions from the agriculture sector have been excluded from the scheme. To the contrary, the CPRS as proposed does offer significant positive opportunities to landholders to improve land management and diversify income streams through market based offset arrangements. This is consistent with the position of NTG in its climate change policy, which aims to maximise economic opportunities for land managers through carbon markets.

The Northern Territory Government supports the introduction of the CPRS as the primary market based mechanism to address the real and growing challenges of climate change at least economic cost to Australia's economy. The Government seeks to ensure that the Territory contributes meaningfully to national efforts to curb emissions of damaging greenhouse gases.

A jurisdiction like the Territory, with its small population and developing economic base, will have a minor role in meeting Australia's national commitments. The Northern Territory cannot and will not support steps that

thwart aspirations to improve well-being through well-considered development, particularly in the regions.

The government's approach to this dilemma - of making a real contribution to greenhouse gas abatement while pursuing orderly land-based development - is two-fold: to design regulatory frameworks that facilitate sound developments in demonstrably favourable sites, and to offset related increases in emissions by improving the standards of management of all lands. Important steps have already been taken with world-leading programs for improved management of fire in savannas⁴ and control of feral animals. Better management will substantially increase carbon storage in the Territory's extensive landscapes. However, the fire programs run by Indigenous people are built around future access to markets and the delay in implementing the CPRS has caused considerable concern.

In short, we submit that well-considered laws for native vegetation management and polluter-pays systems like the CPRS are entirely compatible with the continued development of the Territory and in the long term interests of landowners. Indeed, government will support Territory landowners to access carbon markets enabled by the CPRS, as well as those opportunities presenting in the voluntary carbon markets that will be strengthened by the introduction of a CPRS, where this adds to the options available to them and so provides the economic diversification that many have been seeking.

⁴ Russell-Smith J, PJ Whitehead and PM Cooke (eds) (2009). Culture, ecology and economy of fire management in northern Australia: rekindling the *wurrk* tradition. CSIRO Publishing, Melbourne. 386 pp.