

THE  
**PEW**  
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Committee Secretary  
Joint Select Committee on Northern Australia  
PO Box 6021  
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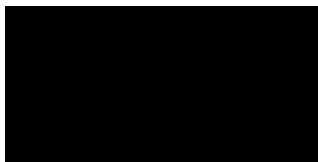
Dear Committee Members,

Thank you for the opportunity to make a submission to the inquiry into the development of Northern Australia.

As background to our work and expertise: Pew is an international non-government organisation. In Australia we work with many local and national partners, conservation and indigenous organisations, industry and governments, seeking the better protection and management of remote Outback landscapes and seascapes.

We have a particular focus on Northern Australia due to its international environmental significance. A core part of our work is supporting improved management on the ground, particularly through support of Indigenous rangers and other conservation management initiatives that work for people and conservation.

Yours sincerely,



Dr Barry Traill  
Director – Outback to Oceans Program  
The Pew Charitable Trusts

# The Pew Charitable Trusts Submission - The Development of Northern Australia

We would like to make the following general points:

- Northern Australia is of national and global importance for its environment. It has the largest area of intact tropical savanna remaining in the world. It has diverse environments from coral reefs to rainforests and wetlands. It stands out in an increasingly crowded world as being part of the iconic Australian Outback - one of the very few relatively healthy large natural landscapes remaining globally (Woinarski et al. 2007).
- This healthy and spectacular environment underpins much of the current and potential future industries in northern Australia - including tourism, fisheries, pastoralism and the carbon economy.
- On land, many areas in the North are effectively empty of people, due to historic trends of reduction in employment by the pastoral industry and the concentration of local Indigenous peoples in towns. For these areas, this means the land is now no longer actively managed. This is causing degradation and loss of native species because of uncontrolled wildfires and uncontrolled feral animals and invasive exotic weeds.
- Improved development pathways are available which provide more local jobs and income to remote and regional areas in Northern Australia while also protecting its environment.

We make more detailed comments on particular industries and development pathways below.

## Tourism

Tourism is a major industry in Northern and remote Australia. The tourism economy brings significant interstate and overseas income to the region, including the many very remote areas. During the last decade, rapid growth of sectors such as mining - with fly in fly out workers - has placed pressure on tourism infrastructure and operating conditions in many northern regions. This has included reducing availability of accommodation for both tourism workers and tourists during peak tourist seasons and placing upward pressure on local accommodation prices, food costs, service prices and wage costs. While the economic benefits for the mining sector in the boom are well documented, the associated costs must also be taken into account to enable a balanced view of the regional benefit or impact.

Longer term planning to ensure the sustainability of the tourism economy in North Australia is needed. Industry analysis shows that the primary reason tourists visit Northern Australia is to have environmental and cultural experiences - particularly in areas perceived to be remote and 'unspoiled' which are not available elsewhere in the world. National parks are an obvious and important draw-card as they often provide the most accessible means of accessing these experiences directly. The network parks and other protected areas in Northern Australia represent critical infrastructure for the regional economy. The industry itself consistently emphasizes the need for a variety of experiences spaced over

the landscape. Growth of the park system on land and sea will be central to this aim. Typically, it is within or in association with a park framework that visitors have an opportunity to experience Indigenous cultures. This may be provided through local interpretive centres and Indigenous guided tours or other local small businesses associated within or near national parks and other types of conservation reserves.

In order to expand tourism job opportunities (and particularly to enhance Indigenous participation in tourism as an industry), it is vital that local traditional owners are able to participate in the design, and key decision making influencing tourism activities in their own areas. A key component of this is to ensure there is sufficient local management and infrastructure in regions to enable a sense of managed rather than uncontrolled visitors. Where Indigenous local people and individuals have a high sense of confidence that tourism in and around their land and sea estates is appropriately regulated - preferably by local indigenous management bodies - there is a much higher chance that new areas will be made available to visitors. Traditional owners will quite sensibly resist increased tourism on their lands if they feel that visitor activity cannot be adequately managed. A commitment to supporting strong, well governed, local land and sea management groups is therefore a foundation to further sustainable tourism development in many new areas.

### **Indigenous Land & Sea management**

Indigenous land and sea management is a highly successful and growing sector of the Northern Australian Economy. Approximately 730 Indigenous rangers are supported through the Working on Country program nationally, and the vast majority are currently working in Northern Australia. Additional positions are supported through state conservation, other agencies and dedicated state-based indigenous ranger programs. Indigenous ranger programs are highly successful in terms of job retention, employment of women, and local community ownership (Allen Consulting 2011). They provide entry level employment for unskilled and semi-skilled workers but also a clear career structure for those with the capacity and ambition for up-skilling. This includes on-the-job training, obtaining trade certificates and opportunities for improving literacy and numeracy. The success of this sector over the last two decades has resulted both from not only the enduring commitment of local communities, but also the willingness of governments of all persuasions to tailor the programs to ensure they are practical and workable for remote areas.

The programs deliver valuable outcomes in the public interest, such as control of feral animals and noxious weeds, reduction in wildfires, quarantine services and other service delivery. The federal Coalition government initiated the current transition to longer, less bureaucratic contracts for these programs prior to the 2007 election. Subsequently, the incoming Labor federal government in 2007 increased the investment in this area, and this has been retained by the Abbot government following the recent federal election. It is now administered via the Department of Prime Minister and Cabinet. The very substantial positive employment and social outcomes from this program in particular have now been independently evaluated and documented. They are widely considered a globally leading model of

Indigenous/Government partnerships. Analysis of the ranger programs has demonstrated a range of benefits, including: their influence on improved attendance at schools by providing positive community role models; reductions in social and domestic problems in communities; and, improved health outcomes for participants (Ryan et al. 2011; Burgess et al. 2009). These benefits accrue to individuals and their communities, but also reduce government spending in other service areas, such as law enforcement and health costs.

In addition to Indigenous Ranger programs, such as Working on Country the Indigenous Protected Areas program, initiated in the late 90's by the Howard Federal Government has also provided a world leading model of protected area partnership (Gilligan 2006). There are now approximately 60 declared Indigenous Protected Areas predominantly across remote and Northern Australia and more are under consultation. The Indigenous Protected Area system provides foundation for managing large landscapes. Local indigenous organisations submit management plans for accreditation by government and enter into an agreement to deliver management. These management areas and plans provide a structured opportunity for local indigenous groups to bring in other partnerships and business opportunities through tourism, providing quarantine services, reducing carbon emissions (though reducing wildfires) and other contracted environmental services. The process allows for a well-structured but flexible approach to creating local governance arrangements, thereby ensuring more sustainable local management bodies are created. The combination of Indigenous Protected Areas and Indigenous Working on Country Rangers has provided opportunities in remote areas with very few realistic employment prospects outside jobs delivering core government services such as health, education and law enforcement.

The stable and relatively flexible funding has ensured that local groups remain accountable for delivering agreed on-ground outcomes for fire, feral and weed management as well as other services. Non-performing groups are monitored and supported if challenges arise, but ultimately can and have been removed from the programs if unable to deliver agreed outcomes. The confidence these programs bring to local communities cannot be overstated. In particular, the programs value local and traditional knowledge and actively combine this with contemporary scientific approaches for better results. While challenges remain, the indigenous land and sea management sector is a consistently high performer against a range of Closing the Gap outcomes that have been priorities of successive federal governments.

There are vast areas in Northern Australia that need land management attention to prevent land degradation. We believe there is a compelling public interest case for a significant expansion of government investment in this sector and a commitment to long term policy over the next decade to secure its future. Doing so would help to cement the significant economic, social, environmental and cultural gains that have been delivered to date via these successful programs.

## **Pastoral leasehold**

The pastoral industry has long been the most dominant land-use across Northern Australia. Many districts and individual properties continue to support high quality beef production enterprises. However, many districts that are currently in pastoral leasehold tenure can no longer maintain economically viable cattle properties. Due to changes in the terms of trade, remoteness from markets, and being established on less fertile country, there are now hundreds of pastoral leases across Northern Australia which are unlikely to ever be commercially viable as grazing operations. For example, reports prepared by the Western Australian Department of Agriculture and Food in 2012 concluded that only 72 (53%) of the 154 leases in the Northern Rangelands in Western Australia are considered commercially viable when stocked at rates within the leased land's inherent stock carrying capacity (i.e. rates which will not cause long-term land degradation and will provide a reasonable financial return) (Novelly & Warburton 2012).

Exact figures are difficult to obtain for Northern Australia, but dozens - if not hundreds - of such properties, are no longer viable for beef production, and have been purchased by individuals and entities not intent on running pastoral operations. Such purchasers include mining companies, conservation organisations, Aboriginal organisations, tourism operators and individuals purchasing them as life-style properties. In many cases, these new enterprises provide viable economic opportunities, and bring in land managers, jobs and dollars to many very remote parts of the nation. However, these operations are often running on legally dubious foundations, as most pastoral leases stipulate the running of a grazing enterprise as part of the lease conditions.

Major reform is needed to allow a diversification of new enterprises that can provide realistic and enduring longer term economic, social and environmental benefits. We believe that it is fundamental for these government owned lands to support diverse enterprises which ensure good land management is in place by leaseholders.

## **New irrigation schemes**

Proponents of new irrigation schemes have recently promoted the potential for major increases in irrigated farming across Northern Australia.

Northern Australia unfortunately has a long history of such schemes failing to live up to expectations of economic and employment development (Cook, 2009). Most such schemes in the past, notably, but not only, on the Ord River, have been highly subsidised by governments, who have funded all or most of the costs for the sunk infrastructure. In addition, the costs accruing to other industries in regions have generally not been calculated in cost-benefit analyses either before or after their development. Some downstream industries, notably fisheries and tourism, are highly affected by reductions and alterations in river flows in Northern Australia. Key fisheries, such as the northern prawn and barramundi and other fisheries, have positive correlations with wet season river flows - the bigger the river flows in the summer wet seasons, the greater the catches in following years. Diversion of waters to irrigation will

reduce the economic benefits of these fisheries. Importantly, this includes not only commercial fisheries, but also catches for recreational fishers, which are of major economic importance as part of the tourism industry, and subsistence fishing by Aboriginal people living in remote areas, who are often highly dependent on fishing to maintain a healthy diet.

In assessments of proposed new or expanded irrigation schemes we would urge that full cost-benefit analyses should be carried out. Assessments should not only include projected gross returns at the farm gate of new produce, but the cost of lost income and other benefits to downstream tourism businesses, fisheries and other users of waters, the cost of government subsidies in developing infrastructure, and the long-term environmental costs of degraded rivers. This will ensure more transparent use of public funds, greater public understanding of project costs and benefits, and should better inform decisions on investments of public funding.

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