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TRANSCRIPT OF PROCEEDINGS

PRODUCTIVITY COMMISSION

DRAFT REPORT ON IMPACTS OF NATIVE VEGETATION AND BIODIVERSITY REGULATIONS

DR N. BYRON, Presiding Commissioner
DR B. FISHER, Associate Commissioner
PROF W. MUSGRAVE, Associate Commissioner

TRANSCRIPT OF PROCEEDINGS

AT ALBURY ON WEDNESDAY, 11 FEBRUARY 2004, AT 10.10 AM

Continued from 5/2/04 in Dubbo

DR BYRON: Good morning. Welcome to the public hearings of the Productivity Commission's national inquiry into the impacts of native vegetation and biodiversity legislation, which follows the release of our draft report in early December. My name is Neil Byron and my fellow commissioners are here. On my left is Prof Warren Musgrave. On my right, Dr Brian Fisher.

The purpose of this round of hearings is to get public feedback and scrutiny of the draft report, so that we can improve it. If there are any areas of fact or misinterpretation or things that we should have known about, but didn't, and if there is anything wrong with the data we have used or the analysis that we have presented, we really would like to hear. That's why we are holding these hearings. We started in Mackay in North Queensland last week and we have been to Toowoomba, Dubbo, Sydney and on to Tasmania on Friday, Perth next week and so on.

We need this sort of input and public feedback and scrutiny, criticism, of our draft report, to make sure that by the time we have finalised the report to go to the Commonwealth cabinet, by 14 April, it is as factually correct and accurate and complete as we can possibly make it. Anybody who has participated in these hearings will receive a copy of the final report once it's released by the Federal Government. That is usually within 25 parliamentary sitting days of when we give it to them; no later than 14 April.

We also like to conduct these public hearings in a pretty informal way, but we do take a full transcript, so that what is said is on the public record. The transcripts will be available in public libraries and on the web site, that sort of thing, and we can refer to statements that are made during these hearings as part of the formal record of the inquiry process. Because of the Hansard, we can't really have a conversation around the room. It's not helpful to have sort of interjections from the floor.

We make sure that everybody has the opportunity to come forward to say anything they want to say on the record before the hearing is closed this afternoon. If anybody wants to comment on something they have heard from one of the other speakers or if somebody who has presented evidence in the morning thinks of something important that he forgot to say, you can come back again and have another bite at it. Everybody will get an opportunity to say their piece.

Participants in these inquiries are no longer required to formally take an oath, but the Productivity Commission Act says that people should be truthful in giving their evidence. I'm not sure if that has ever been tested in court, what that means, but it doesn't matter. The transcript will be made available to the individual witnesses to check that there have been no errors in the transcribing and that will happen before it gets sort of put on the web site or distributed more generally. Each person will have a chance to make sure that we have accurately captured what they did say. Up the back we have got some copies of the draft report and some of the other information

about the inquiry for anybody who would like to take it.

Without any further ado, I think we can get on to the main business. Our first presentation this morning is from Mr Dennis Toohey. If you could just sort of introduce yourself and your affiliation for the transcript, summarise the points you want to say and then we can have a bit of a discussion about that. I thank you very much for coming.

MR TOOHEY: Good morning. My name is Dennis Toohey. I am the principal of Dennis E. Toohey and Associates, a consultancy business based in Albury. I have over 30 years of experience working in agriculture and rural environments. For much of that period I was an officer of the Department of Agriculture in New South Wales. For the last 11 years, which concluded in 1995, I was the regional director of agriculture for the Murray and Riverina region, which covers a substantial part of southern New South Wales.

In my earlier career I was based on the border at a place called Finley, so I've been, I suppose you could call it, a bit of a border hopper for a long time. I've been also associated with agriculture, natural resource issues and with regional development. For a period of some five years I was representing New South Wales agriculture on two catchment management committees; the Murray and the Murrumbidgee. In early times I was a member of the Hunter Valley Conservation Trust, which is north of Sydney. I suppose I've got at least 20 years of working in catchment management-type activities, which I think gives me some, I suppose, confidence, to be able to express the thoughts that I have about native vegetation and how it fits into the broader scene.

Just to help and support that background that I've just provided you with, I have assisted four land-holders over the last four years in gaining development approval. In other words, I've got some street experience of how the system has worked in New South Wales. Those four properties were pastoral properties where they sought to undertake a change of land use on a small percentage of their holding and develop irrigation using ground water. The area that was sought to be cleared and was finally approved, was about 2700 hectares. It needs to be remembered that well over 90 per cent of the properties remained as pastoral activities; grazing and management of the natural herbage.

It wasn't as if we were talking about broadscale clearing of fence to fence. It was strategic clearing and also, in all cases, we had looked at putting the development in the least sensitive areas. That was a feature that I tried to get across in them. The second point was that we tried to make developments contiguous. In other words, we didn't have developments scattered across the property. They were contiguous with each other; again to minimise the externalities of the irrigation development.

I will leave that this stage and then move on to what I see are some of the issues having, might I say, perused rather than read from cover to cover the draft report. Before doing so, I would like to give you some of my thoughts on why this inquiry has attracted such attention and how we might be able to move forward. In my view it was the farmers' concern about the regulated approach, rather than the environmentalists or government that were seeking this sort of an inquiry. The farmers were perceiving that this regulated approach was, to them, interference in what they considered to be normal adjustment of land use in accordance with economic dictates on their freehold land.

It also needs to be remembered that agriculture has been an activity across our landscape that requires minimum development approval. I suppose that goes back to our history, in that as a nation we built our economic wealth on our agricultural and pastoral background, so the fewer the impediments that were put in place, the better. It wasn't until you came into the urban areas where you have the highest levels of consent required for development. All of that changed in about the mid 1980s when voices of concern started to be expressed about the state of our natural resources; whether they be vegetation, soil or ground water.

As I have said, the land-holders with freehold land have very strong sentiments about interference, but the legislation, like the Commonwealth legislation, the Environment Protection and Biodiversity Conservation Act or the two New South Wales acts of the Native Vegetation Conservation Act and the Threatened Species Conservation Act, to me enshrine the principles of sustainable ecological development. These pieces of legislation arose from community pressure, political pressure and all those sorts of pressures, to try and reduce the amount of uncontrolled clearing or unregulated clearing.

I would think that most people would agree that we needed to put some controls over the clearing of land. I think few would also quibble with the sentiments of the legislation, where words like "encourage", "improve", "promote" were liberally sprinkled across the legislation and also the supporting documents. What to me got the land-holders' backs up was that it was the use of one particular aspect of that legislation which was about "prevent". It was that word and the exercise of that particular word within the legislation, that to me got their backs up. Unfortunately, in the early parts of the years of that legislation - this is state legislation - very little effort or attention was paid to the words of "encourage", "improve" and "promote", so we had a command-control approach.

One of the by-products of that command-control approach that has been applied is that we have now got substantial areas of the countryside where farmers are suspicious, concerned, wary, about actions and motives of government. I find that - from a person who grew up in an area where government was seen as

supportive, of helping facilitate change, to provide educational and suasive sort of actions - we have now got suspicion and wariness.

For example, the traditional extension officers of the state Departments of Agriculture, whenever they are sort of thinking about new programs or coming out to farmers, sometimes it's open, sometimes it's sitting at the back of the people's minds, "What are these people up to? What might they be looking for beyond their stated purpose." So there is wariness and that, to me, is an unfortunate by-product of focusing on a command-control approach, which is what has characterised native vegetation and biodiversity regulations.

Let me turn to a couple of recommendations. Already I have said that I've had experience in regional processes, whether it be a catchment or - as I didn't mention - with regional development; so I am a strong advocate of regional processes in terms of addressing issues. To me, I believe you are conveying a degree of over-optimism to the community about the power, the flexibility of regional processes, because they have to conform to statewide jurisdictional requirements. The degree of flexibility that these regional entities have had and are likely to have are going to be quite narrowly defined. So this to me is an issue that I feel, on the one hand, let's champion regional processes but let's not oversell it - that it's going to be the saviour, the solution for all of our issues. The regional processes enable regional communities to become involved and local knowledge to be accessed.

All of those things are positive but if, at the end of it, you bring all that together and then you say, "I'm sorry, we can't do anything about it because what you are saying and what the community wants doesn't accord with the statewide legislative approach." Already I've had experience, and one of the commissioners would be aware of it, in terms of land and water management plans which were community-based activities, dealing with natural resources and salinity issues in irrigated environments. That came about because of community action, not because of state government actions, but when the state government became involved in the early days it was very cooperative.

Now, I think, we've lost the community appeal of land and water management plans. The community has lost its empowerment. I feel the same thing has happened to Landcare, in that it again was an initiative that came out of Victoria, not far down the road from here. Great enthusiasm, but now it has been bureaucratised. I think the enthusiasm has started to wane and I think we have probably reached the peak of its activity. So we need to be careful that we don't over-control regional processes.

The next one is about information and education needs. Quite clearly we need to address that issue and that is strongly supported by myself, but let us be honest about it. The capacity of the state agencies to deliver the educational programs that I believe are needed to support native vegetation and biodiversity is where I start to

question whether there is the intellectual property, intellectual capacity within the state agencies. Let me just illustrate. The tempo of downsizing, whatever phrase you want to use in government agencies, certainly picked up considerable momentum in the 1990s. We moved from the traditional extension paradigm of informing, educating, showing, demonstrating on the farm, through these public service extension services.

We moved from that to a facilitatory approach, and I'm sure there are facilitators in the room here today. So what we've done is we've changed from a knowledge person to a facilitating person. This is okay provided that the people who are facilitators know that knowledge is needed in terms of undertaking programs. They may not be aware of what the questions are they have got to ask, the setting, the context in which they're trying to facilitate change within the rural environment.

Let me turn to consultants, and I'm one of them. They have grown up in what I would call a technocratic model. In other words, addressing particular technical issues, improving productivity, addressing performances of crops, animals, whatever - a very technocratic sort of a model. Now, because we don't have the staff within the state agencies, we are asking those consultants to take on board what I call a participative model where they have got to address not only the technical issues the farmers and other people are seeking but also community values; taking on board aesthetic recreation, landscape values.

This, to me, is quite a challenging exercise for consultants. Sure, there are some consultants out there who are starting to position their businesses in that way but to me there is a considerable gap. One of the things that I've been doing as president of the Australian Association of Agricultural Consultants, and I stepped down in October last year, was to put in place some sort of a national accreditation scheme for consultants and advisers, whether they be in the public or the private sector. We have received funding from one of the development corporations, the Rural Industries Research and Development Corporation, to try and push this along; to try and open up the consultants' minds. They are not just working in a technocratic model but they're working in what I call a participative model.

Turning to the recommendation concerning what I would call utilisation of market based measures and support for voluntary actions. It is quite clear in my mind that, when you look across the landscape that clearing - and we're in an area which has been extensively cleared - has resulted in considerable loss and downgrading of the status of much of our biodiversity. But on the other hand there are large pieces of country which have been managed sensibly, not only in these intensively-cleared areas but also out in the pastoral areas. We need to recognise that there have been people out there doing "the right thing", as it's now called, but unfortunately their good deeds, over many generations, don't seem to resonate with

people who are pushing the command-control approach.

Perhaps if we move to a persuasive approach we might hear greater resonating of their stewardship of many generations. If we are on about building best practice, and that's coming through in the report, I second that very strongly, but in recognising best practice we have to recognise that there have been farmers out there, land managers, whatever you want to call them, who have been doing the right thing. Let us build on that. Let's work from what people have already done well, whether it was 20 years ago or two years ago - work from that base.

Let me now turn to a broader issue. It was interesting to listen last night to the president of the World Bank on the 7.30 Report, who happens to be a Wagga boy, if my memory is correct. He was talking about bilateral trade agreements versus multilateral trade agreements, and he was talking about rules versus power. He was talking about the inequities between what's been spent on defence and what's been spent on development - any way, an interesting discussion. Above it all, we have a growing world population which has to be fed. We in this country can contribute to that world food need. We can do it as well as balancing the environment. It's not as if we have to pull down the shutters and say, "Australia can only produce 20 million tonnes of wheat and so many million tonnes of rice," and so forth.

Let us not fall into that trap, that we can't expand our production, because out there the world is wanting more food. We can do it together. Let me outline some of the ways I think we can do it. To me, it has to come from the private sector. While ever the government command-controls the environment debate then the private sector will be at the margins. We have to place the private sector in the centre stage for conservation and biodiversity and we have to keep them there. We have all seen the tensions, the conflicts, between property owners adjoining national parks or other areas. I mean, the bushfires of last January were another illustration of the tensions that exist: one accusing the other and so on and so forth - not very productive; pretty soul-destroying, really, at the end of the day.

We need to think of how we can bring the private sector into conservation and one of the ways, and I've outlined it, is by what I call biosphere reserves. This commission has looked at private conservation in the past. I would like to see some of that - or more of that - thinking of private sector involvement in conservation from previous inquiries of the Productivity Commission embedded in this inquiry, because if we look at it, we could have productivity and conservation in the one solution. We need to think also about our landscape. There are parcels of our land which are very productive - the river flats, the irrigated areas and so on.

Let us not shackle them with trying to achieve biodiversity outcomes - in other words, trying to save every tree, every blade of some sort of exotic species on these intensively cultivated lands. Let us not try and be the saviours of each of those. Let

us be realists. Let us let those highly productive sustainable lands achieve their productive capacity, but we don't say to them, "You don't have to have any biodiversity responsibility." Yes, you have to, but we don't ask of them the same standards of other landscapes.

At the other end we have landscapes which have been cleared or are in grassland which, frankly, the farmer doesn't have the income to manage them and probably never will have the income to manage them. What are we going to do about that landscape? Are we going to let it degrade into weeds? Whatever that may be, whether it be the rubber vine in Northern Territory, or serrated tussock down here, whatever it is, or Chilean needle grass, are we going to let that landscape degrade? We have to come up with some intervention to help them.

One of the solutions there is to look at using business plans, stewardship payments, all of those sorts of tools - incentives to help the farmers to achieve biodiversity on that landscape. Then we've got land in between. We already know how to manage that. Clearly the farmer has to be responsible for biodiversity outcomes on that land. That is productive - it's not top grade, it's sort of second-grade land. We need to be achieving biodiversity outcomes and linking it into that land which is of poorer quality, or it's going to be maintained into native grasses, forest, whatever it may be.

Gentlemen, concluding my comments, the pathway involves community engagement, first and foremost. Secondly, we must have awareness programs. Thirdly, we must develop desirable behavioural outcomes. In other words, we need to be able to say, "What do we want? What sort of behaviours do we want across our various landscapes?" Don't just ram regulations down our throats. "What sort of behaviours? What sort of responsibilities should people have? What sort of outcomes are we achieving?" We need some structural projects. The structural could be all sorts of techniques being used from demonstration right through to structural adjustment, to improve that landscape which, as I said, probably is never going to be productive.

Finally, regulation is part of it, but it underpins. It's what General Cosgrove calls "the stick in the cupboard" that you use when needed and you bring it out when needed, but it is not out front. I thank you for hearing me and I congratulate you on your approach, in terms of encouraging dialogue because it is by encouraging dialogue that we'll move forward. Thank you.

DR BYRON: Thank you very much for that and for making the effort to come here. The point that you made about how the command and control approach has led to a breakdown of trust is something that has come up every time we've visited a farm, every time we've had one of these public hearings. In fact, a number of people last week criticised us for not talking about it more in the report. It's just so obvious

and so critical - the reasons that you've given, and what you've said about how communication between state agencies and land-holders seems to be much worse than it used to be, and relating that to the jettisoning of the old extension functions, and people who had practical knowledge so that they could advise land-holders being replaced with people who are typically on two-year soft-money contracts as facilitators for Greening Australia or a Landcare group or something, who may not have the same approach or the same background.

There's a whole raft of issues in there, but that makes me wonder: to what extent is the problem that we're looking at one of communication? Is it something that's deeper than that? Is there something fundamentally wrong with the legislation or is it just that it's been poorly explained and communicated? I think what you're saying - but you can correct me - is that the basic problem is in the command and control approach. It's not just the communication?

MR TOOHEY: No. I think that we have sincere, earnest, well-qualified people, whether they're working for non-government agencies like Greening Australia or working for Environment Australia or whatever. Our education system is turning out very well-credentialed, very sharp, very focused people. But, to me, it's not just saying, "Oh, let the consultants, the private sector, pick it up." The private sector is not well equipped to pick it up and they need support to be able to pick it up. We need to try and have a mixture within these agencies of people who are not on these short-term contracts, who are there, who can mentor, who can create a culture that, "We're not after three-year terms; it's a culture of support."

"Communication" is too easy a word; it's a cop-out. It really comes down to a commitment by the agencies, whether they be non-government or government; to having secure funding so that people can be there to mentor them, to help them, to provide leadership, to provide guidance, which has characterised the traditional extension paradigm. It was highly successful. The time when we desperately needed well-trained people, with lots of corporate knowledge, was the time when we jettisoned them from the agencies, when there were the increased focus on natural resource issues. The production people were poorly equipped, poorly tuned, to take on board the natural resource issues. They were trained in the technocratic mode. They were poorly trained in natural resource management. At the time when we jettisoned a lot of those people, the natural resource issues became centre stage.

DR BYRON: The second point I would like to explore a bit further is the one about the regional processes. You're probably right in saying we've been a bit optimistic in terms of regional NRM groups and catchment management authorities, that it's not necessarily a panacea, that it depends on how they operate and on the framework within which they're allowed to operate. In other states we've been told about regional native veg committees that came up with a native veg plan that was consistent with the land form, the topography, the native veg cover, the land use

potential, the history of the place and everything else, and then it went into the capital city and every regional plan came back the same: plain white vanilla. The people who had worked on tailor-making a plan that suited that district, that region, were gutted, and the next time somebody asked them to serve on a committee they said they were not keen to do it.

Other people have said to us that the regions under the National Action Plan and NHT2 are so big and so diverse and heterogeneous that the scale is wrong. You really need to have even smaller units within regions, but again it's a question of how much autonomy can you have, or how much flexibility or room to wriggle?

MR TOOHEY: Let me make a couple of comments. From my assessment, the boundaries of the catchment entities in Victoria and in New South Wales - and I'll speak of New South Wales, of the inland - I think they are right. I'd be concerned if we made them smaller, because we then don't get what I would call sufficient diversity of views. I'll leave it as broad as that, right? We get too small. We need them to have some people who are challenging and pushing the envelope in particular areas, and for that experience to be translated elsewhere in the catchment.

We have a tension in your document, in the report, where you talk about bioregions, which are considerably larger than the NHT regions. I think you need to address that in your document. Are we talking about catchment based boundaries or bioregion based boundaries? There's a confusion in my mind as to which boundaries you are talking about in the document.

PROF MUSGRAVE: Thank you, Dennis. Could we just branch off and talk about your four clients and the clearing applications. I gather from your written submission that the approvals have actually not been granted as yet. Is that correct?

MR TOOHEY: No, they've all been approved.

PROF MUSGRAVE: They have been approved. What sort of an experience was it, getting from A to B?

MR TOOHEY: As a consultant or as the farmer?

PROF MUSGRAVE: You as a consultant and your view of how the farmers might have felt about it.

MR TOOHEY: As far as the farmers are concerned, they all have freehold land. It's not leasehold land, so their identification with what freehold means sits very strongly with that. Also, they are not used to or have little experience in seeking approval from government to undertake things on their properties. So there are a couple of points. I'll leave it at that for the farmers.

As far as a consultant is concerned, the process has varied. The first application, there wasn't even an application form that one could complete, so I made up my own process. This was in 1998. There was no form to tell you what you had to provide. You had the broad legislation, but in terms of a form! So this is 1998, bearing in mind the legislation in New South Wales was 1997, or the Threatened Species was 1995. So that was quite a learning curve.

The tension is that there had to be offsets. In other words, if you were clearing a parcel of land then there had to be more than a quid pro quo, and this concept - in other words, having to set aside land for it - was something that was very foreign to the farmers. I think that in fact it was also a foreign topic to the agencies. They didn't really understand it either, in terms of offsets. Over the four years, all I can say is that the agencies learnt a considerable amount about their legislation and how to implement it. The consultants also learnt, and contributed.

At the end, I was actually putting forward what I considered were acceptable offset arrangements back to the agency; developing the actual wording of the offset; how the offset would be managed; where it would be; its attributes, et cetera - in other words, putting forward a positive proposition and how that would be managed. I'm not sure how some of my colleagues have operated, but that's how I operated.

PROF MUSGRAVE: That sounds like a negotiating process.

MR TOOHEY: No, it really wasn't negotiating. "Negotiating" meaning that the other party puts forward something as well.

PROF MUSGRAVE: Yes.

MR TOOHEY: In my experiences, the other party really didn't put forward a proposition. It just had a generic proposition: there must be an offset. It didn't articulate that into saying, "Well, look, the offset could have these sorts of features," so it really wasn't a negotiation. It was me proposing. Then you try it out: "Oh, yes, I'm getting favourable body language. I'll try a bit more."

PROF MUSGRAVE: This implies, to me, an unavailability to you and the farmers, as the suppliers of these environmental services, of a clear view of environmental objectives being advanced by the regulators. Would that be a fair observation?

MR TOOHEY: I'd agree with you that there was a lack of clarity with respect to what were the outcomes being sought. The objective is: how do we get to that outcome? I think we start with a lack of clarity of the outcome. What are we trying to achieve?

PROF MUSGRAVE: Yes, it's outcomes I meant.

MR TOOHEY: Yes. That's why in my submission here I talk about, "Look, we can't achieve biodiversity outcomes of equal standing across the whole of the Australian landscape." There have to be choices made about where we will achieve high-quality outcomes, and in others we recognise that we'll get very little environmental outcome off it, because we're going to try and optimise the productive capacity. To this very day - and maybe it's just me - I don't think the outcomes that we are trying to achieve are well enough understood and I don't believe that that's coming through strongly enough, even today, in modified legislation - in New South Wales anyway.

PROF MUSGRAVE: Across the country we have had people who have been refused permission to clear saying that they could not obtain, from the regulating authorities, a clear rationalisation of why this approval was refused in the light of outcomes that were sought. That's not good. It's bad regulation, bad administration. Equally, though, it would seem to me that if you obtained approval, with or without offsets, there should be an easy and transparent ability to rationalise the approval, and that seems to be equally difficult to obtain.

MR TOOHEY: As I said, my approach was to try and find areas for clearing which would, in my subjective way, achieve outcomes of minimum impact by placing developments contiguous with each other in degraded land. In other words, land that had been partially cleared, cultivated 30 years ago, whatever the case may be. All those sorts of things. I don't think there is sufficient of that - I mean, it's left up to the applicant and the person who guides the applicant as to what might be the outcome. So it will vary from one adviser, one farmer to another, because we don't have up-front a clear set of outcomes that we're trying to seek. I think those outcomes have got to be at a regional level and I would define regions as catchments, not bioregions because I think it's just far too big. I don't know whether I'm getting too - - -

PROF MUSGRAVE: No. That's quite clear. Thank you. I'm just thinking of what I say next, that's why I'm looking a bit dense. That's a common situation with me.

MR TOOHEY: We'll turn to land water management, please.

PROF MUSGRAVE: A model that we often talk about amongst ourselves, and thinking about this model tends to underpin what is in the draft report, is the idea of a hierarchy of plans and associated with that, therefore, a hierarchy of outcomes that are sought from the national level down through the states to regions and then developed in such a way that individual planning decisions relating to individual

land-holders are capable of clear and transparent logical rationalisation in the light of those outcomes. So I would suggest that one may not object to having a regional authority which was the level of a bioregion or a very large catchment or several catchments as long as you had that capacity of going, then, down through the system, through mechanisms which are not entirely clear to me, to the level of the individual land-holder. We have to seek these out and I suggest that no-one has a clear idea of where the solution lies.

MR TOOHEY: Can I say to you that another project that I'm working on is trying to develop - it's a the Murray-Darling Basin Commission project looking at an environment management system. To start off I said, "Well, look, I'll try and capture the legislation that's dealing with the resource - water resource, a whole lot of other land and vegetation resources. Try and capture that legislation." I've got a document, 30-odd pages and to me, we don't have that sort of, what you call a hierarchy. It's people out there trying to grab it. We've got international agreements, JAMBA, CAMBA, a whole host of them, but what does that mean? What does JAMBA mean and CAMBA mean to a farmer who has a wetland in the Murray irrigation area? Do you get my point?

What does JAMBA mean to them? What does the wetland near Corowa, beside the river, mean to the surrounding farmers in terms of the migratory birds? What does it mean in terms of, another thing, the principle of no net loss? Lovely phrase but how do you translate it?

PROF MUSGRAVE: Yes. Could I just ask you to clarify a couple of things touched upon in your submission? One was the regional committees. I wonder if I could just press you a little bit in relation to the membership of such committees and that is with regard to agency representation. In New South Wales, at least, agencies are full members of committees. Strong representations have been made to us that that is inappropriate. Others have said that if a range of interest groups are to be represented on the regions, those representatives should be local and not from outside the region. Have you got any thoughts on those sort of non land-holder representation issues?

MR TOOHEY: Firstly, I must disclose I suppose what you would call a pecuniary interest. I have put my hand up to be a member of one such committee in New South Wales. So having said that if we were to not have the input of government agencies, to me we are, I feel, denying ourselves a considerable wealth of information, of interaction between cross-agencies. So I don't subscribe to there being a total exclusion of government agencies on those committees; to me, there needs to be some. With respect to interest groups I am a little wary. To me, we need to have, in the phrase, "skills-based entities", skills-based people. People who can bring to committees skills and it could be in a whole range of areas. If they come representing a particular group, then I am a little fearful that our progress will be

somewhat minuscule.

If we really want to make progress we're going to have to make some hard decisions about saying, "Look, we're going to put 80 per cent of our money into this area for the next five years because we're going to achieve these outcomes because it has been demonstrated these are the ecological, economic outcomes we're going to achieve." If you have an interest-based committee I fear for achieving that sort of an approach.

PROF MUSGRAVE: Thank you.

DR FISHER: Thanks, Dennis. How confident would you be of getting the four applications that you have had approved in the last three or four years approved again if you were to do it post May this year?

MR TOOHEY: I believe we would still get them all through, but the issue of offsets would be a much more difficult one to achieve. So that's all I would say. Yes, I would be confident of getting them approved. I suppose I would have to say that, wouldn't I?

DR FISHER: There is potentially an incentive for you to say that, but that aside.

MR TOOHEY: Yes. Putting that aside I would be confident, yes, we would get them approved provided that there was a flexibility by the land-holder to adjust what might be an ambit approach to one of saying, "Well, look, let's try and achieve an outcome in terms of area that is achievable, rather than pushing for something that's clearly not achievable." In other words, be willing to negotiate.

DR FISHER: Right. So you think that basically with the new legislation the requirement for offsets will be - it would be a more difficult negotiation with respect to the offsets.

MR TOOHEY: Particularly because, to me, it won't be the - in New South Wales it won't be the native vegetation, it's the threatened species. To me, it's the native vegetation - I think our emphasis, should have been put into the threatened species legislation in New South Wales. It is what drives the whole process and, to me, it has been in the background. If we're going to be looking at environmental outcomes we have got to be thinking about this threatened species legislation in New South Wales. To me, it's an old style legislation.

DR FISHER: Right. Now, previously you were talking about the relationship between structural adjustment issues and biodiversity and I presume what you were talking about there is the possibility that this legislation is going to interact with economic consequences on the land and you'll have a situation where farmers will be

potentially pushed to a point where they're no longer viable. Is that what you were saying to us or were you saying something different from that?

MR TOOHEY: I'm saying that we've got - we can't have legislation with respect to biodiversity that is trying to achieve the same outcome on every parcel of land. We have to recognise the tide of history; that we have cleared substantial parcels of land. We can't reinstate the biodiversity that was there. Similarly, we've got land which has still got reasonable diversity on it. We need to work out how we can best manage that. And then I said we've got other parcels of land that the farmer owns; it's freehold, whatever it is, maybe even leasehold. Really, the economics of farming, not through legislation but the whole economics of farming, the returns in the marketplace are just not going to be there coming from the wool industry, particularly the wool industry, and that's where my focus is, Brian.

DR FISHER: So is there any negative interaction going on, do you think, with the new legislation in New South Wales and the structural adjustment problems that we potentially face in the wool industry? Are those things going to interact to make this problem worse or to make it more difficult to deal with that structural adjustment problem?

MR TOOHEY: I think it's going to make it more difficult because we have what I call somewhat of a silo mentality with legislation. We're not thinking of how we can create some planks across the various silos to link good social landscape outcomes with economic outcomes and biodiversity outcomes. That's why I say the threatened species legislation is old legislation. It reflects the silo approach as if in the world - nothing else exists. We need to have legislation which encompasses and interacts with other legislation as well so that we don't have those impediments. To me, it's early days but I would be very concerned if we're trying to adjust communities in areas, whether it be some of the beef industry, maybe not too far from where we are today, or the sheep or the wool industry, if the legislation, dealing with biodiversity, became an impediment. I think if that be the case we would need to exercise - get some flexibility into it.

DR FISHER: Do you think it will become an impediment?

MR TOOHEY: I'm not sufficiently versed with the legislation to be able to - all I would say is that let us recognise that we've had some - through this experience with the regulated approach, let us learn from that and let the servants of the public try and sort those out, right, and try and get them fixed before we have more legislation that makes it even more difficult.

DR FISHER: Thank you.

DR BYRON: Dennis, just to sort of try and sum up this discussion, it seems to me

that you can look at the issues that - the subject matter of this inquiry at a number of different levels. On one hand you can say, "Well, it's really a problem of communications and trust and relationships and outreach and so on," and that fundamentally below that everything is okay and all we need to do is that. And others will say, "No. That's just the tip of the iceberg. Underneath that there are fundamental problems with the way the legislation has been administered," and that some landowners have thought that the officials were bloody-minded and obstructionist when, in fact, it may have been that they didn't know what the rules were either and they were feeling their way about whether the offset requirements were reasonable or unreasonable.

Others will say, "Look, it's not just a problem with the administration. Even if that was perfect there is another layer below that in terms of the legislation and the regulations and the approach of that." You have referred to the Threatened Species Act which some people would say is not consistent with the idea of ecologically sustainable development because it's only environment, there is no social or economic dimension to it. It's not just a question of communications and frills and smoking mirrors. It's not just a question of getting the administration of the legislation a bit smoother and a bit more polished and a bit more experienced administrators. It's much more fundamental in terms of the approach and that the other problems stem from that approach of sort of heavy-handed regulation. Is that a fair summary of what you have been saying?

MR TOOHEY: Yes. I would just add that I have great admiration for those officers in those agencies. I have great admiration for them. They have struggled over the years but it is time to look more broadly at what are these outcomes we're trying to achieve. Not just look at narrow pieces of legislation, what are these outcomes? To me, I would like to see that done at a regional level through these regional catchment authorities, whether it be the north-east of Victoria or the Murray in New South Wales. That's where I believe we can start this process of looking at where are the bumps, where are the cliffs, where are the sharp bits that you can feed up to government in terms of producing some change. That's why I think we need people - I suppose another way - that have got broader, rather than sort of from a narrow interest group, who can take a broad landscape view and look at, "What do we want this catchment to be in 20 years' time, 50 years' time?"

DR BYRON: It's very hard to micro-manage that from Canberra or Sydney or Brisbane or Melbourne.

MR TOOHEY: As I said, the people from those places provide very good thinking about it but we've got a gap between them and the people at the front, the farmers. The poor farmers, how do they interpret "no net loss"?

DR BYRON: Well, are there any other concluding remarks you'd like to say to

wrap up?

MR TOOHEY: I think I've said enough.

DR BYRON: Thank you very much for the time and effort that you put into this and for your very constructive feedback on the draft report.

MR TOOHEY: Thanks very much.

DR BYRON: I think we might as well move straight on with Mr Webb and Euroka Station.

MR WEBB: Like I did in Deniliquin when we met back in July last year, I prepared a short written submission and if I can find it, as I transfer my goods and chattels up here - I think I got 15 photocopies made, which is exactly equal to the number of people in the room.

DR BYRON: Thanks very much.

MR WEBB: First of all, I would on the partnership's behalf like to express my appreciation and thanks for allowing me to come back and spend a few minutes with you. As I advised in July last year, when we met in a closed hearing in Deniliquin, we are private property operators in the Conargo district, north of the Yanko Creek; essentially a sheep, cattle and, to some degree, irrigation area. Also in the area we possess a number of the alleged threatened species, be they fauna or flora.

In my submission back in July we went through farming practices, productivity, production, sustainability, property values and returns, investment patterns, attitudes of finance providers like banks and infrastructure developments. I gave a series of attachments to illustrate the points we made then and so I won't, other than those references, go through that again. I have, in a relatively limited way or fashion, skimmed through the most impressive document that you folk have produced in what I consider a relatively short time. It certainly is a very professional presentation of the facts that you've been able to collect about this huge subject of vegetation and biodiversity.

Today I am simply going to concentrate on two or three items which I did touch on back in July, but I'll do a little bit more on them today because I think in some respects they illustrate some of the shortcomings of legislation, proposed or actual - or to be proposed perhaps. The first one is under the heading, in this two-page distribution I just made, of Accuracy of Fundamentals. In 1987 we had a bushfire and it burnt in total about 400,000 hectares. By recent contemporary standards it was a real fire and it burnt super hot; so much so that on the bore mills in the area the wooden platforms, 20 feet in the air, burnt in relative grassland, and the wooden fence posts burnt to the bottom of the holes in most places, where they were buried.

The point I am making, or trying to illustrate by making those references to that fire, is that up to 400,000 hectares in our part of the Riverina has been totally cleared by fire. By that I mean grass, bush and trees. Now, there were some remaining trees but, by and large, they were fire-scarred. Where our particular investment is concerned, Euroka had about 10 or 11 hectares left after the fire went through and that, fortunately, was the hectareage around the residence, the woolshed

and the house bore.

So there has been, 17 years ago in our district, total clearance. Now, two things occurred as a consequence of that. We obviously had to take steps to try and rehabilitate the country, and that requires money, so we formed a group of 23 landowners who had either lost everything or part of everything, and we decided to fight a legal case or take a legal action. We teamed up with our insurers, and there were two insurance companies involved. We took the appropriate action, put a case together, and it took us five years and eventually a decision in our favour was handed down.

The experience of fighting that case was one that was risky but ultimately rewarding, and the experience I think to some degree led to the formation more recently, when we've had these problems - we call them problems - with visitors from various government departments and services to form a group called the North Conargo Land Management Group. Back here on the first page of my circular this morning I make reference to the fact that Dr David Baker-Gabb, who seems to be the supremo where a number of the threatened species in our area are concerned, but most particularly the plains wanderer, has made references to the fact that in the event of a bushfire this particular bird never returns. Not only have we rehabilitated our country; we have on location local evidence of the bird - back - where in 1987 there was total clearance by fire.

So that I'm not talking out of turn I will just put a reference on the record for you. It's called Species Management Report No 3: The Biology and Management of Plains Wanderer in New South Wales, David J. Baker-Gabb, New South Wales National Parks and Wildlife Service, pages 12 and 13. We question the accuracy of that report. We question the accuracy of David Baker-Gabb's advice or expertise and, therefore, we're also led to the point where we question the fundamentals underlying what they refer to as "threatened species recovery plans", and in this case the recovery plan that has been developed for the plains wanderer.

These recovery plans draw in all of the various things that have been mentioned previously by Dennis Toohey - methods for establishing discrete areas where the bird can reproduce in health and happiness without disturbance by mankind. If I understand it correctly, an offset is a set-off - reverse? And that's the requests for areas to be fenced out in return for a load of fencing material. We've had, on our property, areas identified for rehabilitation purposes. These areas were established as a consequence of a visit by a person who said he was a field naturalist, back in about 1995. We thought long and hard before we said, "Yes, we'll let you on to have a look around." Ultimately we said, "Yes, you can come on but you can only look at a proportion of the property, notably that area north of the Conargo-Jerilderie-Darlington Point road."

We subsequently found, when we applied to put in a little bit of irrigation, which is referred to in my former report, that on the north side that this gentleman had visited with our agreement, a whole series of high-conservation areas had been identified. On further investigation I established that in fact he may have been a field naturalist but he also had a contract from Birds Australia. Birds Australia is a long-established organisation, I think originally under royal assent, with offices in the main capital cities, with a head office in Melbourne. I'm not referring to this person by name, for the simple reason that you may be able to work it out for yourself, but the document that was then published in 1997 is entitled Survey of Plains Wanderer and Native Grasslands on the Riverina Plain, New South Wales, Unpublished Report to Birds Australia, Melbourne.

I got a copy of that, notwithstanding the fact that it's unpublished, and I'll leave it to you to use your imagination of how I got it but, anyway, I got it. I rather quickly circulated all 30-odd landowners who this gentleman had visited. In this unpublished report he'd made a series of comments about land management, about the personalities that were managing the properties or owned the properties, et cetera, et cetera, so in some respects I can understand why it was unpublished. However, having said that, I was interested to hear this morning your reference to trust and why, in some areas, trust is questioned. That particular event, or that survey, I think illustrates the reason why a certain amount of distrust has developed. As a consequence of that, most of the people who own properties, manage properties, work on properties over the Conargo-Jerilderie area now, as a general rule, won't let any representatives from government departments and/or services on their properties. Those few that do are regarded with a degree of disdain. I'm telling you the way it is - the way people feel - and why, at least in that particular region of New South Wales, the concept of trust has been diluted.

Back to my small submission. Dr Baker-Gabb, and the individual who did the unpublished report - have their names locked together where various documents, publications, reports, et cetera, relating to vegetation biodiversity, et cetera, are concerned and of course, I suppose, there's a bit of rub-off both ways and therefore the problem with trust or distrust, depending on which way you look at it, tends to be magnified - the problem tends to be magnified.

Getting back to set-offs or offsets, in passing - and I've not said anything about this in here, but I'd like to observe that not only do we have under the legislation that has been in place in New South Wales in the recent past a 'stick' approach, as distinct from a 'carrot' approach, but we have these absurd proposals. They're absurd from a commercial viewpoint. For a load of fencing posts and wire - and perhaps a subsidy to hire a contractor to put them in place - you allow a government department to put an encumbrance on your freehold title and, once that encumbrance is in place - anybody that has had anything to do with titles will know - they are awfully hard to get removed.

When you go to talk to your banker - who is probably located closer to the head office of one of the government departments or services that has requested that the encumbrance go in place on your title, you find that the banker, an impersonal money lender, looks at the value of your collateral, looks at the quality of your collateral; he gets the securities department in the bank to get it searched; he establishes the fact that there's an encumbrance in place; the titles you might have brought in are a bit old; he gets the up-to-date version and suddenly the value of the collateral is reduced because it has got some government encumbrance attaching to it, so control over set-offs not only sets up a sort of island paddock in the middle of the farm, as it were, but it also tends to create problems where collateral offered for borrowing purposes is concerned. Interrupt me any way through here because I might be saying something which I haven't expressed clearly and you may need some clarification.

DR BYRON: That's all right.

MR WEBB: The other point about these set-offs - I mean, they're presented to you as if you committed the sin and this is a way of obtaining absolution. We had a fire in 1987 - as I have referred to before - and we re-established our property. We've got photographs before and we've got photographs after and we can take you out and show you before and after. We're fairly proud of what we've done. We know the birds are back and so the expert is wrong, and yet we're presented with an offset if we want to do some irrigation expansion.

I've suggested to the former Department of Land and Water Conservation that there are a number of ways of skinning a cat - and I'll talk about cats in a minute. Instead of saying, "You fence out a piece of ground; give us access to it" - that's the department - "as and when we feel like it" - and run the risk of causing a bushfire through a hot summer, and growing all sorts of unrequired or unwanted pest-type weeds or grasses therein, which I'll refer to a little later again - why not consider the possibility of leasing the country from the landowner, paying him a commercial rent and, in the lease - which can be short, medium or long-term - have reviews like any other commercial lease?

That has the advantages of giving the landowner a certain amount of income, irrespective of seasonal conditions. It gives the bank some inspiration because he sees a fixed rental coming in on the area that's been taken over to theoretically create the environment to enhance the population of the threatened species and, above all, in a better season when things aren't going too badly, it gives the farmer a few bob in his pocket to do something constructive.

I have put that to government departments. I've put that to David Baker-Gabb and you get a nod and a smile, but that's about as far as it goes because this has got to

be done free of cost to the departments and/or the government and it has got to be worn by the private landowner and, until we get rid of that totally ridiculous attitude towards a potential commercial transaction, I venture to say that, along with distrust, this is another problem of equal magnitude. Please interrupt me if you want to ask any questions.

I want to now make a very quick reference to some of the other things that surround biodiversity. I referred to Birds Australia. Birds Australia publishes a quarterly magazine called Wingspan that has an advertising section wherein many prestigious firms advertise. They advertise field glasses, cameras, camping gear - all pretty good quality - and, among other things, tours. Among the tours advertised regularly are tours to the Riverina to look at the plains wanderer and I might say that these advertisements across the years have improved in quality. They have gone from black and white to colour, so obviously there's a buck in it for somebody.

When you go to the web site mentioned in the advertisements you'll see that at least in one case an author of the information placed on the Web is also an author of a survey, which in turn is referred to extensively in recommendations as to how to deal with the problem of re-establishing the bird population. In good old commercial parlance, that smells like conflict of interest. I don't need to explain "conflict of interest". You can read about that somewhere else. I'm sure everybody understands.

I have therefore made reference here to again the concern that landowners have in our particular area as to motives of people behind the surveys and the research. I mean, if you want to take it to its ultimate and be cynical about it - you know, if the bird population replenished and the bird population was taken off the threatened species list, suddenly the tours wouldn't have much value because the uniqueness, commercially, would have disappeared - so obviously keep them threatened, keep them sparse, keep the population down, and maybe we'll get a few more tourists through the town.

I have made one other observation here and that's an impact on ovine skin values of high conservation value areas. Again, if you refer to the document which I mentioned previously - the Biology and Management of Plains Wanderer in New South Wales - I think it's on page 13 or 14 thereof, there's a reference to the type of country that the plains wanderer likes to live in. We dispute it because we believe this bird lives everywhere, depending on seasonal conditions, but here it's referred to as "relatively bare habitat".

In our terminology that's "sparse, red, hard country", and, on that country, corkscrew grass grows, and corkscrew grass is a problem where lambs are concerned because the corkscrew seed ends up getting into the wool - passes through the wool and goes through the pelt or the skin. The skin industry then receives the skin take-off from the abattoir - there is one right here in Wodonga; there are various

down the river; one in Deniliquin - abattoirs, I'm talking about. From about September-October onwards, in lambs, you get seed-infested skins, and once the animal has lived longer than its lamb-teeth stage the seeds accumulate and, as it gets older, there are more seeds underneath the pelt and, when it's eventually slaughtered and the skin is taken off, the skin, infested by seeds, in terms of quality is down-graded, and they're significant down-grades.

I don't know if you are familiar with skin damage, so what I did this morning was I went down to the local tourist shop and I put a deposit down on a couple of skins because the damage of seeds, ultimately, comes through right to the consumer counter, and it is quite easy to see. I brought two types of skins here; that's a merino skin, and the other one is cross-bred, so that it crosses districts from the very arid to the lush areas, like Albury, et cetera. Jerilderie is where the Merinos are. If you look at this merino skin, two things: first of all, around the edge of it the actual flesh side has the stains of skin infection, and the upshot is that when that's utilised - because this lady down here who runs the local tourist shop makes up a certain number of skin products - it's limited to ugg boots. Why? Because in footwear - that rustic appearance - is not a negative, but it's not used for any other purposes. Anybody who wants to come and look at that or ask me about it - I'll just pass it around.

The other skin is the cross-bred and, by skin-quality standards, isn't as severely stained on the flesh side but, nevertheless, there are white marks. There's a little bit more diversity, but the point I am making in relation to both products is the fact that they're heavily or partly the subject of a seed infestation and this seed, in many instances, is corkscrew grass and this corkscrew grass happens to survive, live and flourish on the very same country that the experts say is the ideal habitat for the re-establishment of the bird, the plains wanderer. It's the ideal habitat.

We dispute that idealism, because the bird goes everywhere, and we don't want set-offs that fence off corkscrew grass country allowing it to spread and flourish to the ultimate detriment of the value of the skins on our sheep. Nowhere is that ever referred to in any of the dissertations that are written, nor given to us verbally by employees, experts or other people from the various government departments and/or services.

Finally, I just want to make a reference to cats. Most of the threatened species are subject to attacks by certain types of predators. Many of the predators have been introduced in the last couple of hundred years by the advent of European civilisation, including the cat. The cat obviously has a field day where a number of the ground-dwelling birds in Australia are concerned. In the various pieces of legislation and/or the regulations which we are subjected to, references are made to the need to control mice, the need to control foxes - National Parks and Wildlife will provide money to go out there and trap foxes or poison foxes. They won't give you money to

shoot them though - but nowhere in this state of New South Wales is any reference made to cats, because, we suspect, cats have got an emotional appeal in the areas where many people of the green persuasion live.

Let's rest assured of one thing: every time a tabby steps out the back door, she, he or it is a potential killer. You have only got to shoot a cat in the Riverina and put a knife in it and you will see what they've got inside them to know what they eat; but no reference is made to that. These regulations in many respects in relationship to the control of predators where endangered species of fauna are concerned, are limited. They haven't had the guts to come out and put cats on the hit list.

If you go to Alice Springs on some occasions you see advertisements up there extolling the virtues of eliminating the cat. You know, it's interesting to note that in some states or some territories, the cat is referred to as a noxious animal, whereas in others it's diplomatically left off the hit list.

I think that just about winds me up. Again, thanks for inviting me to come along. If there are any questions that you have got or you would like to ask, well, I will do my best to answer them.

DR BYRON: Thank you very much, Mr Webb. For me that was perfectly clear, but either of my colleagues might have - do you want to go first?

DR FISHER: Yes. John, in your experience does the plains wanderer commune happily with sheep?

MR WEBB: Well, I must admit, I've never seen a conflict between the two, yes, I believe they do. The bird can be seen in sheep yards particularly at night. You usually see them in the more friable areas of the yard surface, dusting themselves. Normally that's regarded as a way of neutralising scent or smell. In that respect, I suppose there's a cooperative relationship between the bird and the sheep. Obviously the provision of water for sheep - because obviously sheep depend on water in the arid areas from bore sources and the like - probably also supports the bird population.

DR FISHER: So in your experience there is really no conflict between sheep farming and the preservation of the plains wanderer?

MR WEBB: If you, in a dry time like we've had in the last couple of years and until relatively recently, looked at some of the paddocks where sheep have run and they have been totally denuded of all grass cover and any bush or other edible

material has been stripped, then I don't think that's the environment that would be good for any ground-dwelling bird, including the plains wanderer.

Obviously, to answer that question or to partially answer your question, over-grazing I don't think probably does a good thing for the bird. In that respect, there probably is some conflict where habitat is concerned or its preservation, but given normal conditions, normal grazing, I wouldn't see a conflict between the two.

DR FISHER: So the bottom line is then basically that if we had sustainable grazing management, we've also got a reasonable environment in which the plains wanderer will - - -

MR WEBB: Survive.

DR FISHER: Not only survive, but thrive potentially.

MR WEBB: Yes, I would agree with that.

DR FISHER: Does this, therefore, make this offset arrangement rather unnecessary?

MR WEBB: I'm not opposed to the offset if it's put on a commercial basis. In other words, it's not an encumbrance or a handover. It's done on a commercial basis where the appropriate department says, "Look, we've got a standard lease. We would like to take part of your property to create a bird sanctuary or a fauna and flora sanctuary. Let's negotiate the area and then let's work out a rent." It becomes a registered agreement, like any other rental agreement, but it's not inflexible, imposed, and it creates some sort of income flow.

In that respect, the set-off I would accept, but when it's put there in this particular area which might be in the centre of 10,000 acres which then requires road access because they have to inspect it, which is control grazed - which means basically in good times they will graze it, but as soon as things get a bit tough and conditions get a bit droughty, take the stock out. It sits there de-stocked. Meanwhile, you have had to sell. The rains come again but you've got no money to restock. That type of offset is of no interest whatsoever. It's an insult to anybody with a commercial mentality.

DR FISHER: I think you've made a very important point; that if the community wants to have ecological services, then it's sensible that they be paid for and that the provision of those services should not be made a compulsory part of what farmers would do for nothing.

MR WEBB: Yes, that was why I referred to the 'carrot' and the 'stick'.

DR FISHER: It's a bit more than a carrot and a stick, isn't it?

MR WEBB: Well, that's a very simplistic analogy.

DR FISHER: It's effectively putting a commercial element into the provision of environmental services.

MR WEBB: Yes.

DR FISHER: Which would, presumably, lead to the optimal provision of those services in the community from every respect.

MR WEBB: Of course the other thing too, then, is that the farmer - if he likes the deal - will be encouraged to offer additional services, particularly if he was paid for them. You know, like to control Bathurst burr that might occur occasionally. If we had an offset, there's no way we would go near it. We might go the 10 metres inside the fence so that the seeds that fell, fell on the encumbered area, which we're not allowed to have back, anyway, we don't believe. We would concentrate on the area outside the offset.

If we had a lease arrangement and in the lease it says that the farmer, in return for this attractive rental, has to take reasonable care in controlling vermin and/or noxious weeds, well, then you would do it.

DR FISHER: Thank you. I think that point is well made.

PROF MUSGRAVE: John, could I ask you to repeat your description and behaviour of the tour operators that led to the economically restrictive practices you refer to in the second page of your submission. I know you did do - I wasn't concentrating well enough, I think.

MR WEBB: Well, there's actually two points. I mean, if you go out and advertise the fact that there are tours - and they're called Plains Wanderer Tours. I've got a copy of an ad here. I can show it to you. In fact I gave you a copy or I distributed copies back in July.

PROF MUSGRAVE: Yes, we have seen it.

MR WEBB: Because they come out regularly each year. You are flagging the fact that theoretically this bird is in short supply and, therefore, hurry up and come and see it or maybe it's not going to be there next year. That's one point. The other point is that the person that operates the tours is also one of the consultants who has been retained by various entities listed. This is a pull from Birds Australia - or actually

given to me by Birds Australia - and it was from Wingspan and it's got a very long list of references attaching to it, because it relates to the bird.

The particular individuals which I am referring to, but I'm not referring to them by name, appear in that list as authorities. All of them talk up all these reports - at least the ones I've looked at - talk up the need for well-established recovery plans. The recovery plans include offsets and other restrictions on the development of country.

PROF MUSGRAVE: And these are the economically restricted practices?

MR WEBB: Yes, and those are the economically restrictive activities you're not allowed to clear. Particularly you're not allowed to clear the country that is seen by the experts to be high conservation value; the hard, red corkscrew-growing country. The bird lives, I can tell you, when seasonal conditions get tough, everywhere. Notwithstanding what the experts say, the bird is also seen in the irrigation areas, particularly in the drier winter pastures - subterranean clover and rye-grass - particularly if it has been grazed a bit.

The environment is not so different from parts of the natural grass areas, where we can get too precise an interpretation. The bird is not precise; it goes where it can survive. If there's a flood and the sandhills are over there, it's not going to sit in the water. It's going to go up into the sandhills, like it does along the Yanco Creek. If you read what the experts publish, "No, no, no, it never goes near a sandhill", - which is absolutely not true.

PROF MUSGRAVE: You refer to the regeneration after the 1987 fire.

MR WEBB: Yes.

PROF MUSGRAVE: That was a regeneration of the total landscape, not just the habitat of the plains wanderer.

MR WEBB: Everything. Very quickly, when you fight a fire action, there are two aspects. First of all, you have got to establish the guilt of a party; notably the entity that started the fire. If you can establish that, then the second activity is to establish the quantum of damage. Now, in the case of the fire in 1987, it was started by - on a very windy day - a wooden electricity pole, the property of Elcom New South Wales, cracking off and two electric wires kissing as they went down - that's the term in the trade - and starting the fire in the grass down below.

It happened to be a fiercely hot, windy day. As soon as the fire started, it just travelled. It took from about 11 am in the morning until about 1 am the next morning to burn the 400,000 hectares. It was actually a bit bigger than that, but it

went very quickly. We figured we had a pretty good chance of establishing the guilt of the party that started the fire, particularly in view of the fact that the pole that snapped was very, very quickly removed. It was not burnt. It was removed. So we eventually found that pole in an Elcom yard. I think it was in Bathurst, if I remember correctly, which is a hell of a long way away from Jerilderie-Conargo and we heard all the usual arguments about research into the quality of the ageing of the wood, et cetera. That didn't clear the fact, though, that the pole was defective.

Now, the process of inspection of these power lines is done by air, not by foot - occasionally by foot on a sample basis. Obviously the pilot, who owns the private air company, had his flight records subpoenaed - well, he actually gave them up. So we established that there had been some breakdown in inspection procedures, and so it went on. Then we had a prima facie case, we thought, so we went to a series of financiers and asked them if they would be prepared to lend us money on the punt. In other words, punt on us winning. Now, if one or two of you go you get nowhere, but if 10 or 20 turn up the bank will listen, or the financier will listen, because to the cross-representation there is a certain amount of collateral available that can be put into the pot, as it were. The upshot was that we got finance.

When the finance came through we dealt out a little bit, because obviously people had to carry on. One of the things we did, on Euroka, was to fence out what we call the blue bush country. The blue bush country is the NITRE goose foot country. Blue bush is a type of salt bush and by fencing it out, as soon as the first rains came anything that was still alive under the ground shot up. Having it fenced out - they were lightning fences - in other words, there wasn't much substance in them but they were protective. So the blue bush got going again and then we were very, very lucky. In the 89/90 year we got a big dump of rain and the bush seeded. So we got regrowth, where the bush was concerned, from seed as well as some of the older plants that had not totally gone to heaven, as a consequence of roots remaining alive under the ground.

We also fenced or lightly grazed some of the other areas which included some of that hard red country where the bird allegedly has preference, in other words, bird habitat. We didn't pick it out specifically. We just gave it a break. Then one thing led to another and by light stocking and controlled management of the country I think we got most of the cover back. Now, we didn't get back 57 old red gum trees some of which, according to the tree experts we employed, were up to 200 years old. So they are gone forever, but we fenced them out so we've got suckers. We did a lot of "lightning" fencing. Then to compensate for other trees we've planted about 1000 trees in strategic places.

So a composition of light grazing, management, fencing which, incidentally, has all been removed now because you don't put it up forever but basically is there until the bush or the shrubs are strong enough to survive under normal pasture

grazing conditions. We gave them a bit of encouragement at the beginning and the upshot is that today, I think, the property is back as good as it was prior to the fire.

PROF MUSGRAVE: Okay, thanks. In our travels we've been told about the remarkable regenerative capacity of the Australian countryside, particularly in the northern parts of the nation. Part of the purpose of my question was to probe the nature of such regenerative capacity down here in your area. I think that generally in the south we've had much greater experience of clearing and loss of the original land cover. From what you've described, it would seem that your country could be managed to produce a range of outcomes in terms of the vegetative cover following, say, events such as the 87 fire.

I'll just go on to raise a question that comes from that. To the extent that that's true, it would seem to me that if we had a native vegetation biodiversity regulation which consisted of clear statements of outcomes, as Denis would put it, it's conceivable that negotiated settlements could be made between land-holders and the regulators to achieve trade-offs between the objectives of the two parties, to give a vegetative cover which is agreed to be one that is mutually satisfactory. I guess my question is, is it true that there is a range of options that could be explored in such negotiations?

MR WEBB: The phrase or reference that I'm listening to most from what you've just said to me is "trade-off". At present it's off-set or set off, but it's one-sided. Trade-off implies two people sitting down, an objective, and setting about finding a path to achieving that objective. That's what trade-off means to me. That's what trading is all about. Of course there's an opportunity there, if it's done on a fair and reasonable commercial basis. I mean, I would go as far as to say that there are some landowners who would love to let off half that property at a reasonable rental for an extended period of time, probably because they are too damn lazy to want to look after it. They would be in the minority and they would be the exception.

At the other end of the spectrum, there will be some that will say, "No, I don't want any traded arrangement whatsoever over any country to re-establish vegetation and/or fauna, thank you." In between I'm sure you'd get some takers who would look at the thing constructively and I'm sure that the various departments would end up with successful agreements.

PROF MUSGRAVE: With 30 members of your land management group, it's possible that you have such a spectrum of land operators.

MR WEBB: That's where I'm drawing my experience from. I know one who would love to hand in the tickets.

PROF MUSGRAVE: Okay.

MR WEBB: Others, if you say that to them, they'll change the locks on all the gates and say, "No, no. No, thank you." Now, I'd like to make one final point about the advent of fire, since it's fairly topical in our area. When most of the locals used to take out their annual insurance covers - now, obviously, in drought years you don't need insurance because there's nothing there to burn, but in years like the one we're having at present, in the Western Riverina, which is big, we've had good rains since last April through - massive cover, you go out and insure.

Now, in the old days people would go out and say, "Yes, I've got so many sheep, so many cattle, so many miles of fencing. I've got a house, a woolshed, a tractor and a truck." The rep comes out. He adds up the value. "Is that enough?" "Yes." "That'll cost you \$5000, \$10,000," whatever.

The key in our experience in managing a fire outcome is to have carry-on expense covers. In other words, you've lost everything but your insurance policy has a section that allows you sufficient money to carry on until you've got part of your structure back in place, some rain has come along to start the process of healing where the vegetation, et cetera, is concerned. That is of critical importance if you're managing a fire situation, otherwise it's a "Walk off and wait."

DR BYRON: Thank you very much for that.

MR WEBB: Thank you very much.

DR BYRON: We will adjourn for 10 or 15 minutes.

DR BYRON: Next we've got Mr Paul McGowan. Thank you very much for coming. Thanks for the points that you've already sent to us, but if you'd just like to elaborate on that, then we can discuss it.

MR McGOWAN: My name is Paul McGowan. Today I represent the district committee of the Victorian Farmers Federation here in this north-east region. My remarks are really only about this region, north-east Victoria, which is a high-rainfall area and not typical of Australia. I've held many positions in farmer organisations, the whole gamut of them. I've also had a consulting background, engaged in agriculture and environment issues for many years. I'm a fellow and life member of the Australian Institute of Ag Science. I have the Order of Australia for my work for the environment. I've got many awards on my own farm for land care and management. I'm on the CMA and those sort of things, so I'm really representing a broad range of community interests today.

On the question of native vegetation, the basic assumptions that we are faced with from government are: indigenous is always better than exotic. I'll just read a few official comments. This is the government policy:

The re-establishment of native vegetation through revegetation and natural regeneration provides land management and agricultural productivity benefits. Large-scale actual regeneration supported by revegetation with native species is essential.

I'll give one particular example of Victorian government policy in implementing that. We have recently had the healthy rivers regional growth policy of the Victorian government. This went through a number of drafts. The Victorian Farmers Federation had its submission and put its ideas. They were not accepted by the government. The government has come out - and this is just one example I will give you - the policy for all riparian areas is to remove all exotics. We tried to get that changed and we said there's a place for indigenous and there's a place for exotics, but that is not accepted in government policy: remove all exotics.

I happen to be involved with a catchment management authority and I go out into the field with the field operators, and it grieves me enormously to see this policy being put into operation. When you say "remove all exotics", that is exactly what the field staff do. Now, what does that mean? You get rid of the willow trees, you get rid of the poplar trees, you get rid of all the grasses - the kikuyu grass, the couch grass, the rye grass. You spray it all out of the riverine environment. You are then supposed to replace it with native vegetation.

To me this is an absolutely crazy situation but it is typical of all this government thinking. It hurts me to see a stream that was reasonably all right, and then all those native grasses that were protecting the soil erosion are all gone and the

river is washing away, and that's the theory. I find it very, very sad and I find it frustrating that I can't do anything to stop it, so it's nice to be here today to talk about it. The VFF policy, time and again with this vegetation thing, has been let us please have a balance; let us recognise that there is a place for the natives and there's a place for the exotics.

The second basic assumption that we've got is that the environment will be protected by more and more regulation, and this affects not only things like native vegetation but - I don't want to talk about them all, but the EPA, the occupational health and safety, permits for children to work on the farm, and all these things. Let me just give you one example - outside the particular thing but it impinges on the native vegetation. I am required on my farm to control rabbits. Fortunately I don't have many but they come in from the neighbour occasionally. If I put one tablet down a burrow to fumigate the rabbits, I have to keep a record of every time I do that. I have to keep a book with the record in it. I have to enter 14 things for each burrow. That book is available for inspection by the department and if it's not up to date and if I haven't got the book, I am liable for a fine of \$200,000 and two years in gaol. That's regulation.

We also have the conflict that comes with this revegetation, and I'll just read one here. This is the rules for the native vegetation policy context:

The removal or destruction of native vegetation necessary to remove burrows for vermin control is subject to the written agreement of an officer of the department.

So every time you want to rip a rabbit burrow up you have to have written agreement from the department. I think, of all these restrictions that are coming in on farming, the native vegetation implementation is the worst example of the lot. I'll just mention the recent experience that we've had in our area here of north-east Victoria with the bushfires.

Okay, the fire comes; it started on Crown land and it comes out into private country. You've got to re-fence your own property boundary with the Crown. In Victoria there is no assistance whatever, except if you're going to put up a dog fence, which may be necessary sometimes and may not be necessary other times. You are not allowed to clear the fence line to put up a new fence. With a lot of trouble you may get permission to do it, depending on the particular officer involved. If you have got a tree overhanging your fence that you know is going to fall sooner or later, you are not allowed to lop that limb. We have asked, I think, for very sensible things on the boundary of Crown land for fire. We would like to have a certain area cleared so that you've got not only a firebreak but you've got access and you're protecting the fences. That concept is rejected and it's virtually extremely difficult, if not impossible, to get any sense out of that Crown land boundary.

Why do these things happen? I'm a great believer in a good bureaucracy; you can't have government in a civilised society without a good bureaucracy. But we're in a situation where much of the bureaucracy has gone mad and I think it is the fundamental human need for power. A lot of the small bureaucrats have got an enormous amount of power and they like to exercise the power. I believe that a lot of those - call them government departments - that are exercising this, hold their neighbour, the local landowner, in utter contempt. My personal experience of that is just horrible, even though I would be an example of a really good conservationist. But the contempt with which you are treated when you want to do something is unbearable.

I believe this is due to an ongoing system in our tertiary institutions, which are very far removed from the practicalities of life, and their students are being brainwashed about the whole environmental question: "Native is best. The farmers are bugging up the whole of the land use. We, the coming generation of young people, have got to look after the environment and get rid of all these stupid old buggers." That brainwashing is going on all the time and I think it's going to be extremely difficult for policies to change because the whole of the department that is implementing the laws and regulations is tarred with that brush.

So we come to a very fundamental thing that I hope you will be able to think about, and this is the joint need for education and regulation. There's no point whatever in having laws if you can't enforce the laws, but we've got to have a balance between the education and the regulations, and somehow that's got to be worked out. Who makes these regulations? Unfortunately it's the bureaucrats. It's not even political. It's the bureaucrats that make the regulations and the community which I represent here today is completely excluded from those situations. It should be the community making the regulations, and in the community we have got enough wise, experienced, committed people to know what is the right thing to do with the land.

Let me give you one example. There's a new sheet came out and it was about weed control. Now, all good farmers know they control the weeds. They do whatever they can. But when you get the list of the weeds, kikuyu grass is on the list of weeds. Who said kikuyu was a weed? Admittedly, in somebody's garden where the lawn got into his roses or his cabbages, it's a weed but Roundup or something can get rid of that. Kikuyu in its right place is one of the most magnificent plants we've got to control erosion and stop the turbidity in the water, and yet it's a weed. It's declared a weed and we've got to get rid of it. Who could possibly make that decision?

Another thing - what's to be protected? We've got all this move for native grass protection. Within our area here, I'll give you a couple of examples: kangaroo

grass and microlaena are on the top of grasses to be protected. They're supposed to be endangered species. There's tens of thousands of hectares of kangaroo grass in our upper Murray area. It's not growing within 10 kilometres of Melbourne, so they think it's endangered. It used to be growing out on the Keilor plains and it's no longer there - there are houses. So they say it's an endangered species. It's not endangered. It might be in 100 years, I'm not prepared to say that. Maybe we should be fencing off some areas, 1000 acres or something, of kangaroo grass, if we want to.

The other one they are mad keen on is microlaena. Now, I've got microlaena. I wish I hadn't, but I have. The last speaker was telling us about the corkscrew grass and all that. Microlaena is the same. You get it right through the wool of the sheep. First of all, the sheep won't eat it unless they're bloody well starving and secondly, when they do eat it, it's all in the wool and all that. It's a native grass and it's protected and you're not allowed to plough the bloody stuff.

Another thing that makes me very cross is that these regulations don't apply to the government itself. They can do whatever they like. Two current policy things. I'll read them:

Departmental forestry officer at Wangaratta, Mr Peter Markinson, said, "Trees suitable only for firewood had been thinned in a program to improve the quality of the forest along the Ovens River. The thinnings are only suitable for firewood and by cutting this type of tree out of the other trees, the other trees are able to grow more strongly, producing better quality timber in the future."

So what? We all know that. The government can do it, but I can't. I can't cut a tree. What have I got to do? Where's the regulations that get it? I've got them somewhere here but I can't find that particular one. Pity I can't, though. I'm not allowed to remove or lop any native vegetation without a permit, lop any native vegetation. Now, if I want to prune the trees that I grow for timber I've got to get a bloody permit. The government doesn't. They do whatever they like. I'll read another one which was just as interesting. This is by the executive director, infrastructure projects division, Department of Infrastructure in Victoria. This is to do with reopening a railway line from Sale to Bairnsdale:

Trees with overhanging branches close to the railway line pose a substantial risk to passenger trains. The safety of train drivers and passengers is paramount and this cannot be compromised by overhanging branches. Clearance is essential to make way for the return of trains. As part of the promotion of the return of rail services the department sponsored a tree-planting activity which saw 100 trees planted along the East Gippsland railway.

Now, 100 trees. I plant 1000 a year. The government thinks they're doing a wonderful job by lopping the trees, which was quite logical. Of course they should lop the trees, but I'm not allowed to lop a tree. Why the pressure for native vegetation control? I think that we've got to work for a balance between native vegetation and exotic vegetation. The whole of our civilisation depends on exotic plants. All the crops we grow are exotic. All the good pasture plants are exotic. The whole development of the world as a civilisation is because the whole world shares its knowledge and shares its plants. We wouldn't exist without that.

In Victoria there is this feeling that we're clearing too much land. I'm not talking about the Brigalow belt. I'm talking about north-east Victoria. We're not allowed to clear. I have got aerial photos of my property since 1948. I've got about five different aerial photos of not only my farm but the immediate region in which I live, and that is pretty typical of north-east Victoria, in that the native vegetation is increasing every year. The regrowth is such that it's going on. It's going on today. The area of cleared land is decreasing in Victoria. There's a very interesting publication here, Land Cover Changes in Australia. It gives the actual figures and, according to those figures, which they've done from a whole range of things, the area of native vegetation - I'm talking trees now, because that's what the satellite sees - is increasing significantly. It's not decreasing at all. My plea is, somehow or other in your recommendations, to make sure we get a balance.

My final consideration is: the farming community is being penalised and subjected to so many controls that we are having a very significant social change in the farming community. And it's a gradual change; it's not happened "Bang!" I was at a farmers' meeting last night, and I could almost say I was the youngest one there. Everybody is old. The younger generation are not taking on farming. You ask them why and they say, "Oh, I can't be bothered." All these regulations - it's killing farming - and I think the native vegetation is by far the worst of all those regulations. Thank you.

DR BYRON: Thank you very much, Mr McGowan. Warren, do you want to go first?

PROF MUSGRAVE: Well, Paul, I do worry about asking you questions because I fear that we might become engaged in deep philosophical discussion, but here we go.

MR McGOWAN: Well, that wouldn't hurt either.

PROF MUSGRAVE: No, it wouldn't hurt, indeed. But it's emerging to me, and I think to my colleagues, as we go around the nation that what we are confronting is a dynamic landscape that is capable of waxing and waning in terms of its vegetation mix and tree cover. What's cleared in one decade could be forested the next. As I said earlier this morning, the capacity for regeneration is great. If we are concerned

about making decisions about the landscape, getting the balance that you talk about, we have to choose between a whole range of options, it seems to me; options that we are capable of exercising. One is maintaining a completely cleared state, the other one could be one that's a complete regeneration, and then there are stations in between. The thing that interests me greatly is the process by which you get to the decision as to where you might go in that spectrum of options in any particular location. Now, after that preamble: you've been engaged in the catchment management authority activity in Victoria. Does that experience extend back to the time - well, it's not so many years ago - when the authorities could impose levies?

MR McGOWAN: Yes. I think that was a very big mistake that Victoria made. It abolished the levy - a purely political decision. As far as our catchment management authority, there was a levy on every ratepayer in the district and there was no opposition to it. It did two things: it made the community aware of the need to look after the environment and it provided independent money. The political decision was made - to get a few votes - to abolish that levy in certain electorates and over the whole of Victoria, and it has done two things. It's divorced the community from the need and, secondly, which is more important, it has taken away the financial independence of the catchment management authority. The catchment management authority now is a straight division of the Department of Sustainability and Environment. It has got no independence.

PROF MUSGRAVE: Has it any resources that it can direct?

MR McGOWAN: Well, it might have a little bit.

PROF MUSGRAVE: Not much?

MR McGOWAN: The point is that the grants are coming in and they are earmarked: "Do this and do that." I could elaborate. Some of those make me even crosser than the native vegetation.

PROF MUSGRAVE: One could develop the suspicion that regional authorities are created in relation to natural resource management for the sole purpose of capturing Commonwealth funds, and that's it.

MR McGOWAN: Well, I won't go into that, but I'd like to comment on your comment, "Where do we go?" I don't know the answer, but I'm talking today about north-east Victoria, a high-rainfall area. It's different to Innamincka.

PROF MUSGRAVE: Indeed.

MR McGOWAN: We can't have the same rules over the whole of Australia.

PROF MUSGRAVE: That's right.

MR McGOWAN: If you're out at Innamincka and you bugger up the environment it's going to take 100 or 1000 years to fix it up. We can fix it up in two. So it might be localised, and somehow or other we've got to get the community onside. They hate it.

PROF MUSGRAVE: And getting it onside could include, perhaps, going back to the empowerment of the regional authority, say the catchment management authority.

MR McGOWAN: I think that would be one very good suggestion.

PROF MUSGRAVE: What about the membership of the authorities? We had some discussion earlier this morning - - -

MR McGOWAN: It's a political appointment.

PROF MUSGRAVE: Yes, this seems to be perhaps the way it's necessary to go: a skills based political appointment. This seems to be the preferred option at the moment. But I'm wondering about the outside interest representation. What sorts of skills should we see on these catchment management authorities? Where should they come from?

MR McGOWAN: Do you really want me to start? I don't think so.

PROF MUSGRAVE: We'll ask the presiding commissioner. We have a plane to catch at 4.00!

MR McGOWAN: It's a very very complex issue and, frankly, I don't know all the answers.

PROF MUSGRAVE: No. Well, I suggested earlier this morning that I think none of us do. Could you talk about it a bit, for five minutes?

MR McGOWAN: There are more important things to talk about.

PROF MUSGRAVE: All right.

DR FISHER: Paul, I just wanted to get your perspective on what you think is potentially the source of the problem in Victoria, by way of an example. My understanding was that the legislation in Victoria would allow you to clear a fence line, and it uses the word "reasonable" I think. You're allowed to reasonably do clearing so that you can construct a fence. But what you seem to be telling us is that

you can't do anything at all. If the legislation says you can do something that's reasonable, in inverted commas, but you perceive that you can't do anything at all, where is the problem? Is it in Melbourne, is it in Wodonga, or where is it?

MR McGOWAN: There are two problems: legislation and regulation. You say "reasonable" in the legislation, but who says exactly what is reasonable? That's in the regulation, and the regulation is made by the bureaucrats, not by the politician. So it's back again to the problem that I saw about the implementation of it.

DR FISHER: Is the problem the regulation or is the problem the interpretation by the officer on the ground?

MR McGOWAN: In my opinion the problem is mostly in the regulations, but also it goes back to the legislation. The fundamental thing is that, irrespective of what political party is in power, they are all trying to get the Greenie vote in the outer suburbs and they will bend over backwards to appear greener than their neighbour. The Liberals are just as bad as Labor or the Greens. They are all saying, "We are greener than you are, and we get the vote." It's a political thing. The whole of the community is being brainwashed by people like Greenpeace and World Wide Fund for Nature and all these things, who have got billions of dollars to spend, and the whole community is brainwashed now. I don't know how you overcome that.

DR FISHER: The reason I asked this question is that I think we have received evidence previously that there were, in Victoria, differences in the interpretation of the regulations by officers on the ground, but what you seem to be inferring is that it's really the regulation itself that's the problem, not the individual interpretation of those arrangements.

MR McGOWAN: I'm not really competent to go into the detail of that. I know that there's a lot of truth in what you say. In some areas you can't lop it. In some areas the fellow will be more realistic and say, "Well, you can clear three metres." In some areas he will say, "Well, you can clear five metres." It does get back to the individual person, but the regulations are that you can't lop a limb and, as I read there, you've got to have written permission.

DR FISHER: Yes. I agree with you. It all seems exceedingly curious and overly bureaucratic to me, but perhaps you and I see things in much the same way.

DR BYRON: I'd just like to pick up again the point that you made about control of weeds and feral animals. People we've spoken to just about everywhere have been able to point to examples where native veg legislation or regulations or interpretation conflicts with other legislation, so there's legislation or regulation that says you have to control rabbits or noxious weeds and so on, but then the way somebody at the district level interprets the native veg laws basically conflicts with that. We come

back to the problem where state parliaments have, in their infinite wisdom, passed two bits of legislation which conflict on the ground. In a way, you almost feel sorry for the people in the department at the regional office or the district office who are told to implement two pieces of legislation which are fundamentally incompatible. I think you've just given us yet more examples of that same thing, and we've got examples from North Queensland and Tasmania of that same sort of problem. I don't know that that helps us work out how to fix it, but it's interesting to see how frequently that recurs.

MR McGOWAN: Well, that's good. You're aware of the problem and you're being paid to sit here, so you can work the problem out. I can't.

DR BYRON: The other point that I noted is what you were saying about eco-nationalism, that native plants and animals are always better than the exotics. We included a box in the draft report which was from, I think, a statement by the Ministerial Council of Natural Resource Management which basically says that because some native vegetation provides some benefits to some land-holders in some circumstances, therefore all native vegetation provides all these benefits all the time everywhere to all land-holders. That, to me, seems a bit like sloppy logic, but that seems to be where it's coming from. Take an example of where a certain number of trees in a certain location are useful and beneficial, and most land-holders would agree with that, and then say, "Well, therefore, all trees everywhere are beneficial and must be retained." I think if we can track down and document some of those logical fallacies, it might lead to a rethink of some of these things.

MR McGOWAN: I mentioned the dual problems of education and regulation, and that's really what we're talking about. In my opinion, we should be giving far more attention to education than regulation - far more attention. I'll give you one example where it worked terribly well. In Victoria we've got a very very good Landcare movement. I've been involved with that since its inception. There's been no regulation with that. There's been education and encouragement, and it is absolutely amazing, the number of native trees that have been planted in our area, just by encouraging them to do it, and with a tiny bit of incentive: "You get the tree for 20 cents instead of \$1." "It costs me \$30 a tree to maintain to maturity and 80 cents I'm getting per tree." It's just enough to trigger people to think about it. I hope you will come up with recommendations on educating people.

It's no good, really, having a regulation to say you're not allowed to plough any native grass. You've got to say why. What's the scientific basis? Is there any scientific basis? Maybe that creates something or other. People will listen. People will do things if there's any logic behind it, but when you're just presented with all this stuff - "Don't do this, don't do that, don't do that" - people try and do the opposite, as you will have already heard with native vegetation. 10 years, so you plough it up in year 9. It's just so counterproductive. On the other hand, those very

people, as we heard from the last speaker, are happy to fence off the land and let it regenerate. People want to do it. Now, some don't. That gentleman was very good, on that spread. You've got an enormous difference between the different farmers. We just want to cultivate those who are doing it, and then the next generation comes along in 10 years', 20 years' time. Their kids see what the neighbour did and they do it. It's that whole atmosphere of encouragement and education, not regulation.

DR BYRON: Yes, there seems to be a great reliance on the big stick and not a lot of carrot up till now. The big stick may be necessary sometimes when you're dealing with the really recalcitrant people but it's very counterproductive to beat around the head with a big stick those people who are already doing the right thing, or trying to.

MR McGOWAN: That's right.

DR BYRON: I guess that's why we're suggesting that there are lots of other policy tools that should be used rather than just relying on one big weapon, the regulation.

MR McGOWAN: Let me give you an example of that. 20 or 30 years ago in Victoria we had the Soil Conservation Authority which is now scrapped and dead. But it was an educational authority and it worked with the community and it achieved enormous benefits right across the community. Now it's gone and the attitude has gone.

DR BYRON: I think you have made your points very loud and clear. Is there anything else you want to say in concluding?

MR McGOWAN: I'm just glad it's you doing it and not me.

DR BYRON: Thank you very much for your many years of relevant experience and expertise. Thanks for coming today.

MR McGOWAN: Thank you, gentlemen.

DR BYRON: We have next got Mr Geoff Lucas.

MR LUCAS: Thank you, Mr Chairman, for the liberty of doing a presentation at late notice. It was only a couple of days ago I asked if I could address this panel. I have got some prior submissions that I have put together and I've highlighted a bit of a reference to some of these dear to my way of thinking. I am very pleased that I'm following Mr Paul McGowan. 34 years ago my wife and I were farming in north-eastern Victoria and we hired Paul for his services until the impact of the quadrupling of the price of oil put a very severe recession upon us. We had difficulty paying the interest and tried to get relief and the State Savings Bank sent us a letter saying we were non-viable. I wish I had kept the letter. We paid them our last payment about three months before they went broke.

DR BYRON: Who was non-viable?

MR LUCAS: Yes. Can I give you my CV first? Where do I start? I'm a fourth generation Australian. My great-grandfather was thrown hand over head out of a hall down on the Snowy River sometime in the 1860s or 70s when he was promoting irrigation. Someone booed and that galvanised the crowd and they hurled him out into the street. Sometimes I wonder whether I wish he hadn't been taught a lesson because our family has been involved in irrigation for the last - the public irrigation for the last 100 years, since - well, since 1906 when my grandfather shifted from Gippsland to northern Victoria. I grew up at Echuca. I did ag science at the Echuca tech. I failed English. The only reason there won't be spelling mistakes in my submission is that the computer has got a spellcheck. The grammar mightn't be right but I am confident the spelling could be up to scratch. I refrained from swearing.

About 40-odd years ago I married a sawmiller's daughter. She was 19 and weighed 7 stone; she's a bit bigger now. We bought a farm. Well, the State Savings Bank bought the farm and we farmed it. I earned money back in northern Victoria where I was reared, baling hay. I'm a grandfather. I've got six grandchildren and three children. We shooed the children away about 1980. In 1987 a Landcare group started up. I would be much more comfortable dagging sheep and killing rabbits, but rabbits and maggoty sheep are a problem. My wife got involved in the Landcare group and down at Phillip Island we won the best contribution to land care for that first year which we were very proud about.

We farm, as I said - well, more than 800 acres now. Let me go back a step. In the 1970s when they put the compass on Albury-Wodonga and drew a 50 kilometre circle, rumour had it that they were going to resume all timbered land within the 50 kilometre radius. Out of our bush block, which we have been husbanding for the last 40 years, in the first year we sold £500 worth of logs and royalty. Now, probably the £500, if we had pushed the stumps out, would have used up all of that money but it was very valuable because we had little income. When the government

said they were going to take our timbered land I let a fellow in with a bulldozer and a - nobody had a mill in Beechworth. I said, "Look, cut the lot. Get rid of the trees. We're going to lose it."

In earlier times people were compelled to clear their land and the land that we bought we weren't compelled to clear it so I thought there would be some future in killing off the crooked trees and keeping the straight ones to sell. We have done that for 40 years. I have always assumed that we owned the vegetation and the soil and the - like the trees and the grass. I've got a document here. You don't mind me just wandering around and giving you a bit of a background of my feelings? Sir Isaac Isaacs was, as you know, our - he grew up in Beechworth, Yackandandah and became governor-general, but apparently when he was in the High Court of Australia he ruled on fee simple and freehold:

In the language of English law the word "fee" signifies an estate of inheritance as distinguished from a lesser state. A fee simple is the most extensive quantum and the most absolute in respect to rights which it confers. It confers and always has conferred the lawful right to exercise over, upon and in respect to the land every act of ownership which can enter into the imagination.

Indeed, that's what we have done with our property. We do a bit of irrigation. In fact, we irrigate about 15 acres of kikuyu and we harness the water on our property. Our property is Jilba incidentally, which is Aboriginal for "springs". We don't have any dams at all but we have wells. They're shallow wells and we just draw water from them, collect it up and gravitate it and under pressure it's a very efficient irrigation system. Had not the trees been cleared the springs probably would have yielded little in dry years. There is only once in our 40 years when they dried up and that was last year and that was of great concern to us. Apparently we can dig dams now but those issues are still a little bit uncertain, for the digging of dams. You can own a dam for stock and domestic but if you use the water out of it you can be put in gaol if you don't get a licence.

I have been an active member of the community in some ways. I was a councillor for 15 years and involved with planning, between 1975 and 1990. It was probably hard times which gave me the inspiration to have a crack at local government. I am involved in local government in an indirect way now. I'm a director of Indigo Waste Services, which is the contracting arm of Indigo Shire. They do their work by competitive tendering. I have always had a great respect for competitive tendering.

I have read astronomy - Hoyle is the fellow I read - and lately I'm reading Flannery and I'll bring him into my comments in a few moments. When Armstrong came back from the moon a reporter asked him what frightened him the most and he

said the fact that the rocket ship was made out of 7 million parts and each one was built to the cheapest tender. I thought that spoke volumes to our free enterprise system. I'm very comfortable with being a director of Indigo Waste Services, but our shire has just spent a million or more dollars defending a case for a man being flooded out. He sued Rutherglen Shire for about \$10,000 and the case has just ballooned out into an enormous legal argument.

Ten years ago in the recession we had to have, my children, my two sons who were in their late twenties, came back to the farm without a job. They were both qualified craftsmen and number one son had bought 300 acres of bushland alongside us and he poisoned most of it within a few days of the anti-tree clearing legislation coming in. He left all the select trees but he - and the trees in between, the crooked ones, he poisoned. I said, "What are you going to do for a crust?" and he said, "I think I'll go on the dole and cut firewood for cash." So he started cutting firewood and we invented a tipper thing from a tandem trailer to tip the wood out and then a thing called a "grabber". We took out a patent on it actually, because he said, "I think I'll build these."

He didn't last long at cutting firewood for cash. We started manufacturing and we picked up the franchise for an imported mill, which we sold for a couple of years but the wheels started falling off them and some other design shortcomings. We designed a better one which we sell worldwide now. We built a portable sawmill on our farm. Safety was a big issue because of the death of my father-in-law. Some of the old sawmills were rather unsafe; the blades tend to dig in and throw stuff. We designed a mill that we are very proud of. It's very safe but it's up on a framework and one bloke pushed the thing over the end of the tracks and didn't put the track stops on. There's blood on the track stops and he got a farm out of our insurance. Insurance is a thing that worries everyone. What do you insure for with public liability?

I must get onto the impacts of biodiversity. We front the same forest as Paul McGowan - we adjoin about eight kilometres of frontage to it, and for a long time I had no fence and when we went to get a permit to clear, we were told we were only allowed to clear three metres, and so we cleared the three metres. We were told we couldn't lop these certain trees, even though they were leaning, and one particular tree was of concern to us: no, no, it couldn't come down.

We got about 19 disputable trees and this last one was a sticking point and it stayed. It fell over the fence, and \$60,000 worth of red deer got out. We tried chasing them for quite a while and gave up. I wasn't licensed on my motorbike and I'm out in a national park and onto private land and I hit a poly pipe and ended up I got a free trip - well, it was a \$2000 trip to hospital. I just did a bit of damage to my hand, not my head, luckily. It's damaged enough as it is.

The clearance between private land and public land is of great concern. You heard the previous speakers on how the bureaucracy seems to be very keen to press the point for a minimal amount of clearance. There are a lot of people in north-eastern Victoria that live on the interface that are extremely discriminated against in terms of their security from fire and from stock escaping. With the Wrongs Act, trees along roads are a real menace, and we've got lots of trees on our road frontage. When we were protected by - there was no Wrongs Act. If a tree fell over your fence it was driver beware, but we had a horse got out and we had to buy a lady a new motor car - a tree over a fence - after the man got the farm, our insurance went - we can't go to a field day in Australia without product insurance, and it went from \$8000 to \$72,000 in one jump after the claim, and the claim came in a week after HIH went broke and we didn't think we had anything to do with them, but apparently we did. Elders had reinsured through them. We were warned not to go to America with our portable sawmill because it was a litigational black hole. They said that unscrupulous legal manipulators will skin you out.

We sell our product in America. We sell into 80 countries actually, and South Africa is one of them. An interesting thing over there is - and I mention it in my submission I think at about page 4 - I've highlighted it - at a timber industry meeting at Myrtleford when salinity credits were being discussed, I asked the question, after saying my family manufacture is sawmill so we're all in favour of growing trees. I've recently spent five weeks in South Africa and land managers there are concerned that Australian eucalypts and acacias were drying up their rivers and creating a fire hazard. They are now removing them. Do you think it's a good idea to grow trees in the high rainfall region just to gain imaginary salinity credits? We don't have any signs of salt and our springs are very clear, but I'm well aware of the salinity problem once you get to the change of grade.

Where I was reared, drainage was a real problem, and you'll see on page 2 where the inspiration I got for moving to the hills was because of drainage problems around Nathalia. My brother has been bankrupted by arguments over drainage. The government put in a scheme. The government apparently is immune from being sued. We spent quite a bit of money trying to get some satisfaction and we can't find a solution and we can't get compensation for the damage to our family farm at Nathalia.

My brother is still down there but he's despaired of ever getting a cure, so there's a little bit of a gripe in that book about perhaps something that's not relevant to the biodiversity thing, but I highlight that issue because it's the issue we have with biodiversity on our farms. If you leave a tree because the government thinks it's a good idea and it falls over your fence - we are seeking legal advice on whether we are entitled to some compensation for the loss of our livestock. We can't round them up.

The Chiltern Forest is a real mess. I make reference to the Chiltern Forest in this submission too. Before I came to Wooragee - on page 5 - my son married Jenny Ward. Her grandfather, on his 80th birthday, visited us in about 1980 when they first were going together. George was born in 1899. The 300-acre block my son bought was half-cleared, and it's interesting how native vegetation can hang around. I did a project on native clovers when I was doing my science course, and there's about 10 native clovers that I'm aware of and, would you believe, on the half that was cleared, up came cluster clover, hairslip clover, crimson clover, narrow leaf clover, yellow suckling clover, golden clover, woolly clover. All of the native clovers are still there. The seed bank is still in the soil in a bush block that never had a drop of water on it in 1982.

I walked this paddock in 1982 and my son bought it in 1987. I said to George, "I worked this farm with Brewers when I only 11 years old, my first job," and he said, "We used to milk cows down on the honeysuckle where Monty Skeehan is." Monty got prosecuted for clearing his fence line. He cleared about 20 metres - he had a rush of blood. After that he was burnt out completely, lost his house. In fact I was down there as the fires were approaching and I said, "Look, we need our gear back at our business. It's too valuable to leave unattended." The fire was bearing down on us. So he was left to burn.

Yes, I sidetracked myself there. This George Ward said. "We used to graze cattle out on the Pilot Range," and I said, and I've written here what he said. I said, "What the heck? There's only gumnuts, sticks and leaves there now, and about 500, 5000 trees." "Oh" he said, "there used to only be just odd big trees out there, and kangaroo grass, microlaena, native clover," and I said, "Native clover up here on this" - ? "Yeah," he said, "it used to grow that high every spring, and the cows would come in rolling with fat with calves afoot." They used to put shorthorn heifers out there. I found that quite astounding because in the 40 years I'd been there I'd never seen much vegetation underneath the trees, because the trees consume all the moisture.

Well, after this fire - I wrote this before the effects of the fire - I did an update on this - where it says:

My son has dams on a creek that drains near Mount Pilot in the new box ironbark national park. Most of it burned on 21 January this year. Before this fire the drought-stressed trees grew so densely, access was difficult and very little, if any, run-off occurred.

You couldn't wheel a pushbike through it now. Thirty years ago you were able to drive through it in a vehicle. Before this fire, there was that much fallen timber and impenetrable scrub you couldn't drive through it, while now you could multiply that by 10, with the trees and the suckers that have germinated. It's worth a drive to

have a look at it. I thought that 90 per cent of the trees were dead. In fact, 90 per cent of the trees are still alive. They've got epicorn growth from top to bottom, and a lot of lignotuber growth on the base and an enormous number of seedlings have grown, principally because when the break did come in July, we've had long, sustained rain, and the same things happened after the 39 fires, but much sooner. The 39 fires were in January and it rained 11 inches in February and had an enormous wet year, followed by droughts. And apparently in 1927, after the 27 fires, the same thing happened there.

I don't know if I talk too much, but I read Tim Flannery's book, *The Future Eaters*, and I think he did a wonderful job in presenting to the public an insight into the evolution of our forests and their current situation. He lost his house in a fire in Sydney in 1994. Royal National Park burnt again. It burnt in 94 and it's burnt again since, and it hadn't burnt for a hundred years, so I assume they had the same situation with the Royal National Park as we've got with the Chiltern Forest now.

It's a time bomb ticking now. I think the next fire is going to be much hotter. There's a lot of dead timber standing that's going to fall. There's no firewood policy. I see the government is promoting - I've got some notes here and I haven't sort of stuck to them - just to put you in the picture, I'm concerned about our loss of private property rights. I assumed that I owned the water and the trees, and we still cut the trees. I don't get permits. We cut about two tonnes of timber a week to box our sawmills up. We use the water in our factory, and I've just asked for a licence for it. Without a licence we'll lose the right for commercial use, because that's the stance that the government has taken.

It's an issue where I've been at significant differences with our National Party. Our executive voted to extinguish our rights, but 90 per cent of the delegates voted to retain the private rights, so there's an issue there that's quite politically hot. I am a central councillor in the National Party. I took the job on because I was so inspired by the direction that the party took.

What are the solutions? Paul brought up the issue that the government is exempt from any - I think the government should take more seriously some sort of biodiversity barrier between the public land and the private land. We spent probably \$90,000 on our fence. We made it kangaroo proof. We probably shot 1000 kangaroos in the two years leading up to building the fence, and without the fence our farm would look like Puckapunyal. The kangaroos can't live in the bush at certain times of the year. It's a disastrous situation for the kangaroos.

We've assumed all the land that's well watered. The park has land that's poorly watered. There are fire dams out there, but they dried up in the drought so the poor beasts were compelled to go onto private land, and they issued licences to shoot them. Flannery said we should be eating them perhaps. Well, maybe that's true, too.

But I think the point that Tim Flannery missed in his book - and I haven't got the book with me but I did make a note: he said that our overpopulated forests are the product of our infertile soils and our excessive use of fire.

I have a contrary view. I think we're not burning our forests as much as the Aborigines would have burnt them and we're not letting fires run like they would have run in the forests before Aborigines arrived. There were no fire brigades prior to 60,000 years ago, and it was open forest. Cook and Banks and my grandfather described it as open forest, as George Ward did in this region. I have no first-hand knowledge but my grandfather carted a boiler to Glen Wills and the beer to Omeo. He got the contracts because he was a wowser, I think. There were no tadpoles in the beer when it arrived in Omeo.

But he described the forests as very open and that you could unyoke the bullocks and they wouldn't go far, and next morning he'd hook them onto the wagon and they'd be fully fuelled up ready for the next day's work, and indeed one animal had a broken foot and he picked it up two trips later and it was fat as a fool. Normally they're quite lean, the hauling bullocks. So the bullock would starve in the forest now. Well, it wouldn't this year in the Chiltern Forest, and that's one of the reasons why our deer are impossible to gather up. There's no incentive for them to want to leave at the moment. I think the department will probably dispatch them but we're very concerned that if someone's Volvo runs into one of our deer, do we have to buy them a Volvo? There's 80 of these wretched beasts running around. I don't know why Santa Claus ever persevered with the damn things.

But we need some solutions on this fence and a more sensible set-back. I believe that tree height would be a sensible - if you're running stock that's going to be a liability to you if they get out, you need to have some semblance of rights over clearing any tree that threatens. The act, as far as I was aware, suggested that you should have some rights over clearing a threatening tree. I've got grave concerns that the wrong thing has been done with water. There have been too many licences issued to sleepers and places like Cubby I see the front page of the land - where they say a stolen flood. There are landowners downstream of Cubby that have missed out on this year's flood. We feel like we've been sold out by the VFF and the National Party, as well as all the other levels of government.

DR BYRON: Can I just bring you back to what are the solutions. You were talking before about solutions. I think you have put your finger on a lot of the problems that we have heard about from other members of the VFF and so on, but have you got any suggestions on how to go forward? I think there is broad agreement on the problems as you have described them, but your thoughts on the solutions, please.

MR LUCAS: I wish I had some. I don't know whether it's your department, but I think every landowner should be able to harvest the water off a third of his farm. I

was so galvanised by the proposal when I heard that the National Party was going to vote against the private rights - total extinguishment of private rights. I rang Marius Cummins up and I said, "20 years ago, Dick Smith offered a million dollars to bribe the federal government if they wouldn't build the Franklin River Dam." I said, "Obviously he didn't get gaoled for it, so I'm going to be rash enough to offer a million dollars, in ten-dollar notes in brown paper bags, to any political party in the upper house of the Victorian parliament that will vote against the extinguishment of private rights."

I sold three sawmills that day. That many people rang me. It went Australia-wide. It didn't do any good. I got a call from One Nation and I said, "Sorry, madam, you haven't got a member in the upper house." I wrote a one-page - do you want to hear this page I wrote to John Costello? I sent this submission to the Living Murray via John Costello, our CEO. This is what I wrote:

Attention John Costello, CEO, Indigo Shire. John, I was the rascal or ratbag that tried to bribe the Victorian upper house of parliament on 25 March 2002, two days before they voted to extinguish private rights."

I am a member of the Farm Dams Water Rights Federation and we spent \$70,000 to have Gillard J say we lost a privilege, not a right.

"Gillard J's judgment was that the state could remove a privilege. His ruling has not been challenged yet. I believe landowners, big or small, should have reasonable rights for any use of the run-off; say one-third for the environment, one-third for the irrigators and the urbanites and the remaining one-third can be utilised in any way by the owner. Anyone who already catches water off an area greater than one-third of their freehold, should have to purchase further rights if available. New South Wales has issued licences for water that doesn't exist under normal conditions."

The second attachment to my submission is my presentation of the debate. I went into the issue of the fact that New South Wales had issued licences for water equal to 170 per cent of the average flow of all the rivers in that state; hence the need to stop the building of dams. I can understand that.

DR BYRON: The water licensing is a bit off our subject of native vegetation and biodiversity, but I do see the connection in the sense of the state claiming the right to extinguish what have in the past been seen as private property, fee simple rights.

MR LUCAS: Yes.

DR BYRON: But that comes back to the issue you raised about your selling timber

off your place, which you think you own.

MR LUCAS: Yes.

DR BYRON: The state government may also think that they either own or have some power to control all native vegetation in the state.

MR LUCAS: Yes.

DR BYRON: But they haven't attempted to - - -

MR LUCAS: They haven't attempted to curb my excesses at this stage. I've still got 300 acres of timber. It's different to what it was when I bought it. It was 1927 regrowth and it has been comprehensively and - I've allowed regrowth to occur. I selectively thin - and have been doing for the 40 years I've owned the property - to grow straight trees; but they're native trees.

I read in the paper that the government is encouraging people to buy carbon credits. Now, I just wonder how they're going to work. I think the carbon credit argument - if you're just going to lock the trees up to sequester carbon is absolute nonsense. I wrote in my submission to the Regional Forestry Agreement - I said, "The only carbon sink you will get out of the National Parks is when the ashes land in the Pacific Ocean." There must have been a bit of foresight in that prediction, because most of the national parks have indeed burnt. They're not dead, but they're a mess.

As an Australian citizen, I'm worried about the direction our national parks are going. I think they're going to just burn intensely in future fires. Having them as a neighbour is a further concern.

DR BYRON: Did you have anything further?

DR FISHER: I have nothing further.

PROF MUSGRAVE: Have you had the opportunity to read our draft report?

MR LUCAS: No, but I will be interested to hear what you've got to say. Thank you for the privilege of being able to present - - -

DR BYRON: Thank you very much for coming. It was very interesting.

DR BYRON: Mr Ward.

MR WARD: My name is Bryan Ward. I am a local farmer from not very far up the track; a little place called Bowna on the Hume Highway, some 32 K's north of here. I did manage another property further north for 29 years before purchasing this small block which I've got now. As I explained when I was asked to give this paper, it really is a reflection on my experience in the state situation with the native vegetation. I was chair of the Riverina Highlands Regional Vegetation Committee.

DR BYRON: Great.

MR WARD: Now, I suppose one of the reasons why I got involved with it was because when I first purchased this property it hadn't been farmed for 10 years. It was full of rabbits and weeds. There were only two paddocks; no houses, nothing on it. I was told that I wasn't allowed to farm it because of native grasses and to leave the rabbits and the burrs and weeds all in place. I was pretty cross about that, because I wanted to improve it. That was the whole idea of the exercise of buying it. That's nearly 10 years now since I've had it. We started from scratch.

There's a SEPP 46 which has been brought in, in - I don't know when it was - 96. They brought in this Native Vegetation Act and these regional vegetation committees. I happened to be put on the committee of this and then, fortunately or unfortunately, made chair of, which I thought was a pretty daunting task because nobody really knew what it was all about, because there has only been one other committee before us, Mid-Lachlan, who had been given a lot of money to get them across the line and they were flying in the dark and we were the next one off the rank.

When I was made chair, I just said, "Oh, we've got to achieve this plan within two years or I'm out of here." I said, "We've got 15 on the committee, 11 different interests and we've got to agree by consensus." We covered a large area, six shires, so we had a meeting every month in a different shire. To get 15 people together with 11 different interests and get consensus, let alone dates and times and venues, was very difficult. Anyhow, we achieved our goal - we did that in two years - and then we had to wait a further three years to get it through parliament and to be gazetted. Once it was gazetted, as you well know, it was scrapped. That was just soul-destroying.

During this process I said to a couple of them, "Look, I want further involvement in this, because once we're finished you know what happens. We hit the brick wall and it's all over." I said, "Let's try for an NHT funding so that we can have some control on what we're doing; to measure it, to monitor it, to see whether the uptake - everything else is okay, " so we did. We achieved a \$750,000 grant and then the drought came. It was a very hard road. We had two project officers, which

were excellent, and we planted nearly a million trees. I think there was something like about nearly 300 kilometres of fencing and it was a really good exercise, but there was no recognition for that, nothing.

Now, we heard about encumbrance being put on land. We went to the NHT and said to them, when people were upset about that - and we seemed to get over it by going through the local Landcare groups and our project officer just to monitor the situation to make sure it was right, because the NHT funding - we couldn't see anything about you had to have a covenant on your place. That really is a deterrent to everybody. Nobody wants to take the - well, we call them trade-offs. Nobody wants to take that up with incentives if there was a covenant on the place. I think that was grossly unfair. It was mentioned this morning. I think it was just grossly unfair, unnecessary and not wanted.

We've heard about bureaucracy. Well, really bureaucracy is holding everything back and nothing kills enthusiasm quicker than bureaucracy. It really is sad, because I can remember on my place, when incentives did start to come around - there were a few bob - I asked could we have somebody and they sent somebody out. The girl who came out said, "Yes, this is fine. Terrific. We will give you all the money you want," and then the next person came out and they said, "You've got to have big corridors through here. You've got to have this and that," and I said, "Well, hang on a minute. It's only 400 acres." I said, "You can't do that. You will have erosion, you'll have all sorts of problems." I said, "Why does that need to be" - "Because I'm a bureaucrat."

In seven years' time we got a bronze medal from the Primary Producers of New South Wales and just simply because I stuck to my own guns, funded it all and we just did as we thought it would be. You know, I could have well said, "Well, to hell with it." You know, leave all the rabbits, do all those things. Bureaucracy really is holding the whole game back and I just feel now with these catchment management boards, which is a bureaucracy in itself, and I think the areas they have got - and I disagree with one of the speakers - I just think they're too large.

I thought the regional community centre that we had - and we used to go out to the public and face them. Now, where there was a hot spot we would just go out to them on the first morning and say to them, "Now, where's the problem?" We went to one forest where the fellow had been logging timber and he was furious. We stood toe-to-toe and I thought, well, this is really going to be good, this one. Anyhow, after everybody exercised their rights and their speech and we got over everything, it was a win/win situation and that's the way it's got to be. If you've got bureaucrats there dictating, which they do, it's not going to work.

I think on these catchment management authorities now you've got to have common people there; you know, active people who want to get things done, that can

be rung up after hours or before hours or whatever you call it, so there's a touch there. We're talking about land retirement. Well, no, we're talking about leasing land. We brought it up at our level. I brought up land retirement. Now, if somebody was told to clear it, or his father was told to clear it after the Second World War - because that was the best thing you could give any return soldier, was a block of land and they were told to clear it and now some of that land is absolutely devastated. You can't blame them, because they're trying to make a living, so they're running more and more stock and it's getting more and more degraded.

If some human being had gone up to them and said, "Now, look, we've really got a problem here" -and they're most probably in their 60s or plus - "We would like to retire this land, but we'll certainly pay the incentive, what it's worth, and if you want to live here" - and his wife has most probably got a lovely little garden and she wants to stay there - "we will pay you a management fee to control vermin and weeds." Maybe it's 10 years' retirement, maybe it's for life, who knows, but just that sort of approach, so it's a human approach, and I think you would get a lot of uptake in those sort of things.

You only have to look around Gundagai, some of those hills and things. You know, nothing will ever happen with those, but if the incentives were there it would work. Our plan, which we got through, I said to them, "Now, listen, we've got to cost this. It's no good going to the government without a costing," so we actually costed it and we costed it for 2 million per year for 10 years. There was \$20 million. When it was finally gazetted and the minister came down, I made it very loud and clear in my address to him that it would not work without incentives. The whole thing would fall over and that's exactly what happened. There was no commitment by the government whatsoever, so all that time and effort is wasted.

Now, how are you going to get people to get enthusiasm and to come onto these boards, with that sort of treatment? It just annoys me. Having said that, somebody said to me, "Put your name up for the catchment management side," which I did and, hopefully, I'll be unsuccessful because I was so irate about it all. It's just so frustrating and there are hundreds of farmers out there, willing and able to have a go. All they want is the expertise - the scientific expertise - and the money.

I don't know whether you call it compensation, incentives, stewardship or whatever it is, but it's money. They want the cash. They've got the energy and the ideas. They just want a bit more scientific expertise and the money, and we found with the uptake with the fencing, for instance - which is sort of standard \$1200 a kilometre - sometimes it gets up to \$1500 a kilometre - but really the uptake is so slow, because that kick-starts it and a lot of us have done that, but really the actual cost of that fencing should be nearer 4 and a half thousand dollars, and if you want riparian areas fenced off, what am I going to do to water my stock?

There's got to be the incentives there again to put up a tank, a pump, and some piping, the actual things, and I think if human beings went around and explained to people, "Righto, if you fence off this, this is what we're going to give you," so it's nearer the cost. The other thing about the fencing - I often feel that it should be almost a contract fencing job because a lot of the areas I see where they've been given the grant - 1200 or 1500 dollars a kilometre, whatever it may be - they do it on the cheap. They put in the strainer post, no stay, and, after all, that is your corner stay - that's the fence - and then they're given the trees - all those things are done and, in some cases, they're planted for them. You go back there in 12 months' time; the fence has fallen over; the stock are in there, so to me that is public money being wasted, and that really is soul-destroying. It's a case of getting the right balance of doing all these things.

The first thing we did when I was made chairman is we said we've got to have a vision and a motto and we put, "Empowering people to ensure healthy native vegetation is integrated into a vibrant regional community," and I just thought that set it up and that's what we're trying to do all the time - trying to help people - and where there were problems, go out there and address them, and the same on the committee; you know, with 15 people and 11 different interests - there was smoko time, there was all sorts of things - but you had to go and put that fire out straightaway, so they all got in together and all contributed.

I think at the end, the slice of cake, sure - being a farmer, you wanted more and the indigenous wanted more and somebody else wanted more, but I think on balance everybody was happy and we had all the submissions - all right, there were some cross people there, and the people who hadn't cleared or done anything, obviously they were more affected, but the other side of the coin - the people who have cleared and who have got nothing there, they're going to get all the incentives to start with and the people who have had a go are not going to get as much, so whether you address that in the way of the farms that are standing up, the top 25 per cent - give them an annual maintenance to keep it that way and to improve it, then the other fellow who has done nothing, saying, "Oh, look at him" - you say to him, "Look, you get yours up to there and then you'll get the same," but you've just got to get out there and get people motivated to get it going.

At present, you just get there and you're absolutely squashed and, after going through this experience, in my humble opinion, it just is soul-destroying, and it's happening everywhere. As soon as a bureaucrat comes to the door - as John Webb was saying - they just say, "Out of here. Don't want it," but I think you've got to get a human being alongside them. It's not their fault. It's their education, as people were saying. Go alongside them and say, "Look, how can we help you to do this? We'd love to try and have a go at something," and encourage them. I think that's the only way we're going to succeed.

As I say, our public hearings - we had a bit of animosity at times, but again we got through all that because we addressed all the problems. Everybody put in a submission. We send back all the submissions. How we reviewed it, and we categorised them all and we sent it all back and said, "Now this is how we came up with the answer," and somebody talking about trees over fences - I've forgotten how many metres it was now between the fence lines - and that was in one of the submissions, so we changed it, and some of the native grasses - when you want to rip a rabbit hole, again we came to a balance and we said, "Righto, look, that's fine. If you are going to disturb some of that, that's fine," but you want a bureaucrat who understands that and I think we got that through - that if they went on site they'd say, "Look, this fellow is having a go. He's getting rid of the rabbits."

Righto, he might have destroyed that, but there is bound to be enough seed in the ground to regenerate that, so that was another win-win situation. I think the threatened species is an awkward one because, in our area, we had some but we didn't have it like the superb parrot, for instance; you know, if you want to put up an irrigation, a lateral or central pivot or something, removing trees - we didn't have that and we didn't have the problems they had up north with clearing, but we got over the line and the community was happy, everybody was, but now you've upset everybody again. I don't know how you're going to repair the damage in those sorts of things.

The property plan was another thing we came across. A lot of our ideas mirrored the Wentworth Group, although I think the Wentworth Group was watered down a lot compared with ours, but we came up with - well, we haven't got the solution, but Kim Plebs here - she's been doing a lot on farm property plans, and we said, "Why not a property plan not only for native vegetation but right across the board - because it's a business sheet then; it's a business plan for your bank or whoever it may be - and so once that's drawn up, helpfully and carefully, and not say, "You can't do that. You can do this" - it's a balance between the two parties.

You've got that. You know then you can sign off for 10 years, and I think that is a very important tool, because if you can get a plan and then sign off for 10 years, you know exactly what you can do and what you can't do and away you go, rather than thinking, "I can't do this. I can't do that. I'll have to go and knock on their door and I know they're going to say no," and you shouldn't be like that. It's open so you can knock on the door and find out things. I think those sorts of things would break down a lot of the barriers.

DR BYRON: I think what you have already told us is what can be achieved by people from diverse interest groups being reasonable and the contrast being reasonable and practical and looking at what's happening on the ground compared to somebody sitting in a state capital, hundreds of thousands of kilometres of away, trying to prescribe and make black-and-white rules about what thou shalt do and what thou shalt not do, without being able to see what's happening on the ground.

That suggests to me that a lot of the problems that arise in this area are because governments have been trying to be much too prescriptive and dictate and micro-manage on what is an extraordinarily diverse and variable landscape - that one paddock is different to the next paddock, let alone between properties or across valleys or anything else.

MR WARD: Yes.

DR BYRON: That suggests that the government has to loosen some of the strings attached and to allow a bit more flexibility of people who are actually on the ground to say, "Well, yes, that's reasonable even though it doesn't seem to apply with the state-wide guidelines, we can see why in this particular case that makes sense," or where the people from the department did say, "Look at what the landowner has already done over previous years" or "over parts of the property" and say, "I can see that you're a competent, experienced, sensible person, so even though you do want to blow up this or clear that or something else, we can see that on the whole you're a sensible, responsible land manager, so this is how you can do it with the least impact," but at the moment there doesn't seem to be any room for that sort of discretion or flexibility.

MR WARD: No, exactly, because I can remember when the minister came down for the final gazettal and he stood there - and he obviously had a speech written for him, which he didn't take any notice of. He just stood there and said, "What a lovely place this is." We'd never seen the place before. It was a reserve. There were dead sheep. It was a disaster. Broken bottles and you name it. He's saying, "Yes, aren't we lucky to be here. What a lovely place." What a load of codswallop. I couldn't believe it.

PROF MUSGRAVE: Bryan, just let me get this clear. The regional vegetation committee put in the plan, got it gazetted, and we know the history there, and then it continued - the group continued and got the \$750,000 in NHT money. Is that correct?

MR WARD: Yes, we got all that and then we wound it up the other day because NHT were after the final thing and, I've forgotten, but we handed back, I think, 70,000 or something, which we couldn't spend. We'd spent most of it. We'd go to project officers and we'd try to be involved - the three of us on the committee - as much as we could, but I just gave them full marks, during a drought situation and everything, to be able to get rid of that money and their achievements were never recognised.

PROF MUSGRAVE: Did the membership remain the same. Did all the agency people stay on as members of the committee - the outside green representatives and so on - full membership for - - -

MR WARD: No, you see, that's all disbanded now.

PROF MUSGRAVE: No. The committee that asked for the \$750,000 and got it - was that the - - -

MR WARD: Yes, well, one has gone down to Victoria. One is still in his present - no. He's semi-retired and gone to Tumut, but one of the project officers is still there with the Tumbarumba shire.

PROF MUSGRAVE: What was the 750,000 used for exactly? That's not clear to me.

MR WARD: Just to monitor what we were doing and people who wanted a grant - it was just to monitor our program to see whether it was working or not. If you gave them \$1500 for fencing or 1200, would there be an uptake - so we could show people, you know, "The money is out there and if you want to take advantage of it, what you can do with it - you can fence off this little area; preserve that, or a riparian area.

PROF MUSGRAVE: This is where I am confused because you developed a plan, which was scrapped by the state government, but you were implementing activities and you were using the 750,000 to monitor it.

MR WARD: Yes.

PROF MUSGRAVE: What were those activities? Were you trying to implement the actual plan that the minister scrapped?

MR WARD: Yes, we were - at the same time, yes.

PROF MUSGRAVE: I see.

MR WARD: Simply because otherwise I couldn't see any sense in going all through the things and I said to one of the ministers when I was up in Sydney, "Where to now?" and he said, "Never thought of that," and I said, "Well, you know, we're nearly through and when we finish what happens. We're just scrapped?" and of course then the catchment board came over and that - thank goodness we had this NHT running, so we could still sort of, at least in our own satisfaction - or my satisfaction - we could see where the problems were, and obviously the uptake wasn't huge, simply because of the funding - there wasn't enough funding.

PROF MUSGRAVE: But all of the activities that you were monitoring using the \$750,000, that was voluntary activity?

MR WARD: Yes.

PROF MUSGRAVE: You didn't have any funds?

MR WARD: No. We had two paid project officers.

PROF MUSGRAVE: You had two project officers?

MR WARD: Yes.

PROF MUSGRAVE: But did the farmers receive any money?

MR WARD: Yes, well, they got it with the fencing and the trees - - -

PROF MUSGRAVE: From the 750,000?

MR WARD: From the 750,000, yes. All that came out of that money.

PROF MUSGRAVE: Thanks very much. It seems to me that that committee worked pretty well under very adverse circumstances.

MR WARD: Yes, it was a battle.

DR BYRON: It's amazing you got consensus with that sort of composition. I mean, that in itself is quite an achievement, I think, because a lot of the other regional committees never actually got to that.

MR WARD: They just fought, didn't they, but, with all due respect, we didn't have those problems, but I was conscious - and they gave awards at the last night. They gave me, "Move on" because I just wanted to keep you know - and if we did hit a brick wall, I'd just say, "Well, righto, you're in favour of this, so you get four groups in that and three and two here. Just go away for half an hour in each corner of the room and come up - one spokesman from each group come back and say what you want," and nearly every time it was what we were discussing before instead of going around in circles, so that solved that.

PROF MUSGRAVE: Are you aware of any other regional committees that were able to do what you did?

MR WARD: No, only the Mid-Lachlan, but that started well before us.

PROF MUSGRAVE: Yes.

MR WARD: But that was the only one that got over the line, and the only notice we got was - the same day as it came out in the newspaper I got a fax saying, "All over red rover. Thanks for your work," and that's it, which is a great PR exercise.

PROF MUSGRAVE: Yes, immense.

MR WARD: Absolutely brilliant. The other thing in our public hearings I just thought of that we did do - well, sorry. Going back a step. At our final meeting when the two years were up and we've written our plan, I just said, "Does it work?" and everybody said, "What do you mean, does it work?" and I said, "Well, does it work?" I said, "Righto, get a whiteboard. You give me a scenario. Righto, I want to put a central pivot in. I want to knock out all those trees, such-and-such. Righto. Now, a trade-off. If you do that, that's fine, but you'll have to put X trees up here - I see you've got a riparian area down there. You'll have to fence it off, re-vegetate that, do this, and that's okay."

We did it and in nearly every case we got a balance, and then at the public hearings - and I was very shrewd in the way - the fellow who was going to present it because he knew the law backwards and I just said, "Would you be prepared to do it?" "Yeah." The committee was happy, but there wasn't one person who took that up at the public hearings. We said, "Now, come on. Give us a scenario. You're so wild and cross looks. Just give it to us and see whether we can work through it," and there wasn't one offer, because I thought if there was we could have a few workshops afterwards and just sort of work through it.

PROF MUSGRAVE: Finally, some of the people that we've talked to, when we discuss with them this idea of regional committees having greater say, greater authority in relation to vegetation, biodiversity management, they opposed it because they thought it wouldn't work with farmers from an area telling other farmers in the area what to do. It would seem to me that you wouldn't agree with that viewpoint, that it is possible for local people to produce a plan and implement it and work with the local community in doing it.

MR WARD: Yes, I do. I agree because in our case that's what we got through. Just by being human and talking to people and getting a balance. It doesn't always work the first time but if you just give a bit and take a bit nearly always it works out.

PROF MUSGRAVE: Well done.

MR WARD: As John said, you know, with his community he's got there, he's got a huge area there but they're all okay. It's just as he just mentioned: if somebody has a problem, well, they talk to him and say, "Well, listen, what is the problem? This is our views." I did exactly the same with the committee all the time. I did a couple of trips to Sydney because we had one hostile rep up there and he was very aggro. But

in my own time, own money, went up there a couple of times and spent an hour with him, because he wouldn't talk to you on the phone, and just said, "Now, what are the problems? At our next meeting can we get on with it? If there's a problem, tell me and we'll work through it." I think that's the only way you can do it.

PROF MUSGRAVE: Right. How many farmers in the region covered by the committee?

MR WARD: Look, I couldn't - - -

PROF MUSGRAVE: Well, roughly?

MR WARD: It would be quite a few hundred because we cover six shires.

PROF MUSGRAVE: Yes, thanks. That's fine. Thank you very much.

MR WARD: And then during our lunch breaks we used to have - the community could come in and have their feedback as well, too. They would suggest things during the hour of lunchtime. You know, they would just throw in their pennyworth. They came in very noisy and aggro or they were quite calm and cool about it, but you just work through it so they realised what you were doing and it wasn't a secret event. And the other thing that really upset me is the millions we would have spent and all the other committees, and it's finished.

DR BYRON: It will be so much harder to get people to serve on the committee the next time you ask, because they've been burnt.

MR WARD: Yes.

DR BYRON: That's the list of participants we had on the sheet but we always invite anybody else in the room who would like to come forward and state a point of view or give us some information or insight for the record, to please come forward. You know the ropes by now, but if you could just introduce yourselves and make whatever points you want to make and we can talk about it.

MR JONES: My name is Jack Jones - it's John Richard but I get called Jack. I'm representing myself. I'm also representing the Ovens Landcare Network, which is the 22 Landcare groups in the Ovens Valley and I'm also representing the Mudgegonga Landcare Group. Fortunately, I finally don't have any real conflict between the groups I'm representing and myself. There was some conflict, which is why we didn't end up sending you a written submission. Two nights ago, I think, we resolved that. It was a lack of information. I believe that is part of what I need to talk about.

Anyway, in my introduction, I am now managing land which my family took up back in the 1870s. I don't have very much of it. I had ownership for some time but didn't have control so I went elsewhere for my living. I worked in South Australia, initially with the government and then as a consultant, as a pest animal control specialist, soil conservation specialist and then I moved into the weeds area. I worked in the pastoral lands as well as the Mallee farming lands and have been involved in many different projects over the years, as well as work along the river.

The major concerns I'm bringing to this meeting are that you are looking at the impacts on productivity of the legislation which is designed to manage our native vegetation and our biodiversity. The area that I'm representing is cleared farming land, really, and it's a very modified environment. The biggest umbrage we have with the Victoria off-sets or net loss and net gain systems are that we the land-holders are being limited in the way we are managing our land and its costing us. We're also having difficulty getting land-holders to plant native trees because of perceived restrictions in the future, and that's as part of our Landcare work that we're having some of those difficulties.

The major costs are that we have cleared the land and it's been cleared for a long time, and it's a modified environment. We still have some remnant native trees and some of us, like myself, have blocks which are mostly native forest, which have been managed as forests for a forest product. They are only small blocks. Mine is only a very small one, and hence to deal with the legislation and get permits and the like - the family didn't do and I didn't do it and I'm now trying to catch up on some of those things. Our biggest difficulty is lack of good information. I had the girl, who was employed to sponsor some of our agro-forestry work, tell me that the red box I had planted and the red stringy bark, in particular - which my grandfather had burnt and regenerated and harvested, and my family have taken the last of that, and my brothers and I burnt in 1992 and got a good regeneration - the professionals told us that we'd never be able to harvest that because it's native vegetation.

I'm having some difficulty with that area because it was a sclerophyll forest and the best way to manage it is you harvest and burn it and you get a new growth. That's accepted forest practice, yet on small farmland areas it's not seen as managing and planting those trees yourself. With some better advice from the Indigo shire and

the Wangaratta shire environmental officers, I can register the trees that I've planted under the Victorian legislation and I can prune them and manage them, and harvest them. The Alpine shire is now at the stage of taking those registrations. Until recently, even the CEO didn't want to know about it - it was in the "too hard" basket.

Some of that information filtering through in various ways is limiting land-holders' acceptance of planting trees because they are frightened that in the future they won't be able to cut them down. The difficulty I see is that, yes, I can register those that I'm putting in as a forest block, or open forest or agro-forestry, or lines of trees for shade, and I will be able to prune those and cut them down if I register them; but there are still other remnant trees on our properties which need managing and dealing with falling over fences and the like. We need to be able to prune them.

To have to go through the process of getting permits to prune a tree which is only remnant - our valleys are very small and more of our land mass area of the district is under native forest anyway. To have to apply for a permit and pay money to get a permit to prune a tree, then maybe even have to plant off-sets, is an impost that we, as land-holders, feel is carrying something the community wants and there is no payment to us. Yet I can put in front of you ample research saying that the cat is one of the major animals causing huge impact on many of our native small species and many of the areas where the cat is causing big problems are the built-up areas, which are where we as humans have had a big impact on the environment, yet no government is yet really prepared to outlaw the cat.

Yet we, the farmers, are required to carry the cost and to have the impact on our profitability and the way we operate, of carrying the can for the biodiversity or maintenance of the native vegetation. So the first thing is we need better information given and we need credible information presented over a period of time so that the people can understand what is happening. Secondly, we need some way of offsetting the costs if we have to go through this permit system to prune a tree. Why? - when, you know, many of the trees are only a few left and yes, we wish to maintain that genetic, but we also have to keep running a property.

My father's generation were the only generation in our area who were able to be full-time farmers. Previous generations all had to have saw-milling businesses, work off farm. My generation is the same. Our properties are too small and we have limited time to run our properties. We certainly aren't prepared to sell them to the subdivisions or for others to take over because it's our heritage. It's also our lifestyle, but that time needed to manage them is becoming a problem. I believe that the current Landcare movement has achieved huge amounts. You heard Paul McGowan comment on the old Soil Conservation Authority. I did do some work with them in the 70s and I give them a lot of credit, but in our district there was no take-up of their recommendations.

Dookie College was a badly degraded piece of land in the 1890s and even earlier, the 1860s. The government took it over, developed systems to manage that land. That information was not broadly taken up throughout the north-east. In the last 10 years in our valley, Mudgegonga, there has been a huge amount of fencing out of gullies, rock work to control erosion and replanting with native species or species to control the erosion. Because we rely on government assistance we can only get funding for planting native species. Then we now have land-holders saying, "Hang on. I won't be able to cut them down because they're (a) in a wet area, and (b) they're in a gully." I've been advocating, "Hang on, we should be managing these trees. They're a product." So again, there's that argument.

We the land-holders are carrying the cost, which is for the total community's benefit. That land has schooled and fed many of us for many generations and it has contributed to the development of our communities, like this city here, yet we are now also carrying the can to maintain the land in what is seen as a pristine condition for those to go for a drive on a Sunday, and it's limiting our productivity.

What is my home farm was taken up by my great-grandmother's sister and her husband. When they took it up it was an open grassy woodland. They ran 20 milking cows and their horses and a few bullocks. There were some tragedies. My great-grandmother took that property over. It had had a lot of burning through the 1880s, 1890s. When it was taken over by my grandfather in the 30s they went on to it with 14 cows and in the first year they lost seven of them. It just didn't grow enough feed. In the 50s and 60s we milked 100 cows as well as run 20-odd beef, as well as a couple of horses. It has gone backwards since then. I've only been managing it for the last three years and, with improved pastures and improving their management, I carried, what, 127 breeding cows through the last drought.

So the country is productive if it's managed and it's managed with improved species rather than the native grasses. I did do some work in the Willunga hills with graziers trying to graze microlaena and it was certainly a useful sheep feed, but our native grasses do not produce the biomass that the improved species do. So we are trying to farm a system and we have businesses called farms. We also have the opportunity to produce quality water, which flows out of our district. We also have the ability to produce fibre. We need the right to manage that and handle it, even if it is native species, and we need to maintain our right to plant introduced species as a farming system.

On the education issue, the community is made up of many different people. Some don't want to be educated, or learn. Some haven't had the opportunities and haven't learnt how to and there are many who are concerned and are learning. I believe our Landcare efforts, right through the Ovens Valley, have made a big difference in the last 10 years and that is communities learning from communities

and working with communities. I believe that our state and national governments can help us learn as communities and improve the way we manage the land. Yet they have to realise that we are now still trying to fix up damage that occurred in our grandparent's time. I'm 50, so - you know.

My grandparent's generation did things and we're fixing the scars on the landscape that occurred back then. We also had things, like my grandfather was a timber-cutter and he loved timber and knew the trees. He had taken out the species he could make money with. He left others which were species they didn't use in those days. His son came along when he was away working once and ringbarked all those. Well, that took out a lot of our timber. We are now trying to get that back. Some of those species the communities where I live won't plant because they're not seen as useful timbers. I have seen work done by CSIRO that shows that we can mill those timbers and use them, but they are just a difficult tree in terms of whether they drop limbs or not.

We also have major difficulties when you have three species called by the one common name - one is useful and the other two are not, and the general run-of-the-mill person puts them all down as apple box and they're all useless. So again, there's that education story. So my message is: we are having difficulty with the net gain or no net loss attitude of our legislation.

We are having difficulties with mixed messages. We adjoin part of Indigo, which is tied up with the box ironbark forests. That's had a huge impact on the information we get, because we all deal with the Border Morning Mail as our media and the stories don't necessarily affect the same areas or adjoining areas. The attitudes of the different shires to the legislation and how it's implemented is impacting on all of us. There's that major difficulty that the land-holders are working damn hard on and off farm to live and they are having trouble keeping up. There is that continual cost, which is limiting us in terms of achieving the best outcomes for the long-term biodiversity as well as productivity of our land.

It's a very hard story to sell when you're in a small valley with thousands of acres of native bush around you and someone says, "You can't cut down that stringy-bark tree on your fence." "Hang on, look, there's thousands of acres of them." We're farmers farming. We have to learn to farm for all products and maintain the landscape, and I think we've done a lot with Landcare to do that, but we're also being impeded or hindered by the legislation.

DR BYRON: I think that's a very good example of a point that's been made many times before, that the legislation and the way it's implemented is giving the opposite signal. As you say, people are very reluctant to plant natives and they will say, you know, at least if you plant willows or poplars or pine or something you may still be allowed to cut them down in the future, particularly on watercourses. There's a very

big disincentive. What do we do about that problem, where the legislation is interpreted in such a way that it's actually counterproductive? It seems to me that in many cases what they're trying to do is to save the existing individual old trees, through preservation orders and that sort of thing, but if the message is, "If you plant a tree, you'll never be able to cut it down," you're basically guaranteeing that there's not going to be many new young trees planted.

MR JONES: That's right.

DR BYRON: Eventually, those old ones will fall over.

MR JONES: Well, they will die, yes.

DR BYRON: Yes, and so you may be saving a few at the moment, but in the longer term the legislation is going to be like a death sentence for future generations of timber.

MR JONES: And the added problem - and I saw this in the South Australian mallee, as I've seen it here - is that when my great-grandparents went there it was an open woodland with natural grasses. Their management systems changed it and it went to quite a dense - and the grasses disappeared and it was a very heavy growth of wattles as well as the stringy-barks, and they have been cleared, but where they haven't been cleared - when my grandmother talked of taking the buggy for a ride of a Sunday, you can hardly walk through now. We're all hung up on this, "We've got to preserve it," yet it's a dynamic system and we've affected it. We're still not really understanding the old surveyors' notes, and that's all we've generally got to go on as to what originally was there.

DR BYRON: That means that everybody involved - but especially governments - needs to appreciate the ecological dynamics of all of this, and the fact that the system has changed substantially, and to have a much more sensible discussion about what we all collectively think the landscape in this area should look like. Not necessarily the way it is today or last year or the way it was in 1788, because you can probably never go back there anyway, and it probably wasn't stable then either. It's been a continuous evolutionary dynamic, but it seems to me that we're so locked into a very static view of - - -

MR JONES: Preservation.

DR BYRON: Well, we want it to look exactly the way it looks today forever, but that's probably not a sensible option.

MR JONES: In our high-rainfall farmed areas, we've totally modified it. You know, you can even go down the whole Murray River. Why has the Murray River

got irrigation on it? It's because they put barrages and weirs in. They weren't put there for irrigation, they were put there to make it a transport system. We've raised the watertable, changed the whole hydrology and yet we're still fighting to maintain an irrigation system which is doomed because of the salt problems, and it's a modified environment. We've put towns there. You ask them at Mulwala to let the weir go. Well, you're destroying whole industries and the community because there's a weir there, but is that weir sustainable in the long term?

All I'm saying - in our highly productive areas, the only way we're going to maintain the stability of our soil is deep rooted perennial pastures, planted out gully systems, which weren't gully systems until we cleared it and let the water run. You know, I've got springs. One spring makes 66,000 litres a day. It did come back to about 30 during the drought, but when the family took that property up there was no real spring there. It's just that the whole sandy catchment above it has been cleared and the water goes into the soil and comes out of the spring.

When I get recommendations on what I should plant, I'm given, "That's a wet area, so that should be planted all to the natives." Well, the natives we're listed are above Buffalo River in the upper Buffalo area - 60-inch rainfall country - and they're species that grow in flowing streams. We plant them there and we get a few dry years and they all die on us.

PROF MUSGRAVE: And you have no comeback. You're told what species to - - -

MR JONES: Well, there are directions given and it's the way the funding through Landcare comes and you've got to keep the bureaucrats happy, so you fiddle it all to sort of get the money and get the land-holders doing something. I've been very successful in getting the propagation of some of our dryland natives, but the land-holders do not accept them. There's still a lot of reluctance on land-holders to plant any wattles or many of the shrubs, because they see them as weed species.

DR BYRON: Warren, did you want to ask anything else?

PROF MUSGRAVE: I think your presentation has been very interesting and very valuable. Your overview of the history of that piece of land was very interesting, but also the way in which you highlighted the dynamics of the situation and the fact that you can go one way and go back the other way, as long as you don't cross irreversible thresholds. Could I ask you about your landcare group, which seems to be very active and very successful. Have you, as a landcare group, worked on developing some sort of overall plan for the landscape of your valley?

MR JONES: Not for the landscape. We did develop a local action plan, and unfortunately the funding for the person coordinating that for several landcare groups

ran out and a lot of what's in that plan is not what we wanted. Many of us are still trying to pay our way and we didn't have a lot of time. It was done quickly and some of our species lists and those things were never in the final draft, because the girl typing it up was under pressure, so she just took off the Internet state lists that were from roughly that area and put them on. We've asked for a review, but we haven't got the money and nor have many of us the time.

Many of the leaders who got that group going before I moved back here to live are running out of - you know, they've been going hard at it and the landcare movement is requiring more and more paperwork and it's starting to become an onerous task. Last night we worked out that our last NHT project - if we paid a consultant, it would have cost about three and a half thousand dollars. Two of us did it in two nights, and I mean we had tea, sat there until 7.00 next morning, went to work and then two nights later did the same thing.

PROF MUSGRAVE: But the point being that you didn't get it up because you ran out of funds, not because you didn't have a harmonious relationship with other people in your community which enabled you to produce - - -

MR JONES: Yes.

PROF MUSGRAVE: You were able to work together and get this comprehensive document.

MR JONES: That's right. The next project is not in our valley, it's in the adjoining valley, which is also part of our group area.

PROF MUSGRAVE: Okay.

MR JONES: The land-holders - when I turned up on their doorstep and said, "We need you to sign this, we've put this up," they looked at it - because I'd already warned them - "Yes, no worries." They signed all the parts. They've committed their funding to it.

PROF MUSGRAVE: Yes, okay. Thank you very much.

DR BYRON: Could you just elaborate a little bit more on this process for registering a private forest? I haven't heard about that in Victoria. I know that in Tasmania they have the private forest reserves, which sort of guarantees a right to harvest, but I didn't realise that there was a registration system in Victoria.

MR JONES: On natural bush, there is a system - and I'm not familiar with it. I know two people who have done it. They own stringy-bark land and they have registered. There's been an agreed sustainable yield allowed per year, and they are

actually milling out trees. They're only working with a couple of hundred acres, so they're only taking a small number of logs per year. How that system works, I can't give detail, because I haven't been through it. If you plant your own forest, as in forested wood lot, whether it's an open low-density one or a full density one, you have the ability to go through the shire and register it. At this stage it's still free, which is unusual, but you can actually register that and you can write - you know, you draw a plan, write the list of the species, when they were planted and they will even generally accept dates if you planted them 10 years ago. That, once it is registered, gives you the right then to do your pruning and harvesting.

PROF MUSGRAVE: Does the shire have to inform the Department of Natural Resources?

MR JONES: I don't know. If it's only a small block, I understand they don't have to.

PROF MUSGRAVE: It has to be less than 10 hectares, doesn't it?

MR JONES: I think it's less than 40.

PROF MUSGRAVE: Okay.

MR JONES: Above that, there's a whole lot of code of practice and fire management risks. If you only have a small block, you're able to register it and that's your use of that land. I haven't been through it. I've just got the paperwork that the Alpine Shire sent me recently, and it was because we've had the girl from Indigo and the environment officer from Wang on our network and they've been explaining what they've been doing, so I went and met with the local shire people.

DR BYRON: But that issue has come up in all the states, I think. People who are managing private native forests as a commercial business basically see the native veg legislation completely pulling the rug out from under them, even if they've been doing it sustainably for the last 50 or 80 years.

MR JONES: There were plenty of bridges in our district that my grandfather built off the other half of that block and they were harvested and just burnt and grew back again. He attempted to grow tobacco there in the 1910 to 1920 period. It didn't succeed and it was poor soil, so it was just let go back to forest. It didn't have a lot of management, but it was burnt and then just let go.

DR BYRON: As we've been saying, the bush is remarkably resilient sometimes.

MR JONES: I've got two houses. If I don't have a fire going in my stove, I don't have hot water to have a shower and I don't get my meal cooked. There's a need for

us to be able to continue to harvest from those areas. We do have that right under the legislation, but again it's that reasonable harvesting for our own use. If we start milling a whole lot of trees for fence posts and timber for buildings, some of the shires are quite critical and start coming down on us.

DR BYRON: Thank you very much for coming.

MR JONES: Thank you for your time. I'm sorry I didn't get to write it, but when you're representing others you have to get consensus.

DR BYRON: It's all on the record now. Thank you. Anybody else interested? That being the case, I think we can declare this public hearing adjourned and we'll resume on Friday morning in Hobart.

AT 2.18 PM THE INQUIRY WAS ADJOURNED UNTIL
FRIDAY, 13 FEBRUARY 2004

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