



**SOUTH AUSTRALIAN
FARMERS FEDERATION**

**SUBMISSION TO THE
House of Representatives Standing Committee of
Environment and Heritage**

Inquiry into Public Good Conservation

PREPARED BY THE

**SOUTH AUSTRALIAN
FARMERS FEDERATION**

*Assisting South Australian farmers achieve sustainable
profitability by providing representation, leadership and services
to members, and foster a unified voice to promote farming
interests.*

MAY 2000

THE SOUTH AUSTRALIAN FARMERS FEDERATION

The South Australian Farmers Federation is the State's principal farmer organisation, with a proud history of representation and support for farmers dating back more than one hundred years.

The organisation represents over 5000 members involved in grains, horticulture, wine grapes, meat, wool, dairying, and intensive industries.

We have a dedicated team of people who work in partnership with government departments, statutory authorities, politicians, business, the media and, most importantly, our members to assist in the development of the rural sector.

The team consists of specialists with extensive knowledge in areas as diverse as natural resource management, community services, commerce, industrial relations, education and training, finance, farm profitability, debt mediation and trade.

The Federation developed a strategic plan to ensure we remain relevant to our members and to secure our position as "the authoritative voice of a united farming industry."

26 May 2000

Mr Ian Dundas
Committee Secretary
Standing Committee on Environment and Heritage
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Ian

INQUIRY INTO PUBLIC GOOD CONSERVATION

We refer to your letter of the 5th of April 2000, regarding the above inquiry by the House of Representatives Standing Committee on Environment and Heritage.

We welcome the opportunity to provide input into this inquiry. Please find attached our submission to the Standing Committee.

Thank you for providing us with an extension of one week for our submission.

If you have any queries, please contact me at the Federation on (08) 8232 5555.

Yours sincerely

Tiffany McArthur
Manager, Policy and Membership

Introduction

A number of farmers undertake voluntary conservation measures, or are required to do so through legislative requirements (eg clearance decisions, water allocations) which bring significant environmental benefits to the wider community. When measures are voluntary, there is often little or no financial incentives in undertaking such work. It often means that there is a loss of productive land available for use by a farmer. However, when farmers are required to implement conservation measures through legislative means, farmers are offered limited financial or technical assistance to implement on-ground conservation works.

Farmers today are facing an ever-increasing array of regulations and restrictions, increasing financial burden, uncertainty, administration, and in many cases, stress. Community concern for the environment has meant that farmers face the brunt of the burden alone. In many cases this has reduced farm profits, and led to a number of farmers selling their farms. These economic and social impacts can have significant effects not only on farming families, but the general community.

Native Vegetation – a Background

As you would be aware, native vegetation legislation in South Australia has a rather unique history.

In 1980, the voluntary Heritage Agreement Scheme was introduced under the *Heritage Act*.

In 1985, the *Native Vegetation Management Act 1985* (NVMA) was introduced, with clearance controls administered by the Native Vegetation Authority. Under this Act, compensation (called financial assistance) was available, subject to areas refused clearance being placed under Heritage Agreement. This provided many farmers with some financial compensation for the loss of potentially productive agricultural land.

The introduction of the current *Native Vegetation Act* in 1991 (with the Native Vegetation Council replacing the Native Vegetation Authority) removed these compensation provisions, although including some scope for financial incentives for Heritage Agreement areas.

Conservation Measures imposed by Governments on Farmers

Native Vegetation

Under the *Native Vegetation Act*, for the consent of native vegetation clearance, farmers are often required to set aside areas of native vegetation on their property, and may put areas under Heritage Agreement (HA). Some assistance for fencing of HA areas is provided, and there is also some taxation relief on the HA land. However, farmers are not adequately compensated for the loss of this potentially productive land. Compounding matters is the length of time (equating to loss of production) commonly experienced when farmers apply to the Native Vegetation Council to clear vegetation. In some cases in the past, thousands of dollars have been lost due to delays in the processing of clearance applications.

There is also a lack of reward/recognition for landholders who implement voluntary revegetation and other natural resource management techniques. This of course provides benefits to the whole community. An example is where little or no consideration is given by the NVC to prior revegetation efforts when making decisions on clearance applications. (While the NVC does take this into account to a certain extent when determining set-aside conditions, they do not consider it when determining how much clearance is permitted.) This may reduce the incentive for landholders to undertake such voluntary conservation methods in the future.

Although 1181 HA's have successfully protected approximately 552,000 hectares of native vegetation from further clearance (except in exceptional circumstances with Minister's consent, eg house area), ongoing management has been seriously neglected. The NVC 'Heritage Agreement Grants Scheme', an annual management assistance scheme, and in some cases, NHT funding, have not been proven to provide adequate assistance for landholders to manage their HA's.

Inadequate financial and technical assistance in managing HA areas has caused degradation of the vegetation in many instances, especially where fire has been an integral part of maintaining the balance of species in the past. Other management issues neglected are the over-grazing by native animals such as kangaroos, emus and wombats. This is a problem not only for the native vegetation itself but adjoining landholders as well (eg major fence damage). In some cases this may mean damage to vermin-proof fencing, allowing rabbits to enter HA areas intended to be free of the pest.

We believe the retaining of these areas in 'good health' is for the community's benefit. The onus should not fall solely on the HA owner or the neighbouring landholders.

Water

The degree of regulation on water users is also increasing rapidly. Irrigators now face significantly more restrictions and guidelines relating to water usage than ever before, without a corresponding increase in financial and technical assistance for the implementation of water management techniques.

Under the *Water Resources Act* in South Australia, there is a requirement for the development and implementation of Catchment Water Management Plans and Water Allocation Plans. One common trend in these Plans is to introduce or increase the water allocation for the environment. This often equates to a reduction in water allocations for existing users of water. These existing users face production issues as a result, and if there is a loss receive no compensation for such loss either by Boards or Committees.

Local Action Plans

In many cases in South Australia, Local Action Plans (LAPs) have been a step in the right direction in achieving environmental benefits for landholders and the wider community, and ensuring that farmers do not bear all of the financial and other burdens. For example, LAPs in place in the Coorong, Mid South East and Upper

South East of South Australia have been helpful in developing and implementing salinity management programs, and provided the necessary incentive for farmers to contribute to controlling salinity. Large areas of farmland and native vegetation have been protected as a result.

Biodiversity

It is important that farmers implementing conservation measures for biodiversity purposes are adequately compensated for doing so. It is recognised that in order for this to happen, an accurate dollar value of biodiversity needs to be determined. We would suggest that further government research is required in this area.

Flow-on Effects

In today's global economy, farmers have less funds, smaller profit margins and therefore time to allocate towards implementing conservation measures which provide environmental benefits for the community in general. Therefore, when a farmer experiences losses in production through reduced water allocations, he or she will have *even less* resources and time to implement conservation measures.

Conclusion

We believe that conservation controls imposed on farmers have produced a great deal of unnecessary financial hardship, uncertainty and stress. There is also considerable public pressure on farmers to implement conservation strategies at little or no expense to the public, but a high cost to farmers. Many farmers feel that the burden which is being placed on them is too heavy. It is essential that because it is a whole of community issue, it requires a whole of community response, including action (or involvement) and financial commitment.

Increasing the range and rate of compensation or other financial incentives (eg tax concessions) available to landholders and farmers implementing conservation strategies will require legislative change in many cases. In the interests of environmental and economic benefits, and social equity, we believe that this will be an essential step forward.