



PolMin

Australian Political Ministry Network Ltd
Influencing public policy for the common good

The Committee Secretary,

Standing Committee on Agriculture, Fisheries and Forestry
House of Representatives
Parliament of Australia
Canberra
Primary.Industries.Reps@aph.gov.au

Secretary: *[Signature]*

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
AGRICULTURE, FISHERIES
AND FORESTRY

Dear Committee Members,

**RE: Future water supplies for Australia's rural industries and communities
Committee of Inquiry**

Thank you for the opportunity to provide comment to the Committee of Inquiry on into future water supplies for Australia's rural industries and communities. We have reviewed the Committee's Terms of Reference. ,

About us: The Australian Political Network is a national, not for profit, community-membership organisation. Our goal, as a policy reform organisation, is to influence public policy **'for the common good.'**

This principle, *'for the common good'*, is one of the many principles of Catholic Social Teaching which has provided guidance in establishing our reform position on the issue of Australia's Waters.

The 'common good' asks us to see the **intrinsic interconnectedness between ourselves and our environment.** This principle asks that we see the ecology, welfare of all humans, and the welfare of our economy, as all being equal stakeholders in the water policy and planning environment.

Our primary role is to assist in organising community participation in the public policy process, and increase community information about contemporary policy issues and debate. Our members are encouraged to take an active in this community role.

Following a review of the Terms of Reference for the Inquiry, PolMin wishes to provide the Committee of Inquiry with the following broad comments for consideration in support of the goal of improving Inquiry on into future water supplies for Australia's rural industries and communities.

These comments relate to the overall planning framework related to water management for the rural environment in Australia, rather than techno-or industry specific water management policy issues. However in saying this, we are encouraging our members to support a specific reform agenda related to water supplies for Australia's rural industries and communities and the management of water generally in Australia.

(Refer Attachment 1: Information on Australia's Waters Policy Reform Agenda April 2002)

Finally a hard copy of additional attachments for your information will be forwarded to you office in the coming week.

Once again thank you for the opportunity to participate in the Inquiry and draw your attention to the fact that much of the input was gained though personal contact with landholders in communities. PolMin would be happy to discuss further our Rural and Regional Water reform agenda. If needed a representative of our members would be pleased to attend one any upcoming Committee hearings to provide further comment or discussion of issues raised in the briefing paper. Please feel free to call on 0425 267 490 or Ph: (02) 9890 2852 if you would like to arrange a meeting time.

Yours Sincerely,

Victoria Kearney

Victoria Kearney

National Australia's Waters Coordinator

Australian Political Ministry Network

On behalf of the Board of Directors of PolMin

Future water supplies for Australia's rural industries and communities

Committee of Inquiry

General comments:

As a general principle, PolMin would see it necessary to value and protect both our environmental and social capital in the overall improvement of rural water management outcomes.

Water management policy reform, and associated decision-making, needs to be guided by principles which aim to protect all in society, ensuring that all have equal access to, and value, the gift of an adequate water supply.

PolMin sees the need to make hard economic decisions for improved rural water management and supply. However, these decisions need to reflect the importance of the supporting the interconnectedness between environmental and social capital, and the economic implications of our water policy environment.

This interconnectedness needs to be valued and protected. There needs to be an acceptance that any short term economic costs which are required e.g. fiscal incentives to protect social and environmental capital will eventually result in improved sustainable development outcomes for this country its agricultural industries, and those communities which rely on them for existence and a healthy quality of life.

Alternatively, any short term economic gain from water management which does not value these interconnections will result in the continuation of long term degradation of our social and natural resource capital

In order for environment and employment policy reform to achieve policy outcomes which protect the common good, PolMin recommends, three global planning principles to be adopted by the Federal government. These are:

A. Policy and planning action (of government, business, and community) urgently needs to become more integrative.

1. Mechanisms need to be identified which can provide better ways in which Regional, State, and National action plans around our supplies of jobs to rural industries and the people in these communities (a more eco- social focused approach .) needs to be achieved.
2. Our implementation plans need to have a more human face of how groups work together in communities rather than structurally- focused and operating as separate policy compartments. Our communities are integrative and entities which have human spirit. Our structures need to change (not the way they look, but more how they act and connect as part of a whole). It is not about power and accountability, but more about how we effectively address and reflect the inherent interdependencies of our natural environment and the built/ human settlement environment.
3. Intersectoral action and partnerships can no longer be ad hoc, but integral to the forward planning processes and issue management in these communities. Participation which is inclusive and accountable to the local community still needs improvement.
4. Change is required in the philosophical basis of our planning approach to achieve sustainable development. It requires a turning upside down of our traditional models of strategic planning for management for all portfolios but can easily be demonstrated in relation to rural water.
5. **A new philosophical viewpoint is required in forward planning.** It is now essential to **redefinition of key planning terms** such as healthy rural and regional communities, food and trade, and environment and economic social and sustainability. This is about **structural organisational change**, but not in a reductionism or `policy add on kind` of way but about adopting a **different set of ethical principles under which we operate together as community in Australia.**

Our current compartmentalisation of strategic planning within structures is acting as barrier to achieving real community participation and real outcomes for sustainable industry, employment and training sector, water management and rural regional development outcomes. A new injection of creativity needs to be engendered in government planning models. Our resistance to implementing inclusive participation is also blocking our reform progress.

6. **Triple Bottom Line planning** needs to be broadened to include essential elements of community spirit, history and culture. Currently TBL is being implemented in a quantitative and mathematical in approach. Sustainability development outcomes will only be achieved by all stakeholders in the debate and dialogue agreeing on some set of principles that draw them to act in concert. Current structural reform is creating conflict and disruption and lack of understanding of the myriad of public policy processes at a grassroots community level. Employment policy needs to **value and reflect the interconnectiveness of the whole environment**. Water policy outcomes need to have both social, economic, and eco capital outcomes.
7. **Employment and water, is as much a social justice issue** as it is an economic, and eco-justice issue. Policy and planning development needs to be multi- strategic and flexible enough to reduce risks around equity and access issues. Training of government bureaucrats involve in public policy development need to have training in community development action and capacity building in communities.
8. There is a need for workforce skills development in community empowerment and participation processes, and integrative planning skills development. The Health Promotion field provides valuable models in working with groups in communities, working with other disciplines, and program and strategic planning across sectors.
9. **Social investment strategies** are urgently needs to support community adjustment and to support structural reform of water and employment in rural regions e.g. access and licensing, land clearing. etc. This is not about compensation for change this is about investment in new industries and support for changing patterns of work in communities and our agricultural industries.

Small marginalised regional families are presently being forced to withdraw from our agricultural industry which is having a significant social economic capital impacting on regional communities. Families are at risk which have not yet before experience social and economic risk to this extent (This information is based on situational analysis and consultation conducted by PolMin recently in the Naomi Valley in Regional NSW).

All sectors, not just primary industries policy needs to reflect this investment requirement both a local and national corporate level. It requires integration of trade, employment and food and water policy issues.

Some of these investments need to be developed both with a mix of regulatory fiscal incentives as well as market reinvestment of profit in creative opportunities for the corporate and small business private sector development in regions.

It needs to be noted that a significant amount of good will exists in these communities to resolve conflict and seek a changed way of acting together despite differing philosophical and political positions. Communities are willing to progress social environmental and economic change for the betterment of these communities as whole. There is recognition that change needs to occur but forums for debate and dialogue need development and mechanisms to involve and acknowledge communities in forward planning remains a requirement.

Communities which do not have equal access and equity in relation to water will be severely disadvantaged, as the supply of water comes under greater pressure. Issues relating to cost, ability to pay and privatisation will increasingly have an impact on those most marginalised in our society. **Access and equity issues need to be accepted and addressed as part of our overall planning framework for rural water use and management and as it relates to the quality of life in our rural and regional communities.**

B. Cross-Discipline planning and cross portfolio implementation is essential.

For example: At a Federal level, Departments such as Heritage and Environment, the Murray Darling Commission need to have greater interaction with Rural and Regional departments, and Health and Housing and Trade and Primary Industries, around water

management. Economic and financial planning departments also need to become more integrated in their decision making in relation to water, and their policy impact on those economically disadvantaged in the system.

C. Cross border management: Many rural water and associated industry infrastructures and planning issues are currently hampered by the fact that the adjoining authorities/states or area actually can implement actions which contravene the efforts of others in the next industry or further up the river. E.g. this is particularly evident around water, vegetation, agriculture and trade and environment policy across State and Local government borders.

We need a mechanism such as Catchment Management Agreements which are more inclusive and act as Regional Community Memorandums of Understanding.

There is a need for Federal leadership in the development of principles and standards which are required of all states and local government areas. Implementation of the national Council of Australian Government is integral this but its terms and conditions need to be reviewed to reflect a more integrated policy focus. I.e. include social, regional development and trade and fiscal policy goals and objectives as they relate to water and agricultural industry change.

Australia's Waters, and in particular, the future water supplies for Australia's rural industries and communities **is a national issue of significance.** As such we need to consider whether water **management needs to now come under the jurisdiction of the Environment, Biodiversity and Conservation Act 1999** in order to provide greater continuity and integrity of policy across both state and local government borders.

This is particularly important in relation to local and state government planning guidelines. Regional implementation and national leadership is essential to achieving consistency of policy reform along watercourses, not across state boundaries.

D. Specific Comments relating to the Terms of Reference for this Inquiry:

• **CASE Material:**

(Please Note: These comments have been developed from recent community participation and consultation activities in the Namoi Valley and Port Macquarie areas of NSW, liaison with farmers attending recent NSW Farmers Association Conference July 2002, discussions with Upper House Reps in the NSW Parliament, and discussions with Government bureaucrats in various NSW water related departments, in particular DLWC.)

Work has been carried out in the Gunnedah/ Tamworth region talking to approximately 30 or 40 people in the community about the impact of the COAG Agreement and the changes to water licensing legislation.

It is clear that this is needed for the rivers and quality of groundwater. However, there are serious adjustment implications both socially and economically for the communities. Particularly in Gunnedah, where there is a greater dependence on the agricultural industry. This draws the attention to the PolMin's cross border management issue- between Tamworth City Council, and the Shires of Parry and Gunnedah.

Groups that PolMin has been talking to include members of local Councils (Mayors and General Managers), representatives from cotton industry, small mixed farmers and their families, dairy farmers, members of the Rotary and Rugby clubs, local artists and poets, government agents from the Department of Water and Land Conservation both at a regional and local level, members of Landcare, and executive from the Mining industry and electorate based parliamentary advisors.

PolMin believes that its grassroots bi-partisan approach is a participatory and is able to encourage comment more readily. As an organisation we are seen as having no particular sectional or party political barrow to push. The community responds well to this and therefore is able to provide input into the inquiry from an open and empowering perspective. It is hoped that PolMin will be able to show portability of this approach to public policy reform in other areas across Australia in coming months.

From this participation and consultative process the following comments are provided to the Inquiry:

1. There are **equity issues** impacting on small farming families and their ability to compete and cover water resource costs in the market place on an even footing with corporate farming organisations such as Prudential and AMP. Issue of concern include trade prices and real prices for farming products. Policy review of the Australian Wheat Board in particular needs to address this issue of concern.
2. The social impact of water policy implementation and the inability of the average Australian Farming family to compete with corporates in relation to cash flows and access to water resources given debt ratios for families. It is expected some 70 % of small farming families will need to withdraw from agriculture and industries as a result. Other environmental sustainable industries need urgent investment to ensure the economic and social viability of these communities. (Refer House of Reps Green Jobs Inquiry). **Greater integration and planning cooperation between sustainable employment policy and**
3. **Primary Industries water policy implementation needs to occur. Trade, regional development and primary industry water policy also requires improved policy and planning integration. The Commonwealth can provide guidelines and encourage this approach nationally.**
4. The integrative planning approach taken by the DLWC Conservation is very progressive and needs to be developed nationally. The elements in this planning process of negotiated goals, costs benefits and trade offs to develop community plan is excellent approach. **This approach also recognises social impact assessment, and includes cultural and spiritual development of communities.**
5. **Commonwealth leadership** is required to diffuse growing conflict between urban and regional communities. Dialogue is needed to break down the negativity. It is about Australia not about urban greens not respecting primary producers. This cultural and political hot spot is detrimental to Australia's progression as a whole. An analogy being used by effectively PolMin is the city is the `house`, the agricultural lands' are the food gardens... and the outback is the shed down the back' All are valuable places in making **a home** and both urban dwellers and rural dwellers understand this simple analogy in bringing understanding to the debate.

6. **Without Constitutional reform, national policy leadership is required.** The Commonwealth needs to consider utilising the Biodiversity Act as an umbrella piece of legislation to ensure effective implementation of the COAG agreement across State border. The COAG agreement needs review to broaden its potential to include social as well as environmental and economic impacts of water management. It also needs to encompass other policy areas such as vegetation management and trade and other fiscal policy.
7. **Employment and Training funding allocation** to occur in the Department of Primary industry and other sectors to improve community development and integrative planning skills of bureaucratic workforce.
8. **Scientific research** is limited in its ability to provide support for farmers to address changing and climate variability. Farmers needs support in forward planning but not necessarily scientific metrological evidence but business planning skills and creative risk taking competencies.
9. **The communities believe that corporate farming in the area has no clear affiliation with local communities. Provision of jobs is not the only way they should participate in local communities and economic development. Corporate farming should be encouraged to become more involved in the integrated planning of communities including social and environmental planning. There needs to be more corporate social investment in the regions, and more corporate business engagement in these areas.(Note: many farmers were quiet happy to blow up Cubby Farm Dam!!!)**
10. The **implementation of water licensing during a drought is bad timing** and will be responsible for up to 60% of small farming families walking way from farming. This is creating tremendous cultural and social degradation impacting negatively on the social capital of communities.
11. **More innovation needs to be encouraged in the use of the landscape.** The landscape has been limited in relation to forestry agriculture mining and meat related industry e.g. abattoirs. There needs to be value adding to the use of the landscape and rural industry. Tourism is one approach, but there needs to be time given to government agents to investigate more creative and diverse ways for the landscape to be used in rural settings. Examples such as conservation industry were cited. Several members of the community cited many examples of generating wealth, native oils, foods alternative based on commodity research of world

markets, indigenous and other cultural activities .e.g. sustainable living, ancient cultures and country lifestyles. The Bordeaux region of France was cited as an example. It is an agricultural region but it is also an important cultural destination, carbon trading, alternate energy generation, stewardship payment schemes, and Greenhouse options, renewable and medicinal research. Current government funding into rural industries does not fund this innovation research into rural industries and should be carried out immediately to ease the adjustment pressure.

12. There are many ways of wealth generation which rural industries could focus upon looking at water assets rather than need based planning which focuses on deficits and problems.

13. Investigation of commercially viable permaculture farming is needed. This was suggested for domestic food markets.

14. More research into commodity markets and what is needed in relation to world food markets is required. Growth in organic food production in European supermarkets was discussed.

15. Rewards for productivity should be given to Australian farmers rather than having to compete unfairly on world markets at the same time as pressure for water is increasing. **What crops no water... farmers need advice urgently.**

16. Funding is needed from urban communities for rural adjustment not compensation.

17. Upramping and down ramping of **water licenses is not seen as equitable**. Small turf farming businesses are for example being placed in business jeopardy.

18. Insufficient **research development funding** is spent by Primary Industries and state Departments of Agriculture on **new food production**. Too much of Research and Development funding is still spent on unsustainable cropping and agricultural practices eg. Cotton grain and cattle. More agri- marketing, into export quality is required. Current research focuses on current industries not on innovation and risk-taking in the market place. Leadership is required. More diversified industry is required and incentive funding is needed urgently. Development of new and marketable commodity crops not glamour crops is necessary.

19. Establishment of an **investment fund national for future food production** is needed.

20. **Seed funding for joint partnership** is required for investment in sustainable communities. This funding needs to be cross portfolio, including Primary Industries and Environment and heritage and Rural and Regional development. Working with local communities is essential
21. **Urban communities need to pay tagged environment al levies** to maintain industries and landscape. Higher food costs or GST on food was mooted. However it needs to be accountable, legislative and transparent in implementation by the States.
22. **Incentives for rural water industries that are conservation and stewardship focused** need to be development and promoted.
23. Regional development needs to be focused around communities, not just on regional centres. It is not about developing Tamworth at the expense of Gunnedah. Services need to be spread over the region not just centralised in major centres. Industries in water technology need to be established at a local level.
24. **Information sharing networks need improvement.** Landcare is an acceptable mechanism and should be better utilised.
25. There needs to be **greater promotion of rural Australia** and the increasing costs associated with city living. This needs to be actively incorporated into rural and regional development public policy.
26. **Cross border management** does not mean local government amalgamation; diversity in culture should be protected but decisions and integrated planning by Councils needs a better approach. E.g. the decision by Tamworth Council in relation to sewage development impacts in the next community and this is inappropriate and conflict building development, rather than creating regional harmony its creates competition instead of cooperation. More peace building options for regional planning need investigation.
27. **An improved mechanism of catchment management is still required. Cross portfolio planning and community participation still needs improvement.**
28. **Politically, the community believe** that the rise of One Nation and Independents in the bush is clearly an angry and disempowered response to the National Party not protecting the best interest s of the regions over the last 20 years. PolMin members will be conducting lobbying activity during the lead up to the NSW election in 2003 on this issue.

In conclusion, PolMin would ask that any rural water policy reform to:

- a. Develop water policy and action plans which are to occur both at a community and National level
- b. Encourage the Commonwealth to adopt 'The Earth Charter' as a document of guiding ethical principles for all government departments and agencies involved in water policy reform and action across the country.
- c. Support the development of 'Community Memorandums of Understanding' as statements of agreed values and ways of acting in communities. These could act as tools to encourage working in partnership across the nation with regard to water ,humans and the environment.
- d. Ensure all national water policy plans be communicated at all stages of policy development to all stakeholders.
- e. Facilitate all like minded stakeholders in communities to begin to aggregate their community action plans for policy reform,
- f. Facilitate a growth in civil society participation in public policy reform more fully and equally at all levels of the community, including the pendulums of society's i.e. both disadvantaged groups and the corporate sector,
- g. Promote more eco-social fiscal policy planning and incentives to achieve an interdependent and shared community policy position and finally
- h. Support local communities to develop **shared implementation planning and agreements within their own and adjoining catchment neighbours.**