Native Vegetation Inquiry, Productivity Commission LB 2 Collins Street East, Melbourne Vic.8003.

Qld

27.6.2003.

The Commissioners,

Re: Native Vegetation Inquiry.

With reference to the above please find enclosed a computer disc containing my submission to your inquiry.

I thank you for this opportunity and respectfully submit that all relevant documents showing property timber typing and quantities ,valuations , Court Judgments in the only productivity subsidy case to be heard and other material is available on request or publicly.

The situation with the NAB refusing to accept my interest subsidy on my behalf eventhough I had never missed a regular payment and traded for 3 years without subsidy after this while preparing for Court is a modern tragedy and needs to be brought into account in your deliberations.

In my considered submission my experience shows that a suitable mix of compensation and productivity subsidy would allow many properties to facilitate the governments environmental objectives.

I have been in various representative situations where community environmental objectives needed to be realised against extreme opposition both from those immediately effected , industry and government.

May I respectfully submit that if it is recommended that a community consultative committee or something of that kind be formed to help facilitate your findings that true recognition of concerns by all sides be published.

Transparency in these situations can save many problems further down the track as people become aware of their problems.

However if it is eventually decide to facilitate a payment system may I suggest that a suitable security system for payments where the recipient has to notify the destination of the compensation or subsidy without the opportunity of his mortgagee having through its employees the right to refuse to accept payment.

Yours faithfully,

L.Freeman.

SUBMISSION.

1. PARTICIPATION IN THIS INQUIRY;

This submission is completed by Lynton Freeman as an interested person.

I have previously been a grazier, farmer, horticulturist and silviculturist.

Until 2001 I was a director of a small prospecting company with interests in cattle mining and land development. My son is now the director.

I owned and managed a 10,400 ha property Glassford Vale located 120 klms from Gladstone Q. approximately 2000 ha of this property was State Forest , this means in the one aggregation the two management systems based on native vegetation regulated and unregulated can be compared. The whole of the enterprise was based on native vegetation except for 20 ha of Irrigation and introduced legumes into native pastures with opportunity cultivation for about 200ha. In place was a silviculture program based on regenerated natives (Iron Bark , Spotted Gum , Blue Gum etc.). A Legume program to protect steep areas roaded and used for access and to improve native pastures by sowing without soil disturbance.

The reality of this type of development is the immediate use of native vegetation making productivity gains for the land holder but creating carbon credits from minimum soil disturbance and no necessary vegetation change.

The resource was improved and the biodiversity maintained by using the Productivity Interest Subsidy to increase breeder numbers from 400 to 1000 and turnoff cattle from 380 to 800.

I have been the Chairman of the Calliope Ratepayers Association , the Chairman of the Gladstone Harbour Protection Committee during a period of development

of reclammation policy by Government and Industrial Development at the Yarwun Industrial Estate and others in the Gladstone area.

I have been a member of the Concerned Citizen's for Industrial Control handling negotiations between Government , Industry and the Community and Community Groups .

I have along with others been responsible for implementation and control of a Social Impact Assessment for the Awonga Dam project near Gladstone on the Calliope River separately commissioned by Calliope Ratepayers and paid for by the Queensland Government and completed by the Central Queensland University, Sociology Department.

I was a member of the Community Advisory Group regularly meeting with the Gladstone Area Water Board for the Dam project above and for the Water Allocation and Management Plan controlling the Boyne River catchment.

I have been a member of a Gladstone Industry Body which brought the Gladstone Area Heavy Industry into an organisation to allow group environmental discussion helping to create an overall industry policy for the Gladstone area and Calliope Shire.

All these positions were held between 1988 and December, 2001.

As Ratepayer's Association Chairman I have negotiated and been part of many community decisions and overseen the commencement of community organisations, industry organisations, business organisations and environmental organisations.

Calliope Ratepayers provided representatives to positions for the Queensland

Conservation Council on development project overseeing groups and provided

speakers for University and other forums on Social Impacts, Environmental Issues, Industry funding etc.

As Chairman and a Representative of various Organisations I completed and answered Impact Assessment Statements and Environmental Impact Statements for Public Infrastructure projects, large developments in the Chemical Industry, Aluminium Industry, Oil and Mining Industry.

2. INQUIRY PROCEDURES AND TIMETABLE.

I would be available for discussion with the commission staff by telephone or personally.

I will provide support material as required with this submission however not all maps can be scanned to the scale required for electronic transmission.

3. IMPACTS ON LANDHOLDERS AND REGIONAL COMMUNITIES.

(i) The impact of current legislation is largely unidentified by the community as a whole. The timber groups in areas relying on native timber in the eastern part of the state are going to be more selective in their purchase of standing log timber.

The use of timber in the short term will not fall but will eventually as timber growth rates drop because of the competition amongst the vegetation in producing areas. Government harvesting on Native Forest was 90 years where Freeholded private forests on the same area was 10 to 15 years with a win -win situation for all.

The protection of areas of existing selected development especially with standing native timber resources depends on the selective clearing of other native species.

Thus any area of land that is managed to have such a native timber based silvicultural project is at risk of bureaucratic assessment or assessment by regulation .

Here it is appropriate to remember that clearing of land until recently was still a requirement under the Land Act of Queensland as lease conditions, this was judged to increase the use of native pasture species thus a trade off is necessary.

Many instances of under development and under utilisation of Government timber resources are evident in Queensland.

This means it is very difficult to justify the locking up of freehold land resources where people rely on the use of these native forests for income after proper utilisation of the native species and selected clearing.

In fact an important argument may be raised on the basis of an entirely native species grazing and timber operation that with productivity support would be much more productive and efficient financially but be sustainable environmentally.

This system was developed and practised at my property Glassford Vale near Many Peaks , Queensland.

The system was introduced over a 20 year period and can be compared to the native vegetation area regulated and controlled by the Queensland Government as part of the aggregation of 10,400 ha. Peak production for this development phase would have been sustainable from the year 2000.

The impact of productivity payments existing under the Queensland Rural Adjustment Authority supervised Commonwealth Schemes has been distorted by the National Australia Bank as this submission will show.

Consequently further regulation of any compensation funds is necessary to ensure proper use is made of the publicly funded schemes.

4. NEGATIVE IMPACTS ON LAND HOLDERS

The publication in Queensland of the Commonwealth Acts and state legislation pertaining to development strategies under Local Government and State Development legislation meant that at sometime in the future control of environmental factors affecting primary production would become more regulated to attain Government objectives and community acceptance of those objectives.

The property Glassford Vale was purchased in 1976 and the majority of the land freeholded in 1982. A plan of the freeholded land timber typing and tracks etc. was obtained from the Queensland Forestry Department as part of this procedure.

This gave a starting point for planning and development. Corridors were left and areas of native pasture developed by selective clearing. There is an important issue that biodiversity has already been destroyed in many areas of Queensland for many, many years. The simple reality is that in some parts of the state certain species of caterpillar are toxic to livestock so the trees that harbour those caterpillars (Iron Bark trees and Saw Fly Lavae, Springsure Area of the Central Highlands) have been removed since the settlement of the area in the 19th century.

In other areas toxic to animal species such as the Cycads have been destroyed and it must be taken into account that the management of these species so as not to be problems in the livestock industries is very expensive. Thus it would be

worth as a project for biodiversity and compatability with livestock to consider the situation and design some method of countering these toxins in animals. This has been completed for some species of Gidgee (Heart Leaf Poison).

It is clear from my experience which will be explained in detail in Government measures to mitigate negative impacts that the providers of finance (NAB) have no interest in the proper use or support of native vegetation enterprises as such but do have a specific interest in controlling the income of the receiver of any support scheme to the benefit of the NAB.

Here it is important to realise that the Federal Government Productivity

Subsidies were to help landholders to drought proof their properties to ensure

livestock and produce the financiers did not take this into account so people who went

out of their way to help the community were those penalised when financiers

withdrew their payments and made demands for repayment.

This was easily demonstrated when the Consolidated Pastoral Group closed their Rockhampton Meat Works. It only took 20 operations the size of Glassford Vale (800 head per year turn off) to close the works. (16,000 annual turn off).

5. POSITIVE IMPACTS ON LANDHOLDERS.

I believe it would generally be acknowledged that the productivity subsidy program previously attached to drought and EC programs had a beneficial effect. The problem is however the NAB as sometimes used the subsidy not in the best interests of its customers. The toothless legislation of Minister's Guidelines failed to stop this so there are now many successful farmers and graziers dispossessed.

I give by way the example of my property as part of the upgrade under productivity subsidy an easily maintained water scheme was built on 5 pumps and 4 Wind Mills, all pumps could have eventually gone solar so that the necessity for one person to maintain pumps and windmills from an original 6 days a week, was reduced to 6 hours for 2 days a week and would with Solar be reduced to 4 hours 2 days a week.

The new owner after the NAB sold the property then introduced dams instead of the use of pipelines and immediately dry weather costs reverted to 7 days a week as the open dams have to be patrolled constantly for cattle being bogged. Further the dams had to be built in sites suitable this meaning that in some cases 5000 cubic metre dams were built where only a small number of cattle would normally run 15 head of cattle, loosing the benefit of the best natural pastures and increasing mustering and property running costs in a 36" to 40" rainfall area.

Properly controlled income supplementation programs can produce the best long term solutions but plans have to completed for each part of the continent showing farmers and graziers the best practices. The example above is very common as many of the best operators in rural industry took up schemes to increase productivity and used existing vegetation in more appropriate ways. Not in all circumstances is it necessary to clear land to gain a productivity increase the following ways are some that may help determine processes.

- 1. Strategic Watering Points and originating sites.
- Maintaining bio diversity in areas where sun and shade are important .
 eg. Calving Cows in Queensland Spring Summer.

- 3. Maintaining a stream covering to create shade over the waters surface stops the generation of grasses and other species that will block the flow and eventually stop surface water.
- 4. Shade is very necessary for livestock in the tropics and in certain areas shade is necessary for the production of the best grasses. Eg. Kangaroo Grass is endemic in the shaded hills of the Boyne Valley and fills a necessary native pasture gap in animal production.
- 5. Combining its habit of growing from the top with Spear Grass that has a seed life of 20 years and Blue Grasses of 3 years. Good seed viability allows animals to obtain plants at there maximum nutritional value at various times of the year. By spreading Natural Legumes and introduced legumes in the correct habitat, increased production from these areas ,without loosing biodiversity was obtained , provided the proper husbandry practices and pasture management routines are maintained..
- 6. This means the proper use and biodiversity can be maintained by the use of Productivity Incentive Programs and Compensation but requires support from Government, Financiers and the various Land Holders. Thus programs to stop animal toxicity to various, native fauna and flora has to be considered as part of any program to maintain bio diversity or return land to its native state. I can go on and suggest methodology of administration etc. but this would be premature.

6. IMPACT ON PROPERTY VALUES.

There is an existing perception that because land has not been cleared it's value is less but evidence of this is confusing. The opportunity to improve land at the owners will was the most important part of the perception of ownership of a particular property.

This non tangible part of any contract of sale is continually canvassed by Agents through the negotiation of the Apportionments in rural land sales. Every property has an order for development depending on the land holders priorities and some land never developed because the return would be so low. However taking into account the above perception the loss of the ability to sometime in the future as technology and species allow the clearing of what might now be non productive land is going to reduce the value of any property. eg. The Queensland Brigalow Lands Development Program, land previously of no value is now the most expensive in some areas.

Obviously all business operators including graziers and farmers are looking for productivity increases but the problem of loss of carrying capacity because of regulation reverses the process and means as numbers of livestock per holding decreases the costs of maintaining production increases and income falls.

7. ADMINISTRATIVE COSTS FOR LANDHOLDERS.

Obviously Government charges and the costs associated with applications are important. But perhaps a hidden cost is the problem of maintaining the strict provisions of these permits etc. If Government is intending to police these provisions to the letter then perhaps a general decline in values of land is unavoidable even in areas not perceived to have a problem with land clearing laws.

The administrative procedures ensuring compliance with provisions of the Acts in Queensland in particular means mining operations will have to survey in detail `works that are now accepted to have a reasonable amount of leeway such as dam sites and dumps this gets particularly difficult when dealing with varying conditions as often exist in mining areas.

8. GOVERNMENT MEASURES TO MITIGATE NEGATIVE IMPACTS.

The most significant measure to mitigate negative impacts of changes to environmental legislation was the productivity scheme associated with Exceptional Circumstances Commonwealth Provisions based on the Minister's Guidelines in 1992 and 1995.

The provision of a productivity plan and its inspection by the QRAA Officer and Reports were all good administration and made the provisions of the plans of the scheme easily complied with. However the National Australia Bank as will be shown here did not operate the scheme within the provisions of the Law or with the intentions of the Legislation. The disappointing part of this is when the situation of deception was put to the Supreme Court of Queensland and the Court of Appeal the decisions were based on Common Law not the relevant regulations or Equity which leaves a hugh gap and puts in doubt all the in built administrative procedures to ensure compliance by the financial organisations.

To demonstrate a better system of control of financial institutions is the following explanation of how the system is abused by the NAB.

A. The NAB agreed in June, 1996 to accept my interest subsidy payment.

- B. In July, 1996. A directive only 3 years into the scheme was issued to the New Bank Manager for an increase in Payments at the Next review.
- C. In August, 1996. The Bank manager against the agreement with QRAA demanded\$30,000 from me or he would put me through Mediation .
- D. In February, 1997.He was given a copy of my budgets to QRAA and an action plan.
- E. In April, 1997.He told the QRAA that the he would not accept the money of \$54,500 Interest Subsidy until after he had completed a Review.
- F. In May,1997 7 days later. He informed me I was to reduce my account by \$30,000 and that the Bank would not accept my Interest Subsidy.
- G. In August, 1997. He made representations undefined on account restructuring to an investigator appointed with his approval who called me unviable.
- H. In July, 1997 the QRAA Inspection Officer called me viable both long term and short term.
- I. THIS MEANT THE SYSTEM HAD BEEN VIOLATED AS THERE WAS NO WAY THE MANAGER IF I HAD REDUCED MY ACCOUNT BY THE AMOUNT OF \$30,000 COULD NOT CLAIM TO THE BANK THIS WAS MY SUBSIDY PAYMENT AND DO AS HE WISHED WITH MY INTEREST SUBSIDY OF \$54,500. THE BANK MANAGER ON 10.6.97 TOLD NAB HE DID NOT THINK I WOULD RECEIVE MY QRAA SUBSIDY.
- J. Consequently as system of accounting better than the existing one has to be introduced to control payments made under Government Subsidies so that there is a clearly defined path to stop the potential for corruption of payments by financial institutions and their staff.

9. IMPACTS ON NON -LAND HOLDERS AND REGIONAL COMMUNITIES.

I presume that financial institutions will make their own submissions.

However it should be part of any financial compensation package to landholders to accept a development scheme based on increased productivity. It should also be an option for the landholder to complete any works defined on his land by way of first refusal if he stands to lose any benefits or use of his assets to his enterprise. Eg. Planting of road verges with trees when the road is unfenced. One reason being this needs to work in with the property management program so the young trees survive bearing in mind in Queensland many road verges are impossible to fence.

Obviously impacts are going to the stage where Transport and Local

Authorities will be required to improve drainage and road, railway and other public
infrastructure surrounds and permit previously removed and altered ecosystems to
regenerate.

The failure to recognise all the necessary problems facing both forestry and mining in access and use of the environment for regeneration and resource development means that regional communities will bear a high price in some instances because of lost income from the loss of mineral exploration and forestry activities on private land, where management of the resource outpaces the general management provisions of the Forestry and large miners.

A proper method of trade off has to be investigated otherwise as is now being shown the true picture of Australia as a resource economy will be reversed and community benefits will disappear.

The one thing that has to be recognised that if our community relied on the original environment, Central Australia would continue to be dominated by Spinifex,

the vegetation would evolve in all areas along the lines it was in 1770 and the path of nature continue with spinifex taking over more and more of the land. We must be very careful not to forget the role the Indigenous population played in shaping the Australian continents flora and fauna.

The important issue for regional communities is how to use the new man made resource of concentration of the original biodiversity and environment recreated. Therefor all Social Impacts are not the same . eg. Areas where access is restricted . Areas isolated from others by distance or community attitudes and expectations. This has already happened to a certain extent by the new method of Forest Resource Management and Regulation.

Equity of distribution has a large bearing on Impacts on regional communities. Thus the individual community economic pursuits, the technology and methodology used in the region and the particular stage of development of the natural environment to those pursuits controls impacts. Eg. In Central Western Queensland methods of increasing grazing production by land clearing are not as developed as in other areas. As these activities have a flow on effect then all associated with this activity will be effected. However in Coastal areas where clearing can be much more labour intensive then Heavy Machinery is not always required so the effect is restricted to the employees directly involved and much smaller plant.

But the ongoing benefits in coastal areas may outweigh those where heavy machinery is used. In areas where the selected clearing of some native species creates an economic benefit by allowing timber harvesting but with proper management biodiversity can be maintained it gives an incentive to Government to ask regional areas to present Social Impact Assessments including this factor. The fact being the loss of the original environment may not have been seen to be of importance to

biodiversity. However this human interference may have helped to develop better specimens, faster growing and more adaptable eg. Selective clearing of Spotted Gum Stands increases the production of timber and also creates a larger habitat for other species by the destroyed trees remaining in that environment. The careful management of this man made environment can make a much more productive forest in every respect.

Thus the use of State Forests because of the management style of being harvested and locked up for 90 years has not contributed to environmental objectives where some of the forests selectively cleared and more regularly harvested have a much larger more diverse environment. The change of species is much more evident in the State Forests because the species strange to the original environment were allowed to continue to grow , where in the managed forests they were destroyed.

10. EFFICIENCY AND EFFECTIVENESS OF ENVIRONMENT REGIMES.

It is one of the objectives of Environmental Law that industry of whatever type will be in harmony with the environment. Unfortunately this is just not possible. So somehow the Environmental regimes have to admit that certain industries and changed environments need to be recognised and the population shifted and compensated and those environments sought to be properly investigated and made use of. Eg. Old mining areas, existing mining areas and large noxious industry areas. Methods of attacking these factors are such in Gladstone there is a Red Mud Dam created by the Iron from the bauxite used for the Alumina production. There is a new refinery being built, this means that the possibility of using the Iron in the Dams for steel production has increased. This would remove a noxious component of the

aluminium industry out of the environment at what stage will this be investigated.?

This same question applies to the use of the waste of the timber industry and agricultural industries. At some stage the use of Timber waste in forest regeneration has to be considered particularly instances where flowering trees are felled or propa gation of species is required. To date the uses and identification of these resources has not reached a fraction of its potential and development along these lines can only come from regulatory authorities being willing to help conservation in practical ways.

There has been some debate and legislation with regards resources such a Water but these are easily identified and Water Management Plans completed but this places a larger emphasis on other parts of that environment through expectation of continuity, that may be effected by many factors outside of the licensing authorities control. I notice in the popular press the National Australia Bank is complaining it will have to reassess its customers on their water allocations a massive impact that will directly settle at the feet of the environmental regimes.

We see in the Mining and Secondary Industry much forgiveness of environmental detriment because of its effect on Corporate Incomes . Is it going to be that another type of Corporation (Financial Institution) can negotiate on behalf of its customers over Water Allocations?

Is Government moving to the stage where financiers can threaten outcomes and Governments buckle under? We have seen convenient use of the Exception Circumstances and Productivity Subsidies by the financiers with the Government standing by through Rural Adjustment Authorities there is no reason why this will not happen again.

11. PERVERSE ENVIRONMENTAL OUTCOMES.

It is not possible to give a perfect example of the above because it is difficult to realise that such things as the control of weeds is done mechanically or by chemical application ,very few weeds can be controlled manually. So the outcomes are dependent on the knowledge of weed infestations at the time of the chemical use.

An example of this is in Queensland, Noogoora Burr was a noxious weed problem over many years. The Qld. Lands Dept., Dept. of Primary Industries and Local Councils pursued landholders to eradicate this weed. In 1974 a Rust became established that destroyed the Noogoora Burr.

All except two Local Authorities had stopped enforcing the spraying of this plant by 1984. However eventhough it was obvious the plant would not survive the rust and the rust so well established, plants were not producing viable seed, these two local authorities had eventually to be instructed by Lands not to continue forcing Landholders to spray with 24-D. This type of situation is even worse when it is shown that other weeds in the environment with the same economic impacts were eventhough declared noxious not pursued by these Local Authorities on the basis that they were not a problem because 24-D would control them.

Consequently these situations have led to the destruction by regulation of many native species and will continue to do so without a weedicide that is totally specific. I doubt whether it will be possible to ever achieve such a situation where intervention is possible for the sake of conservation without properly controlling government regulated programs on an individual property basis. Thus properties beside each other can have intervention programs for different purposes that effect each other thus regional plans to handle corridors and conservation need to be considered, raising a further question over who should own such areas the State or

the individual. Obviously a very important question probably to be decided first when considering compensation.

12. COST - EFFECTIVENESS.

The cost-effectiveness of the regimes proposed and now in force is only possible on paper. The reality is that native pastures and ecosystems are very low producers of digestible material. There is no need here to go into the economics as I am sure expert opinion will outweigh this advice.

From observation the original eco-system except for very few areas would result in much reduced carrying capacity of livestock, in a much reduced turnoff /ha in \$ terms. On a wide scale the closure of meat works and reductions all through primary industries. The cost of locking up areas of land to create an environmental change in itself will destroy many livelihoods, irrespective of the loss in production.

The farming community has learnt to adapt to different marketing positions of various enterprises on the one property and that is what has allowed Australian agriculture to remain positive in the long term. The controlling of on property environment means the adaptability of properties and farmers is hindered uncontrollable by the land holder so immediately regulation stops land use changes , viability is affected.

An example of this when sheep are low beef is introduced and when sheep and beef are low grain is up. This is a natural marketing phenomenon because when livestock values are low, grain prices rise. This occurs because the livestock cycle is either in an upswing or numbers are topping out and a larger amount of grain than in the early part of the cattle cycle is used as feed grain. Similarly during periods of

drought. So without that flexibility and ability to increase production to make the price of whichever commodity is viable at the particular time all resource, primary industry economies are doomed.

Thus cost effectiveness can not be measured only identified very broadly. The shift in resources without the necessary scientific, economic and sociological considerations from stopping viable land utilisation is going to produce a new aspect into society that will lock many people into poverty in a short period of time. Depending on the cycle in agriculture at the time and the ability of all factors to be controlled by the farmer.

In certain areas it may be necessary to declare certain types of native plant noxious to allow its destruction to enable the farmers to still operate. Eg. In coastal areas certain types of wattle when soil is cultivated become so prolific that the biodiversity of its original habitat will never return. Thus that particular plant in a particular area may be destroyed by regulation allowing productivity of the land to remain.

In the case of the timber industry locking up areas for biodiversity is important but it must be remembered that other areas have to be controlled if production is to continue. Silviculture is another resource industry and subject to economic cycle. It is very difficult to predict the exact dates and values of all the variables to market the product. Thus to rely on plantations of hardwood and pine on rotational planting will fall down when capital is not available or economic benefits not sufficient .

We have in many parts of Queensland in particular a ready resource in native forests on private land that can be utilised in an opportunistic program. Perhaps cost-effectiveness of biodiversity can be enhanced by the proper use of this resource.

In fact previous Governments and policy have led many people to believe this is the best opportunity for conservation on freehold land. It has a very important advantage in that all species harvested are continuously young trees except for the older seed trees left for that purpose. The loss of this resource to many properties would cause capital raisings outside of the existing enterprise with the resultant risks.

In all aspects of cost- effectiveness or an efficiency, productivity and cash flow the only time environmental accounting will satisfy the farmer is when it pays dollars.

13. ADEQUACY OF ASSESSMENTS OF ECONOMIC AND SOCIAL IMPACTS.

The above assessments need to be much deeper than normal legislative impacts studies and community consultation processes. In the first instance no explanation of why some may have to give so much after and in some cases even before they have freeholded their land on the basis Government would not interfere with management. Consequently to withdraw that contracted right by legislation is going to impact socially and economically throughout the community. I have already demonstrated how the National Australia Bank has used Government Productivity Subsidies to force customers who were not in financial difficulty into sell up positions. This also demonstrates that a corrupt banker can turn under the existing scheme the bank customers subsidy to his own personal use and use the bank and QRAA processes to blackmail the customer into submission.

The point being that the premise in law that a mortgagee should always receive their money back creates a conflict when Government Subsidies are unlawfully with held for the purpose of destroying a business for profit for the Bank

and to cover up the corruption of the subsidy process. These basic faults have to be rectified by Government before more money is thrown at Banks and their practices ratified by courts.

The problem of Social Impact adequacy is its obvious restriction to the scope of the study. Realistically this can not be determined from one area as atypical because of the variations in reliance and living standards created by various existing practices. To explain the loss of civilisation because of environmental practice is complicated and many academics can't agree. To explain the loss of habitat and biodiversity in one area as to the climatic changes in another when it is only based on theory is one thing but to say that a new substituted environment such as woodland to savana is wrong, is very difficult when facing the fact that this is a natural occurrence in Australia commencing in inland Australia and moving outwards.

Consequently it is not necessarily the remnants of native areas we have to look at but a method of increasing the productivity from already changed areas both environmentally and economically. That would have the greatest social impact.

However the financial institutions do not have the depth of knowledge in the employees handling farmers accounts to understand this movement and time lapse. Thus to alleviate the Social impacts of this adjustment it may be necessary to implement a system of Certificate such as is available under the Bankruptcy Act (Cth) to impacted rural producers to hold off the financial institutions while any productivity gain is obtained.

14. TRANSPERANCY AND COMMUNITY CONSULTATION.

15. Development of Regulatory Regimes

17. CONSISTENCY BETWEEN COMMONWEALTH AND STATE / TERRITORY REGIMES.

Obviously regimes will be enforcing the Regulations and Acts associated.

Perhaps this may bring the most devastating situation of all. It is quite possible that in Queensland for the change of Lease conditions and Freeholding conditions as proposed will bring legal action to overthrow the new conditions imposed.

Should this happen then many regulatory prosecutions would be unnecessary. Perhaps it may be of greater support to both jurisdictions if instead of prosecutions a system was developed for offenders under regulation to repair the area in various ways. A. Loss of use for a period, replant and re-establish biodiversity. Because one environment is replaced by another and loss of some biodiversity is not necessary detrimental. Eg. When open areas are planted to forest. The consistent change of the australian environment to savanna is cyclical consequently biodiversity is cyclical, therefor we need systems not just to conserve existing biodiversity but to support the changes already made to the australian environment to maintain the new biodiversity.

Eg. The requirement for aquaculture is going to increase and artifically increase the areas of inland salt water use. This is a regulatory problem because of the very situation itself and possible consequences of environmental detriment across jurisdictions. Also the planting of mangroves etc. and artificial wetlands by statutory authorities. The use of timber waste both on site and in production. The mining industry where state and federal authorities have control of the situation. The state

authorities are at loggerheads with a third party on behalf of the industry and the federal authorities are aware of environmental damage not recognised by the state authorities.

18. OPTIONS TO REDUCE ADVERSE IMPACTS OF ENVIRONMENTAL REGIMES

To understand this question it is important to realise the changing of environmental attitudes between regimes and governments. Off all the important questions that needs to be asked is not the environmental goals but the impact on the nations goals for its human population.

The regimes tend to accept bad environmental outcomes from multi nationals and powerful organisations and try to use environmental issues to the detriment of individuals and conforming organisations relying on regulatory authority enforcement. This has a massive impact and gives off the wrong signals.

In order to stop this happening regimes have to be more open to scrutiny and criticism and accept the direct relationship between controlling authorities and big business must be audited or face continuous public complaint because someone somewhere has to accept damage to the environment.

The means of paying recompense is at odds with the present productivity procedures and that is because it can be demonstrated that in particular the National Australia Bank and others have systems in place where officers can receive the existing benefits paid to people and by demand in the name of the bank provide a screen showing the bank the account is satisfactory allowing the bank employees to place the funds to an unlawful purpose.

The advantages and disadvantages of defining landholders rights is the fact they are defined outside of the terms the land was leased or purchased. This obviously brings the compensation claim but in Queensland opens up a minefield as at least in some cases defined resources brings large questions of management responsibility. Eg. Water flowing on leasehold properties belongs to the crown and by definition on freehold as well. But who is responsible for the damage the water does, should the government pay for works to repair environmental damage from water travelling across freehold land from causes created by either leasehold land or public works.

Determination of environmental responsibilities will lead to a massive amount of problems for Government as departments quickly realise the main damage to the environment comes through Government at all levels. eg. From advice to Rural Property Holders, to road, railway, forestry reserves, rural fires policy, water policies, mining policies, energy policies and general operating policies of government and its corporations.

There is very little doubt that the perception and custom and legal right to clear vegetation on particular land titles in Queensland has led to the popularity of purchasing freehold land and of freeholding leasehold titles. Thus any restriction on clearing on freehold land is going to be a major problem, legally, politically and in every way possible. The most responsible way to maintain diversity is now to assess practically the environmental goals against the engineered environmental goals and come to a formula for assessing and compensating landholders.

However reality states that the most appropriate way to maintain diversity is to allow the introduction into native pastures of other varieties such as legumes. Eg. In western queensland there are many native succulents and milletts that can easily return to native pastures through propagation and seed breed up. In the wild it is

impossible as the marsupial population eat these as very young plants because there numbers are small. The important issue is they are indemic and increased plant numbers means survival. The reason many of these have been partially lost is because they have varying seed viability periods .eg. On the coastal strip Blue Grass has a seed viability period of 3 years where spear grass has 20 years. Obviously spear grass becomes dominant if the grasses are not permitted to seed for 3 years in a given area.

CONCLUSION.

It is possible to increase biodiversity by the retention of Conservation Areas, by encouraging return to native species in other areas by creating systems of land use, through the introduction of altered digestive processes of the animals using these areas, by using existing altered native timber areas to the best advantage of the land holder and the community through support and productivity subsidies.

Acknowledgment needs to be made of the opportunity for the rural community to proceed in the Courts frustrating legislation. Consequently it is possible to enter agreements with individual land holders and groups of land holders to pay compensation and perform the necessary studies to allow the use of existing altered land for the land holders' enterprises.

The reduced productivity of these enterprises in the long term is a problem for financiers and government therefor a system to encourage productivity increases with existing and new resource legislation has to be found.

The existing method of Productivity Subsidies would work but the Government has to be serious about controlling financiers and their wish to adopt methods of pre-empting financial problems by demanding the repayment of land holder loans at the financiers will. This system is flawed and prejudicial and many

examples are available of the bad decisions of these institutions eg. The Drought - Productivity programs in use in 1996 called for a 5 year program under the legislation yet the National Australia Bank was demanding return of their capital after 3 years , frustrating the purpose of productivity upgrade for the individual farming enterprise and the Minister's intention. Thus the will to conserve the native vegetation and biodiversity is dependent on co-operation at all levels as the use of the adversary system will frustrate the situation .