



List of recommendations

Policy ideas and framework for public good conservation

Recommendation 130

The Committee recommends that when programs are designed that aim to promote public good conservation, the generally perceived moral rights of landholders are acknowledged and taken into account in the design of programs

Recommendation 256

The Committee recommends that:

- the Commonwealth seek agreement with the states and territories for a commonly accepted definition in principle of a landholder’s duty of care;
- this definition be that landholders have a duty of care to manage the land in their charge in a way that is ecologically sustainable, given the particular geographical location, and based upon latest scientific information;
- all legislation in all jurisdictions be amended to incorporate this duty of care, as a minimum standard of land management; and
- all Commonwealth funding for public good conservation activities and ecologically sustainable use of Australia’s resources be dependent upon the recipient accepting this duty of care

The policy foundations of public good conservation

Recommendation 3126

The Committee recommends that the policy foundations for public good conservation funding be focused upon attaining good conservation outcomes while addressing the equity issues revealed in this inquiry

Furthermore, the Commonwealth should work with the states to recast the existing cost-sharing principles so that they focus on achieving conservation outcomes, while including a full recognition of the equity concerns of landholders raised in this inquiry

Policy initiatives for public good conservation programs

Recommendation 4133

The Committee recommends that the Government fund an appropriate test case when one is identified, in which a landholder has been harmed by the way in which another landholder has used his or her land.

Recommendation 5137

The Committee recommends that public good conservation policy be based on the following six principles:

Principle 1: Landholder rights in respect of land use;

Principle 2: All landholders have a duty of care to manage land in an ecologically sustainable manner;

Principle 3: Policies and programs must focus on outcomes;

Principle 4: Repairing past damage is a shared responsibility;

Principle 5: All programs must be tailored to the needs of the circumstances; and

Principle 6: All programs must be based on the latest and best scientific data.

Recommendation 6142

The Committee recommends that the Government establish a rural conservation development fund or similar funding vehicle to provide a comprehensive and accessible scheme of incentive measures including:

- Funds for research into new and environmentally friendly rural industries; and
- Direct financial assistance to landholders, for the transition from environmentally degrading land use systems to ecologically sustainable land use systems that are in line with a landholder's duty of care, and include:

⇒Financial incentives;

⇒Direct payments to purchase eco-services;

⇒Access to information and expertise; and

⇒Access to materials (for example, heavy machinery, seedlings, fencing material and so on).

Recommendation 7152

The Committee recommends that the Government:

- introduce a scheme to provide tax concessions in respect of the management costs, to landholders who are required to or who voluntarily reserve land of conservation value for public good conservation reasons by placing a covenant on the land;
- remove disincentives in Commonwealth laws, including taxation laws, faced by landholders who are willing to enter into covenants, in particular by providing taxation concessions in respect of the value of the covenant;
- provide rate relief directly to local government for landholders who have entered into covenants;
- provide ongoing financial assistance to landholders to manage land that has been placed under a covenant, provided that no other financial benefit is being derived from the land (for example trading in excess fauna and flora); and
- make agreements with the respective jurisdictions in the Commonwealth for the streamlining of land management laws so as to facilitate the development of covenants.

Recommendation 8158

The Committee recommends that the Commonwealth, in co-operation with the states and territories establish a revolving fund to purchase and manage land holdings where:

- there has been a significant fall in value of a landholding owing to the imposition of public good conservation requirements; and
- the property has become unviable

for the purpose of resale as a financially viable business operated according to ecologically sustainable land use practices, as specified in a covenant.

Recommendation 9162

The Committee recommends that Subdivisions 387 A and 387-B of the *Income Tax Assessment Act 1997* be amended to provide the capital allowances, at present only available in respect of conservation activities on land used for income generating purposes:

- be increased; and
- be available automatically for all landholders who place land under an approved covenant; or
- be available only to landholders who operate that land under an approved management plan:

⇒which provides for ecologically sustainable land use or

⇒which provides for transition to that usage system;

⇒irrespective of whether those activities are on income producing land or not; and

⇒which is reviewed at five yearly intervals.

Recommendation 10163

The Committee recommends that the government ask the CSIRO to prepare a report for presentation to Parliament, no later than 30 June, 2002, on any taxation anomalies and disincentives within the current taxation arrangements in respect of promoting conservation activities by landholders, non-landholding individuals, charities and private sector organisations, and to recommend changes, with costings, where known.

Recommendation 11169

The Committee recommends that any financial consideration paid to a landowner for registering a perpetual conservation covenant on land title not be assessed either as income or as capital gain, provided that the covenant has been agreed as part of an approved covenanting program.

The Committee further recommends that the taxation and administrative arrangements attaching to the development of a covenant be streamlined and made much less complex.

Recommendation 12172

The Committee recommends that the government investigate a scheme to provide financial assistance to local government to provide a rebate of local government rates (including the cost of additional employees) provided that the:

- states and territories also contribute to the scheme;
- land that is managed in accordance with an approved conservation management plan or the land has been placed under a covenant;
- landholder is not deriving any taxable income from the land for which the rebate is sought; and
- councils with smaller rate bases should receive special consideration to help foster conservation activities in their areas.

Recommendation 13174

The Committee recommends that the Commonwealth government work with COAG to identify, develop and foster ecologically sustainable rural industries.

Recommendation 14180

The Committee recommends that the Commonwealth government develop a licence based system, that would permit landholders to use Australian native flora and fauna for commercial purposes provided that such use is permitted only as part of an ecologically sustainable land use program and only where there is a net conservation advantage.

The Committee further recommends that, in order to develop this system, the penalties for smuggling native flora and fauna be substantially increased.

Recommendation 15182

The Committee recommends that the Commonwealth enter into negotiations with the states and territories for them to enact complementary legislation, where such legislation is lacking, that will enable landholders facing incursions of weeds or pest animals from adjoining properties to compel adjoining landholders to manage their land so as to reduce such incursions.

The Committee further recommends that all crown land should be managed so that such incursions do not occur and the Commonwealth negotiate with the states and territories for those jurisdictions (including the Commonwealth itself) to adopt such a policy.

Recommendation 16184

The Committee recommends that the Australian Law Reform Commission be asked by the Commonwealth government to conduct an investigation into the options for the Commonwealth alone, or in concert with the other Australian jurisdictions, to establish an environmental arbitration and adjudication system to resolve disputes arising under environment and land management legislation.

Recommendation 17187

The Committee recommends that the Commonwealth government maintain a neutral position in terms of the preferred approach to attaining conservation outcomes and assisting landholders to attain them, and that the most promising market-based approaches to addressing environmental degradation be examined and developed alongside the more direct approaches recommended in this report.

Recommendation 18188

The Committee recommends that the Commonwealth government develop a proposal for a revolving fund to purchase land that has conservation significance or retire land from use, including model legislation and costings, and that this proposal be presented to Parliament no later than 30th June 2002.

Recommendation 19191

The Committee recommends that the Commonwealth government, in co-operation with the states and territories:

- investigate an ecologically sustainable development finance authority for the purpose of providing to landholders low interest loans for transition to ecologically sustainable land management systems and the development of ecologically sustainable industries; and

- if found feasible, request the Commonwealth Parliament to enact legislation to provide for the establishment of private sector ecologically sustainable investment corporations, to provide investment capital for ecologically sustainable industries. Investment in such corporations should:

- ⇒be open to landholders and non-landholders alike;

- ⇒attract a 150 per cent tax deduction up to a maximum of \$1,000,000 for any one investor; or

- ⇒in the case of low income investors, a 100 per cent tax rebate, up to a maximum of \$2,000 per individual per tax year; and

- ⇒attract a concessional capital gains tax rate.

Recommendation 20192

The Committee recommends that the Minister for Environment and Heritage ask the Committee to conduct an inquiry into the effectiveness of different approaches to attaining public good conservation outcomes, and further inquire into the effects upon landholders, land use, cultural value, and rural communities, both here and abroad, of those approaches.