

Australian Government Response

Senate Environment, Communications, Information
Technology and the Arts References Committee
Inquiry Report: Living with Salinity - a report on
progress

AUSTRALIAN GOVERNMENT RESPONSE TO THE ENVIRONMENT, COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS SENATE STANDING COMMITTEE REPORT

Living with Salinity – a report on progress

On 17 March 2005, the then Senate Standing Committee on Environment, Communications, Information Technology and the Arts (the committee) was asked to examine the long-term success of the Australian Government programs to reduce the extent and economic impact of salinity. The Senate released the report, *Living with Salinity – a report on progress* (the report), in March 2006. The Senate Committee report made 23 recommendations:

Senate Committee report Recommendation 1

The committee recommends that the Australian Government and the state/territory governments extend the National Action Plan for Salinity and Water Quality for a further 10 years, with matched funding at least commensurate (on a per year average basis) with the first stage NAP funding. It is recommended that negotiations over the future of the NAP be expedited to provide certainty to regional bodies and other stake holders. It is recommended that any further consideration of the prioritisation of NAP funds include consultation with the states/territories and the wider community.

Senate Committee report Recommendation 2

The committee recommends that the Australian Government extend the National Heritage Trust for a further 10 years with funding at least commensurate (on a per year basis) with existing funding levels.

Senate Committee report Recommendation 3

The committee recommends that the Australian Government in cooperation with the states and territories continues to give priority to longer-term funding cycles and measures to ensure the continuity of funding so that where existing staff are likely to be continuing in a role there is no break in wages and the organisation's intellectual capital is not lost.

Senate Committee report Recommendation 4

The committee recommends that the Australian Government work with the state/territory governments and local government peak bodies to ensure that all local governments are adequately educated in, and have access to, salinity management information relevant to their locality. This will include the development of mechanisms to help local governments build and share capacity, knowledge and experience.

Senate Committee report Recommendation 5

The committee recommends that the Australian Government work with the state/territory governments to encourage reform of local government legislation to place a requirement on all local municipalities to align planning decisions with natural resource management principles and priorities.

Senate Committee report Recommendation 6

The committee recommends that the Australian Government work with the state/territory governments to examine the issue of statutory powers for regional bodies to address the current level of confusion between local government and regional bodies.

Senate Committee report Recommendation 7

The committee recommends that the Australian Government, through the Natural Resource Management Ministerial Council, seek greater assurance from the states/territories that land clearing is being effectively regulated. It is recommended that extensions to the NAP funding be conditional on the states/territories meeting more rigorous accountability measures.

Senate Committee report Recommendation 8

The committee recommends that the Australian Government, as a matter of urgency, work in cooperation with the states/territories to implement the Australian National Audit Office's recommendation to develop corporate governance templates and core training.

Senate Committee report Recommendation 9

The committee recommends that the Australian Government in cooperation with the state/territories, strengthen the accreditation process for regional bodies. The improved process will ensure that funding is conditional on rigorous investment planning, where decisions are:

- *Based in sound, up-to-date science*
- *Outcome-focused*
- *Subject to a cost-benefit analysis .*

Senate Committee report Recommendation 10

The committee recommends that the Australian Government establish an independent body to coordinate salinity research. This body will:

- *Maintain a focus on dryland, irrigation and urban salinity*
- *Identify and prioritise gaps in research across all research scales*
- *Leverage research from existing providers where priority gaps are identified*

Senate Committee report Recommendation 11

The committee recommends that the newly established coordinating body undertake, as one of its first pieces of work, a comprehensive audit of all salinity research and development activities in which the Australian Government invests. This will include:

- *National programs*
- *Agencies within government departments*
- *Cooperative Research Centres*
- *Research and Development Corporations*
- *National science agencies*
- *Universities*
- *Independent research centres*
- *Industry initiatives*
- *R&D needs for the development of new large-scale sustainable industries.*

Senate Committee report Recommendation 12

The committee recommends that discrete funding be allocated in the new (post-2008) NAP funding for regional bodies to partner in regional scale research to deliver R&D outcomes that are more relevant to their regional priorities and needs. It is recommended that all research proposals be assessed by the newly created coordination body to avoid duplication of research efforts.

Senate Committee report Recommendation 13

The committee recommends, as a matter of urgency, that specific funds be allocated by the Australian Government for the promotion and distribution of the NDSP products – in particular, to newly established coordination bodies across Australia. It is further recommended that the newly established coordination body (see recommendation 10) take on the role of updating these products.

Senate Committee report Recommendation 14

The committee recommends that the Australian Government establish a working group to identify extension service issues and options for addressing these. Particular attention should be paid to:

- *The relationship between state, regional and private extension services*

- *The employment conditions, professional development and career pathways of regional extension staff*
- *Achieving nationally consistent and relevant training of extension staff, including the development of accredited courses for private extension staff that provide knowledge and skills in NRM and increase their awareness of, and engagement with, relevant regional plans*
- *Ensuring that extension services meet the needs of regional groups.*

Senate Committee report Recommendation 15

The committee recommends that the Australian Government review existing policy mechanisms (tax incentives, MBIs etc) in order to provide a policy environment that encourages and supports the development of new, large-scale sustainable industries that meet NRM priorities.

Senate Committee report Recommendation 16

The committee recommends that updated assessments of salinity risks be undertaken across the states/territories, followed by detailed mapping of high risk areas with particular attention paid to urban environments. It is recommended that priority areas under the NAP be re-assessed in light of the updated assessments.

Senate Committee report Recommendation 17

The committee recommends that mapping is conducted in areas in which salinity is known to be a potential hazard before further urban development is approved in those areas.

Senate Committee report Recommendation 18

The committee recommends that the Australian Government give greater emphasis to urban salinity at a national level by:

- *Building links between the administering departments and relevant agencies such as the Department of Transport and Regional Services and the Australian Transport Council*
- *Supporting research into the development of technologies for managing urban salinity*
- *Allocating funding to urban salinity in the next salinity program*

Senate Committee report Recommendation 19

The committee recommends that the Australian Government in cooperation with the state/territory governments use the accreditation process to ensure that urban salinity is adequately accommodated in regional investment strategies.

Senate Committee report Recommendation 20

The committee recommends that the Australian Government establish a pool of special grants to be made available for local governments to address urban salinity issues. Access to grants will be contingent on a demonstrated willingness to align planning policies and decisions with sustainable natural resource management principles.

Senate Committee report Recommendation 21

The committee recommends that a suitable body such as the Productivity Commission or the Australian Bureau of Agricultural and Resource Economics (ABARE) undertakes a study into the future impacts and costs of salinity on infrastructure in urban and rural environments, and develop a long-term strategy that includes consideration of federal, state and local government levels.

Senate Committee report Recommendation 22

The committee recommends that the Australian Government in cooperation with the states and territories keep a watching brief on the development on the Salinity Investment Framework 3 (SIF3), with a view to potentially implementing it (or a modified version of it) across the country. It is recommended that the framework be applied within the context of the new (post – 2008) program(s).

Senate Committee report Recommendation 23

The committee recommends that the Australian Government develops a national policy package to leverage large-scale private sector investment in new, sustainable and profitable solutions.

AUSTRALIAN GOVERNMENT RESPONSE

The Australian Government has considered the recommendations of the Senate Committee report and agreed, or agreed in part, with most of the recommendations. Current arrangements for salinity research coordination (Recommendation 10) are regarded as satisfactory; establishment of a new coordinating body is not seen as a high priority. Recommendation 14 has been addressed through the appointment of additional Landcare facilitators. The government's response to the recommendations is as follows:

Caring for our Country (Recommendations 1, 2 and 3)

The Australian Government disagrees with recommendation 1, and agrees in part with recommendations 2 and 3. The National Action Plan for Salinity and Water Quality (NAPSWQ) ceased on 30 June 2008. The Australian Government commenced the ongoing Caring for our Country initiative in July 2008, consolidating previous measures including the Natural Heritage Trust and the National Landcare Program.

The design of Caring for our Country reflects the Australian Government's recognition of the need for long term investment in natural resource management and the need to ensure, as far as possible, the continuity of funding to ensure a stable staff structure within regional organisations. All regional natural resource management organisations were provided with secure base-level funding for the five years until 30 June 2013. This commitment provides these organisations with certainty about their operational arrangements and activities, including their staffing arrangements. Caring for our Country funding is also available for other groups through a competitive application process.

Under the Caring for our Country outcomes statement 2008-2013, the Sustainable Farm Practices national priority area aims to assist farmers to improve the condition of natural resources and the ability of ecosystems to provide services including food and fibre. This includes management practices to improve soil condition and manage existing salinity on farm. Activities are eligible for funding to encourage farmers to revegetate salt affected land to help reduce soil loss from wind and water erosion.

In establishing the extent to which support would be provided for salinity in Caring for our Country, the following issues were considered:

- recent research had identified that [in south eastern Australia] salt is confined to specific parts of the landscape, and that not all these salt stores will result in salinity problems
- there has been a failure to include these key research findings in salinity programs and in regional planning in the past
- there is a mistaken assumption that there are economically viable solutions for widespread on farm adoption
- there is a need to provide guidance on the development of more targeted responses.

For example, recent research on the extent of salinity (refer above) conducted by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES; an internal report) demonstrated that ground water levels across eastern Australia had fallen since 2000 as a result of

reduced rainfall. Climate change predictions suggest that there will be ongoing reductions in average annual rainfall, further reducing the area considered to be at risk from salinity.

The ABARES report recognised that parts of Western Australia are still severely affected by large scale dryland salinity. Some Western Australian communities have been keen to address salinity through extending deep drainage systems. It is now clear that these drains deliver saline acidic groundwaters, often with high concentrations of dissolved trace metals that can affect soils, waterbodies and aquatic life, and present major treatment and disposal problems. The Western Australian government has reviewed their Salinity Strategy; this includes an assessment of the extent of the threat of salinity and the costs and benefits of key management options. The Western Australian government is yet to respond to the findings of this review.

Salinity management is primarily a state issue. The Caring for our Country initiative is currently being reviewed. The review will examine program options for delivery on the full range of national natural resource management priorities.

Investment, planning and governance (Recommendations 5, 6, 8 and 9)

The Australian Government supports recommendation 5 in-principle. The Australian Government appreciates the importance of aligning planning decisions with natural resource principles and priorities and it supports greater collaboration and coordination between the Australian, state and territory, and local governments in this regard.

Some states are currently working with local municipalities to align planning decisions with natural resource management principles and priorities. The Department of Regional Australia, Local Government, Arts and Sport will take this into consideration in the development of its work.

The Australian Government does not support recommendation 9, as under Caring for our Country, the Australian Government is no longer involved in accreditation processes for regional plans through natural resource management organisations. Caring for our Country invites funding proposals through an annual Business Plan which establishes targets against the published five-year outcomes; this includes regional natural resource management organisations.

The Australian Government appreciates the intention of recommendation 8: Investment principles published in the Business Plan require proposals to be based on the best available science and to build on the collective knowledge of what works best. Proposals are assessed rigorously against these criteria and the contribution that they will make to delivering on the Caring for our Country targets. Proposals that achieve the greatest benefit against Caring for our Country target(s), for every dollar invested will receive a higher priority.

The Caring for our Country Business Plans require that all proposals identify a strong governance structure for delivery of the project. The 2010-11 Business Plan also allowed non-statutory regional natural resource management organisations to apply to use a portion of their base-level allocation to improve their governance arrangements such as improving decision making, strategic planning or fiscal accountability.

Recommendation 6 is largely a state matter. Whether regional natural resource management organisations have statutory powers depends on the legislative and policy frameworks in each state and territory. Confusion between local government and the regional bodies may be addressed through better communication between organisations. The Caring for our Country and Australian government supported Landcare facilitator network can assist in this process at the local level. Further consideration of the relationship between regional natural resource management planning and local government will be considered in the context of the Caring for our Country review.

Capacity building (Recommendations 4 and 14)

The Australian Government agrees with the principle that all levels of government should have and provide ready access to salinity management information (recommendation 4). The Australian Government will continue to make research findings available to the public.

The Australian Government does not support recommendation 14. The Australian Government is working with state and territory governments and is currently chairing a task group that is identifying issues in building social capacity in natural resource management and will make recommendations for improvement.

Additionally, in June 2009, the Australian Government announced its decision to continue the national network of Landcare facilitators across the 56 natural resource management regions. This reflects the Australian Government's commitment and understanding of the longer-term need to promote practices that will help secure the resource base and agricultural productivity in the face of climate change.

Policy mechanisms (Recommendation 15)

The government supports this in principle, and through a National Market Based Instrument pilot program, the Australian Government has assisted in the establishment of workable models to achieve natural resources management outcomes. A forum to discuss the results of this pilot project and investigate the implications and future application of market-based instruments in natural resource management was held in July 2011. Caring for our Country provides for the use of market-based instruments to deliver on targets such as Environmental Stewardship where this is the most cost effective option.

The 2010-2011 Caring for our Country business plan provided for projects which address landscape scale conservation through vegetation protection, revegetation and agroforestry, and in 2010 the Australian Government committed to investing \$10 million over three years towards the development of a National Green Corridors Plan, to prepare biodiversity and agricultural landscapes for climate change. The plan will consider climate change impacts and adaptation, the identification of critical linkages in the landscape to allow the migration of species, and the protection of natural stores of carbon in native ecosystems. Through the Clean Energy Future land sector package and Carbon Farming Initiative, the Australian Government is assisting land managers to reduce carbon pollution and participate in the carbon market.

Salinity research (Recommendations 10, 11, 12, 13 and 16)

The Australian Government does not support recommendations 10 and 12. Salinity-related research is undertaken by CSIRO and Geoscience Australia, and some tertiary education institutions. There are adequate linkages between these groups, and establishment of a new independent body to coordinate salinity research is not a priority. Caring for our Country funding is provided for on ground work rather than research.

The Australian Government recognises that there is merit in a comprehensive audit of all salinity-related research and development activities in which the government invests (recommendation 11). The Department of Agriculture, Fisheries and Forestry is bringing together and making publicly accessible the recently completed data sets and reports developed through National Action Plan for Salinity and Water Quality funding (on <http://www.daff.gov.au/natural-resources/soil-land-salinity/salinity-mapping/>). The earlier information products generated by the National Dryland Salinity Program continue to be available and readily accessible at www.ndsp.gov.au (recommendation 13).

The Australian Government notes recommendation 16. The Caring for our Country initiative is currently being reviewed. The review will examine program options for delivery on the full range of national natural resource management priorities.

Regulation of land clearing – legislation outcomes (Recommendation 7)

The Australian Government recognises the critical role of native vegetation in maintaining biodiversity and ecosystem services including carbon storage, water quality protection, soil stability and reduced wind erosion. The Australian Government agrees in part with recommendation 7: there is a strong need for inter-jurisdictional alignment and cooperation and an effective national framework for managing land clearing. The Australian Government is working with state and territory governments through the Standing Council on Environment and Water on a review of the *National Framework for the Management and Monitoring of Australia's Native Vegetation 1999* (Native Vegetation Framework). In addition, *Australia's Biodiversity Conservation Strategy 2010-2030* was released on 27 October 2010 by the Natural Resource Management Ministerial Council. Implementation arrangements and accountability measures are key issues in both reviews.

Urban salinity (Recommendations 17, 18, 19, 20 and 21)

The Australian Government agrees in principle with recommendations 17-21. The Australian Government recognises the importance of the issue associated with the impacts of salinity on urban local government infrastructure and revised planning guidelines. While this is a matter largely falling within the responsibilities of state, territory and local governments, the Australian Government has a coordination role between relevant agencies at the national level and through relevant Ministerial Councils.

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) has previously conducted studies into the major impacts and costs of salinity, with a particular focus on public and private infrastructure. This information has been provided to government agencies, local government, rural community groups and others to help develop salinity management plans. Falling ground water levels are thought to have reduced the extent of the problem for some localities in eastern Australia.

Future developments will rely on a coordinated approach, potentially facilitated at a federal level, between regional bodies, local government and the relevant Ministerial Councils to consider long-term strategies.

Salinity investment (Recommendations 22 and 23)

The Australian Government agrees in principle with recommendations 22 and 23. The Australian Government has cooperated with the states in trials of the Salinity Investment Framework 3. The Australian Government supports the use of the Framework as a tool for regional prioritisation of investment.

The Caring for our Country Business Plan encourages the leveraging of private sector and Non Government Organisation investment to deliver natural resources management outcomes.