

**B.U.G.**



Reg No: A0041296J

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*Victoria, Inc.*

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**Submission  
to the  
Productivity  
Commission's Inquiry  
into the  
Impact of Native  
Vegetation  
and  
Biodiversity Regulations**

**By the Bush Users Group (Vic) Inc.**

July 2003



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**Introduction**

The Bush Users Group (BUG) is a voluntary, non-profit body set up to represent Victorians with an interest in public land management and access. Our membership is diverse and consists of commercial and recreational groups with concerns about the general management of public land.

BUG has a keen interest in the impacts of biodiversity regulation on productivity. The inability of individuals to make the Victorian Government listen to concerns in relation to these impacts was the very reason why BUG was established.

There is an immense amount of Victorian State legislation with the claimed aim of protecting biodiversity including the Flora & Fauna Guarantee Act, the National Parks Act, Crown Land Reserves Act, etc. Many other Acts have biodiversity protection built in – such as the Mineral Resources Development Act, Forests Act, etc. We doubt that there is an Act in Victoria which regulates land use that does not provide for biodiversity protection.

BUG believes that the balance in decision making, and therefore regulation, in relation to land use has disappeared. The so-called triple bottom line is heavily biased towards environmental protection. Consideration for social and economic protection has all but disappeared.

The Commission may note that much of the focus of this submission is on the Environment Conservation Council's activities. The Council is responsible for the most recent changes to land category in Victoria that have had significant impact on the productivity of many industries and, we believe, will have a serious long-term impact on the viability of many small communities.

The ECC process and the Victorian Government's Native Vegetation Framework are examples of the zealotry with which the Government and bureaucrats pursue their green agendas.

Government policy, and therefore regulation, across Australia seems to be based on an attitude that any profit made from commercial harvesting of native flora or fauna is intrinsically bad and must be stopped at all cost. It is only politically acceptable to harvest from introduced species. The current cull of kangaroos at the Puckapunyal Army Base is a classic example. Instead of sending the carcasses to a nearby abattoir for use as pet meat the carcasses are wastefully buried. A primary school child could see that this is not logical – but the power of the green movement over Government policy is so great that logic is no longer a consideration.

We ask that the Commission recognise that this submission was done with limited (totally voluntary) resources by those who are most affected by regulation. We ask

that the Commission remembers that the green movement has the most resources and the least to lose.

### **Tourism**

The much espoused boom in eco-tourism is supposed to replace real jobs in traditional bush industries with jobs in the tourism industry. Clearly this is nonsense. While some low-paid, seasonal and unskilled jobs may be created it is unrealistic to expect to re-employ in the tourism industry those made jobless by the creation of national parks. As a case in point, the Environment Conservation Council in Victoria recently investigated land uses on public land in the 'Box-Ironbark' region. The initial social and economic survey into the potential impact of the creation of new and expanded parks and reserves (all aimed at protecting biodiversity) concluded that there would be many new jobs in the tourism industry to replace the jobs lost in the timber, mining and eucalypt oil industries. This survey proved to be fundamentally flawed (both in fact and in maths) but was used to justify the creation of new parks which central Victoria now suffers. There is no system in place to assess the accuracy or success of the new legislation in relation to new jobs – the juggernaut just moves on.

If tourism is really such an important industry in Victoria then why does it constantly need to rely on Government subsidies and promotion to survive? The recent Victorian State Budget allocated another \$40 million of taxpayer's money to support this non-productive industry.

### **Locking out recreational users**

National parks legislation in Victoria excludes or seriously limits most activities. Many active recreational users stop visiting towns near the parks thus the economic benefit to that town is lost. This impact can be hard on towns that may rely on visiting prospectors, four wheel drivers, hunters, horse-riders etc who are either excluded or severely restricted by national park legislation. It is the traditional users who are excluded – generally unnecessarily – to satisfy the insistence of the green movement.

### **Misuse of biodiversity regulations to meet ideological aims**

Many traditional activities have fallen victim to the misuse of 'The Precautionary Principle'. The green movement has grabbed at the concept of The Principle to demand cessation of many activities. One example is the banning of educator dredging in Victorian rivers and streams. The Final Report on this by the Parliamentary Inquiry in 1994 is in two sections – one is a minority report which said that The Precautionary Principle had been misused to ban dredging and subsequently to put 300 people out of work.

Every activity has some impact, even breathing. The current application of The Principle has been reversed – it now appears that unless it can be proven that there will be absolutely no negative effect then the activity should cease or not be permitted. This is of course impossible.

It is time that this misuse of The Principle was reviewed and it should no longer be a consideration in any fair decision making process.

There has not been any investigation into the impact of the banning of dredging to see if river health has improved or whether the towns that relied on dredging have coped.

Once the banning of an activity is achieved the conservation juggernaut just moves on –the local community is left to pick up the pieces.

### **Older Australians**

The average age of those working in traditional bush industries is significantly higher than those employed in the trendy industries such as tourism and environmental science. The Federal Government has stated its aims of keeping people in the workforce longer and yet the current preoccupation with the environment is closing down these traditional industries.

The productivity of senior Australians is being seriously compromised by biodiversity/native vegetation regulations. The people put out of work by the creation of national parks etc are unlikely to find employment elsewhere.

### **Consultation – a case study**

The Bush Users Group was originally convened because those affected by the Environment Conservation Council's investigation into the Box-Ironbark region were frustrated at being ignored.

From the beginning it was clear that the Council had been given the expected results and told to go and find some evidence to support them. They failed miserably but an extensive new network of parks and reserves was declared anyway.

While it is tempting to use this opportunity to tear apart the ECC's deceptive processes I will just give a few examples.

The ECC were shown the many mistakes in their Draft Report. Some of these mistakes involved 'benefits' incorrectly calculated by millions of dollars. They ignored them. Why would they correct their figures when they had convinced local councils, tourism operators, store-keepers and others who would benefit from this miscalculated tourism benefit? They had achieved their aim.

All of the pro-use groups who were 'consulted' by the ECC came away angry with the way they were treated – all felt that they had simply been ticked off on a list and that the Council had failed to listen to anything they had to say. But the Council could now claim it had 'consulted widely'.

We had a rally though Bendigo of 3,500 people to try and force the ECC and Government to listen to our concerns, they still refused to.

Then there were those who were missed altogether. Early in the process it became clear that the ECC was not adequately publicising the investigation or its potential impacts. So much so that the Prospectors and Miners Association took out advertisements in several regional papers – at significant cost to this low-budget, voluntary organisation – to ensure that those people were made aware. The ECC were very critical of this action, however the PMAV received a lot of calls from

people who were going to be affected but were totally unaware of the investigation occurring.

Field trips were rare and short. Of the three Councillors it was typical for only one or two to be present at any meeting or field inspection. All groups are convinced that there was little genuine interest from any of the Councillors in hearing the real story – they were going through the motions of a process with predetermined outcomes.

If the Commission would like to hear more on the ECC's investigation please ask and it will happily be provided.

While the ECC has now been replaced it should be noted that the new body – the Victorian Environment Assessment Council - has the same support staff and one of the same Councillors. Their only investigation to date – that into the Otway region - is looking ominously similar to that for box ironbark.

### **Perverse Impacts**

The social implications of broad-acre, commercial plantations have long been recognised. Growing trees is not labour intensive and those employed in farming activities that previously occurred on this land often relocate to cities or regional towns – leaving areas without a significant population base – services are lost, etc.

Less recognised is the water consumption of intensive tree growing which can seriously impede the water availability for other productive activities or environmental/catchment flows. This is all due to regulations that are used to push the timber industry off public land.

### **Non-use values**

It has always amazed us the way 'non-use' is given a monetary value and is used to justify the creation of more parks or reserves. This non-use value is calculated on the dollar value that those who don't visit the area apparently feel it is worth by just knowing that the parks exist. This 'value' is supposedly felt by those living away from the region – ie in the city, when in fact those who are most affected are those living near the parks.

We return to the box ironbark investigation as an example. In the ECC's Final Report the non-use value given to the new parks was \$2 million per year. This was used in the cost-benefit analysis that was then used as a basis to close down jobs in the timber, mining and eucalyptus distilling businesses.

For the supposed sake of a few Melbournians having nice warm fuzzy feelings about national parks many men and women were put out of work in the bush. Letters to the newspapers at the time indicated that people were misled into believing these were real economic benefits and not just a theoretical value.

This is disgraceful, uncaring, new-age nonsense!

### **Flamin' Parks document**

In August 2002 we published a booklet called *Flamin' Parks – the Neighbours from Hell*. The booklet identifies why the current system of public land management is not working. It is failing in many areas including having a negative impact on the productivity of those landholders abutting national parks and reserves.

We have enclosed a copy of this booklet for your reference. (attachment 1)

### **Are the Biodiversity Regulations meeting their aims?**

The Bush Users Group wholeheartedly supports the protection of biodiversity. However, we do not believe that the current biodiversity regulations are receiving enough budgetary funding to achieve the desired aims or the community's expectations. Refer copies of community demands from public rally (attachment 2) and joint letter (attachment 3). We have been asking for a review of public land management in Victoria since our inception.

The only review of the success of biodiversity regulation in Victoria is the 'State of the Parks' audit conducted on Victoria's national and state parks. This audit is conducted on a bi-annual basis by Parks Victoria (the land managers) themselves.

To date there has only been one Report released so there is no opportunity for comparison. The original report indicated that parks are failing to meet even minimal objectives. Every park surveyed has a fox problem – including a small park on an island in the middle of the Yarra River just outside the CBD.

The summer bushfires across 3 million hectares of what is primarily national parks in Victoria and New South Wales is a warning that something is seriously wrong with public land management. The impact of these fires on the productivity of many industries is immense and ongoing. The timber industry lost significant reserves; the mining industry lost equipment, the farmers lost fences, stock and stock feed, the graziers lost food reserves, the towns lost buildings and infrastructure, the tourism industry has lost clientele and opportunities, etc. The productivity of the region has been seriously compromised by the fact that national parks exist and their management was so seriously lacking.

It is not only whether or not the parks achieve their biodiversity aims but whether or not it is necessary to exclude activities to achieve these aims. The opportunity to conduct various activities – both commercial and recreational – is affected by the declaration of parks, this restriction on current rights should not be put in place unless it can be proven that there is some benefit from the restrictions. This is not the process in Victoria at present.

For some reason it is assumed that timber cutting, mining, prospecting, bee-keeping, eucalyptus oil production, hunting of feral pests, four-wheel driving, car rallies, firewood collection, cattle grazing, horse-riding etc are all incompatible with biodiversity aims. This assumption gives no consideration to modern, improved practices and we strongly dispute this assumption.

The way that these activities are conducted has been moderated over recent years to reflect a new sensitivity towards biodiversity protection and yet this is unrecognised by Government who continue to declare more no-go areas. In the meantime foxes, feral cats and wild dogs continue to dine on our native wildlife, weeds choke native vegetation and wildfire consumes all in its path.

## **The Future should not lie with Regional Committees of Management**

The Victorian Government is establishing a Community Management Committee for the Wombat forest. This is to be the first of a series of exercises to (supposedly) allow more community participation and to advise the land managers in forest management.

In theory, this Committee should be a representative cross-section of the whole community, however if a recent meeting at Bullarto is any indicator, the radical greens have every intention of taking full control.

Bush Users are very suspicious of this process as it will either mean a serious drain on our productive time or, if we don't take time off to participate, the results will mean a serious drain on our future

## **Firewood Gathering**

Recent Victorian Government decisions to create more national parks have decimated both the commercial and domestic firewood industries in many parts of the State.

Firewood is the only completely renewable energy source. It is far more beneficial to the environment than the burning of fossil fuels and the use of it should be encouraged not restricted.

The new national parks and reserves within the Box Ironbark region of Central Victoria has seen the complete decimation of the sustainable supply of firewood. Firewood was removed as a by-product of silvicultural thinning but now these new parks and reserves have created a chronic shortage of firewood. Many areas are completely reliant on firewood for cooking and heating and have no access to natural gas. They are in a low socio-economic area with a high percentage of aged residents.

All full time commercial firewood cutters have now been thrown out of the bush and a draconian licensing method for obtaining domestic firewood has been introduced. Because of the shortage a minimal ration has been introduced for people, but only if living within certain areas. Otherwise they are not permitted to have any at all. This ration has meant a 70% loss for many people and is forcing people to obtain green firewood only.

## **Cattle Grazing**

The grazing of cattle on public land has been occurring for over 200 years but has now become distasteful to the environmental regulators.

Both the mountain cattlemen and the Barmah graziers along the Murray are concerned that they are soon to be excluded from their traditional areas. The mountain cattlemen have already lost significant access and those in the Barmah are facing the prospect of a new national park with all its inherit restrictions.

Again, there is no peer-reviewed science to back up the proposals to restrict these activities.

## **Apiary**

Since 1822 honey bees have been an integral part of the Australian food chain, having been imported to efficiently pollinate the food crops which were brought in to sustain the new Colony, there being insufficient pollinators present for these exotic plants.

During that time, there has been no scientific evidence to support the theory that honey bees have changed the balance of the nature of flora or fauna in Australia one iota.

Without secure, continued access to the natural environment, there will be insufficient honey bees to pollinate food and fodder crops in Victoria. Managed honey bee pollination services for various crops requiring honey bee pollination in Victoria produce crops worth \$1.5 billion per annum. 38,300 bee hives per annum are currently contracted in Victoria, with demand ever increasing. Almond production (no honey bee pollination, no almonds) alone in Victoria is valued at \$30 million per annum.

This productivity is threatened by constant attempts to introduce restrictive regulations often based on misinformation and ideology. It is a constant battle to counter this threat, taking much time, effort and expense.

It must be remembered that nectar and pollen is a resource which falls to the ground and is wasted if not harvested by honey bees and yet the regulators are being pushed by the green movement to remove this valuable activity from public land.

The attitude of the Environment Conservation Council towards the apiarists is typical of a willingness to restrict or ban activities without scientific evidence. Many perceived environmental risks associated with bee-keeping were put in the ECC's Issues Paper and Draft Report to give a negative impression of the industry.

Following the ECC's recommendations the Victorian Government created large new national and state parks and various reserves. No new bee-sites are allowed in parks and reserves. Additionally, apiarists believe that land managers have, in the past, excluded them from public land without adequate consultation.

Queensland beekeepers were guaranteed continued access until 2024, 'with a review to be conducted just before then to determine if suitable alternative resource had been found, or what further time was needed for this.'

The legislation, which is still to be presented to Parliament, has suddenly changed to make 2024 the finish date.

Conservationists say that this gives beekeepers plenty of time to grow their own trees, or to close down their businesses.

Despite there being no evidence that honey bees cause any environmental harm the productivity and potential of this important primary producer is being stifled. Australia's productivity and exports could increase if governments would assist rather than hinder honey production.



## **Mining**

The Victorian public owns one of the world's greatest goldfields, unfortunately this is not reflected in the current level of gold production. The mining industry in Victoria should be booming. There are many hurdles for miners to cross before production can start, not least of which is the plethora of environmental regulations directed at the minerals industry.

Larger operations conduct a thorough and expensive Environmental Effects Study before mining can commence. The operators of Victoria's largest gold producing mine at Stawell went through this EES process in an attempt to expand their operations. Despite their proposal being supported by the EES the Government decided not to permit an expansion of the mine because of pressure from a local conservation group. The extended mine would have brought many jobs and economic benefits to the local community and to Victoria.

At the other end of the scale, the smaller operators are almost extinct due primarily to the excessive level of regulation affecting their sector. Small operations are subject to similar environmental requirements as larger operations – there is little recognition of the limited ground disturbance by this sector. While large mines are knocked around by the regulations the smaller operators often find it impossible to cope – their productivity is removed from society.

These regulations range from excessive rehabilitation bonds, compensation for the use of crown land (despite the area being rehabilitated upon completion of work – often to a standard higher than before being worked), flora and fauna surveys, the 'net gain' requirement of the Government in relation to vegetation clearance, etc.

The level of 'Sovereign Risk' on the international scale associated with doing work in Victoria is considered reasonably high and as such is a significant barrier to investment.

## **Prospecting**

Victoria is recognised as having probably the world's best goldfields for prospectors. The easy access, gentle terrain and temperate weather conditions make it welcoming, but so does the fact that the largest gold nuggets ever found have all come from the central Victorian goldfields.

This activity should be encouraged. The contribution of those involved either on a recreational or commercial basis is immense – particularly in some of the smaller towns that are struggling economically and socially.

Prospecting (with metal detectors and gold pans) is widely recognised as an environmentally benign activity and yet, the peak representative body, the Prospectors and Miners Association of Victoria, has to constantly battle against regulators to maintain reasonable access for its members.

The PMAV has made its own submission to the Inquiry and we refer the Commission to that for further information on this aspect.

## **Timber**

The timber industry was assured that they would achieve resource security through the Regional Forest Agreement process. With much fanfare the Prime Minister and Premiers signed the Agreements that turned out to be worth less than the paper they were written on.

The impact on the industry and its workers has been considerable with widespread mill closures and, for those that remain, a reluctance to further invest in their businesses – it is doubtful that finance would be readily available anyway given the level of Sovereign Risk.

Working practices have been moderated in line with increased focus on environmental issues but despite the level of regulation and compliance the industry is still being targeted for more reductions. With timber being the ultimate renewable resource much of the regulation and restriction on this activity is unnecessary and absurd.

## **Farming**

Farming, like most traditional activities, has been hit hard by biodiversity regulations over recent years. From being heroes of Australian society they now are painted as pariahs who have caused, and are causing, untold devastation.

Farmers readily admit that it was their predecessors who cleared large areas of Australia – that was what was expected of them at the time. This practice, at least in Victoria, has all but ceased. Any clearing is only done when the farmer believes it is absolutely necessary and when the benefits outweigh any possible adverse effects.

## **Eucalyptus Oil Industry**

The eucalyptus industry in Victoria was dealt a heavy blow by the acceptance by Government of the Environment Conservation Council's recommendations to severely restrict harvesting of eucalyptus leaves from Crown Land.

The reason given was to protect biodiversity, yet no credible evidence was put forward to support this. The report lacked balance because it mostly ignored the many advantages of eucalyptus oil production, while highlighting perceived threats. Adverse statements were expressed as facts without any supporting data.

While the report's objectives may be laudable, no evidence was presented to prove the changes proposed would achieve the objectives of biodiversity protection.

The production of eucalyptus oil is a sustainable industry which uses a natural, renewable resource which gives arguably the best use of land and the best economic return. Most of the production is used in the pharmaceutical industry.

Much of the land has been harvested for over 80 years without adversely affecting plant vigour or the number and diversity of floral species. It is organically grown without the use of fertilisers, pesticides or herbicides. With proper management there is no reason why harvesting cannot continue indefinitely.

The eucalyptus oil industry already caters for tourists and this would have been an area for future expansion.

There are no endangered species threatened by eucalyptus oil production and the benefits of the fire protection afforded to the forest and ground cover provided for birds and animals are considerable.

The ECC only focused on the negatives of eucalyptus oil production and ignored the significant environmental, economic and social benefits. No evidence was produced to support their claims. The following comments are indicative of the bias with which the ECC approached the whole investigation:

The ECC stated *“public land eucalyptus oil harvesting is a significant threat to many biodiversity values”*. Eucalyptus oil harvesting has been carried out continuously since 1852. If there ever was any damage to biodiversity, it has already been done.

*“Pink-tailed worm lizard .... Further expansion of eucalyptus oil harvesting would destroy areas known to be the habitat for the pink-tailed worm lizard”*. p73 of the ECC Report

The industry did not seek to increase the area harvested. All they asked was to retain the area currently harvested. We believe that feral animals threaten the pink-tailed worm lizard, not eucalyptus oil distillers.

*“Mallee fowl are vulnerable in Victoria”*. p91

We believe mallee fowl are vulnerable to foxes but not from eucalyptus distillers. What steps are being taken to protect mallee fowl from the foxes, feral cats and wild dogs that infest our public land?

*“Eucalyptus oil harvesting suppresses the natural biodiversity of broombush mallee, effectively reducing a complex community to a monoculture”*. p91

Where is the evidence? Eucalyptus oil distillers believe there is a greater abundance of diversity in areas that are harvested than in areas that have never been cut. Even in areas that have been harvested regularly for more than 80 years, there is a rich variety of plants.

*“Eucalyptus oil harvesting essentially represents an exclusive use of public land”*. p91

It is obvious that this statement is untrue and intended to mislead. A wide range of activities is undertaken because the land **is** harvested – walking, horse riding, gold prospecting, bird watching, etc., etc.

*“There is significant community support to phase out or close public land eucalyptus oil harvesting”*. p91

The eucalyptus industry and the Bush Users Group strongly disputed this statement. There is no evidence to support it. Every distiller has a host of anecdotal stories from all sections of the community to support the continued use of public land for eucalyptus oil harvesting and yet statements such as this were used as reason to exclude this sustainable productive activity.

The Victorian National Parks Act was amended as a result of the ECC's recommendations in November 2002 to exclude eucalyptus harvesting from 22% of the area where it was previously conducted.

The Victorian eucalyptus oil industry has now been reduced to the equivalent of ten full time employees with a combined annual gross income of less than \$500,000. The eucalyptus oil industry is a unique part of Australia's heritage. It has proven to be a natural renewable resource for more than 150 years.

It is quite clear that either by observation or by scientific investigation there is no substance to the claims that eucalyptus oil production has harmed any fauna or flora.

On any rational basis it is an industry which should be fostered, not persecuted.

### **Unproductive use of our resources and time**

During the preparation of this submission we asked organisations to estimate the amount of their resources spent on dealing with native vegetation and biodiversity issues – the following responses were received:

Car Rallyists - 20-30%

Timber Communities Australia (Victorian office) - 30% head office and between 30-70% TCA branches

Dual Sports Motorcycle Riders Association – 10 -20%

Field & Game - equivalent of 2 full time positions or \$100k per annum

Timber Communities Australia – Rushworth branch – 40 -50%

Sporting Shooters Association Australia (Vic) 50% of one person's time

Australian Motorcycle Trail Riders Association - 30%

Metro Field and Game Australia 40%

Gamecon (Game Management Council) 100%

Prospectors and Miners Association of Victoria 60%

Victorian Farmers Federation – 75% of one full time employee plus significant other resources

Broken-Boosey Landholders Group – 95%

Bush Users Group 95%

This is an immense amount of community resources that are spent just defending our current rights and opportunities. All groups would much prefer to be conducting productive activities with these resources. Additionally, given that much of the labour involved in the above is voluntary and most work is done by people who are employed elsewhere – this must be having a significant impact on their productivity.

### **Dam the future**

A massive amount of future productivity has been denied to the Victorian economy by the State Government sneaking through legislation to put the site of our next major water storage, on the Mitchell River, into a national park and thus stopping its construction.

This has limited our potential for industrial, agricultural and population expansion.

## **Final Thoughts**

Australia's economy is moving from one based on traditional rural activities such as mining, timber production and farming to the new economy of finance and e-commerce. The latter is largely non-productive and just feeds on other industries. Traditional industries actually produce something tangible that will always have real value; there is still a market for these products that somebody is supplying!

Come the next worldwide financial crash our economy will come tumbling down unless the decline in traditional activities is reversed.

It is clear that the undue influence of the green movement on Government policy and regulations must be checked - otherwise our economy may soon come to a grinding halt.

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Attachments (via Australia Post):

- 1) Flamin' Parks – the Neighbours From Hell
- 2) Community Demands from Bendigo Rally
- 3) Joint letter to Victorian politicians signed by bush user groups