



**TRANSCRIPT
OF PROCEEDINGS**

SPARK AND CANNON

Telephone:

Adelaide	(08) 8212 3699
Hobart	(03) 6224 2499
Melbourne	(03) 9670 6989
Perth	(08) 9325 4577
Sydney	(02) 9211 4077

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 DUBBO ON THURSDAY, 5 FEBRUARY 2004, AT 9.30 AM

Continued from 4/2/04 in Sydney

DR BYRON: Thank you, ladies and gentlemen, if you wouldn't mind taking a seat, we can get started. Good morning to all, and thank you very much for coming. This is the public hearings into the Productivity Commission's draft report on the impacts of native vegetation and biodiversity regulations. My name is Neil Byron and I've been appointed as the presiding commissioner for this inquiry. My fellow commissioners are Brian Fisher on my right and Warren Musgrave on my left.

The purpose of these public hearings is to get public feedback and scrutiny of our draft report, the commission's work we have done so far, so that we can improve it before we make our final recommendations to the government at the beginning of April. This week we've been in Mackay and Toowoomba in Queensland, Sydney yesterday, and we've travelled around the country for most of this month, trying to get information back from people like yourselves.

If there are any errors of fact in the draft report, if there are things that we should have known about that we've missed out or overlooked, if we've misinterpreted things that we've been told or if anybody has some positive constructive suggestions on how we can improve the recommendations, that's really what we're looking for. Everybody who participates in these hearings will receive copies of the report eventually, when the government releases it.

We always try to make these public hearings reasonably informal but because we're taking a transcript as part of the evidence, and that will eventually appear on our web site and in public libraries and that sort of thing, we can really only take input through the microphones, so anybody who has something say will get a chance to say it during the day sometime but really we can only have one person speaking at once so that the record will show who was speaking.

The people who are giving evidence to these public inquiries don't have to take an oath and swear to tell the whole truth and nothing but the truth and that sort of thing, but the Productivity Commission Act does ask people giving evidence to be truthful. You can refer to evidence that other people have given during the day or written submissions or whether you want to agree with it or disagree with it, that's fine.

Regarding the transcripts, people who have given evidence will get to see the written version of it within usually a few days or a week, to make sure that there's been no errors in copying it into print, so you'll get a chance to check that before it becomes public and part of the official record of the inquiry. I think that's enough of the housekeeping arrangements, except to thank you all again for coming.

Our first speakers this morning are from New South Wales Forest Products Association. If you'd like to come up to the table over here, settle in and make

yourselves comfortable, and then if you can each introduce yourselves so that the transcript will have the correct names. Thanks very much for the written submission. We've all read that, so if you'd like to sort of summarise the main points, then we can have a discussion and questions and answers about that.

MR UNDERWOOD: Tom Underwood, sawmiller from Gwabegar.

MS ANDREWS: Heather Andrews. I represent Community Link through the Premier's Department.

MR MATTHEWS: Roy Matthews from the Gallagher Hardwood Sawmill, Baradine.

MR UNDERWOOD: Well, you've already read this. How in-depth do you want us to put - basically what we're here for, we're trying to show that there's a been a very big added cost to our industry because of the Threatened Species Act, and that's being borne at this stage of the game by the state forests, and we feel that that should be shared a bit more by the community. There is already a push for the industry to take up that extra costs, which I believe is somewhere in the vicinity of half a million dollars in our area alone, so it's going to be quite a big added cost to our industry. We also feel that the silvicultural work which should be done in the forest - the money that should be allocated to that is now being put into these surveys to make sure that all these things are covered, and we just feel that that should be coming from some other source, government source or some means of covering that, so that the silvicultural work can still be carried on.

MS ANDREWS: I'm going to talk first of all about the Threatened Species Act and the flow-on effect that may have on to private property. Under the Brigalow bioregion assessment, as you can see by our submission, we were given a temporary section 120 of the threatened species licence and, as I'm a contractor in the Pilliga, my company, which is Andrews Haulage, this licence was put upon us early into the assessment. Forestry has to undertake costly technical and difficult surveys to provide this section 120. Along with that, we found that the section 120 would virtually have crippled our business. It was only supposed to be temporary while the assessment was on. We still haven't got a decision on the assessment as yet. After two years we're still waiting. It's now 14 months since the end of the assessment. This temporary licence is still in halt, still putting - and Roy will add more to what this temporary licence has done to his business.

These temporary licences are causing a lot of angst with state forest because it takes extra staff to do the surveys. Now, these survey components is looking at what kind of wildlife is in your compartment, what kind of flora and fauna and what restrictions - I don't want to say "the green element" and I don't really want to go to

that point, but they give you specifications and you've got to live by those specifications that they feel apply to your business, and when you pass on to Roy you'll find out about ironbark and how the threatened species licence has actually impacted on his business and my business.

Through this, it's the communities with these licences and these rules that are going to flow on eventually to private property. We're only the trial people now for these section 21s or the licences. We're the trial people. They're not working because we've got people doing these things that are not industry - they're from the city. We found in our work, when section 120 was put on our business, we had to get National Parks and Wildlife to come up and survey the compartment we were on. Now, we're third generation logging contractors. This was the first time in 35 years that we had even seen a National Parks and Wildlife officer, and the only reason then is because the assessment was going on and I was involved in the assessment, and they became aware of the problem.

Now, if people are running these licences or these acts, they're running them from a long way away, without any knowledge of what's going on in the region. There's no people within industry on them. That's just not good enough. Everywhere we look we've got people controlling us with these acts that have got no idea of what the terrain or the infrastructure of communities are. They haven't even been near us for 35 years, and the only reason they turned up is I ended up on Alan Jones saying the same thing.

We never see these people that are controlling these acts because they all live on Cappuccino Hill down in Sydney. They don't come out here. And this is what's going to happen to the farmers. This native vegy bill is going to come out and it's going to be a whole that suits all. Well, I can tell you from my experience it doesn't suit all, and unless we get people on the ground with the knowledge, and that includes the contractors, the millers and the forestry and National Parks and Wildlife, it's just going to be a waste, because we've proven from my point of view that they don't really know what these acts mean. They can't interpret them. When they get to you, they can't tell you what they mean.

Well, if the people that wrote them can't tell you what they mean, how is the everyday worker or farmer going to interpret these acts? It's just gone crazy, and what's happening in state forests, we're the ones now working by these acts, but they're going to flow on to private property. The everyday man is going to be expected to run on these acts. Now, when the person that wrote the act can't interpret it to you, we're a long way off our base, and as far as small communities go, well, the more pressure put on by these acts is that these communities get smaller and smaller. Businesses can't cope with the expense, the extra expense of these.

As we say, we've just got knowledge this morning that businesses in the Pilliga Forest will have to pay for these surveys. We will have to pay for these surveys. State Forestry will no longer pay for the surveys. That's extra costs. How can a farmer who wants to sell say 100 acres of logs on his property - he's got to pay for that survey. Their money is not going to be there.

MR MATTHEWS: Thank you, Heather. Yes, I also have a problem with the temporary section 120 licence that was introduced approximately 15 months ago, and the goals were set far too high and it put us out of the forest. We've been logging on private property for 15 months. Because of the rules and regulations in the 120 licence, they request that we leave six trees - the best trees that we would normally take - which is between 40 and 50 centimetres breast height over large - and if that hadn't stopped us, it would have been made eight or 10. We didn't have this earlier on. We've been logging there for 25 years. We have a strong export market. We're exporting to 26 countries and, as Heather said, I have a feeling this could flow on to private property land and we'll be shut down completely. I think that's it in a nutshell.

MR UNDERWOOD: I'd like to just add there, Roy, that their logging is one of the least intrusive logging of any species in the world. They take less trees and disturb the forest less than any other logging, and they do no damage at all to the forest.

MS ANDREWS: And also these communities - I know the bioregion assessment really isn't a wide product of this, but this just shows you that these communities in the bioregion worked really hard on this assessment. We did everything that the government asked. We came up with a perfect option, but we're still sitting. These communities are sitting. We cannot invest. Communities are just so fearful of what's going to happen to them because without the timber industry there'll be no communities of Gwabegar, Baradine or Gulargambone. These are the kind of things that happen.

I know it's a state government issue, but I can talk about other federal - like the firewood code of practice. They've been working on that for three years, the federal government, handing money over to it hand and fist, and it's still nowhere near being completed. You know, this kind of money - the Brigalow bioregion assessment cost the state taxpayers \$20 million and it's still rolling on and we've still not got any completion. It's the same with anything federal. They cannot keep handing money over if it's not going to be working. Some of these things aren't working and they're affecting small communities.

It's got to stop somewhere, because it's the small communities with the Native Vegetation Act, with the Threatened Species Act - it eventually stops at these communities because without forestry communities and without farming people

these communities are nothing. They don't survive unless we've got the farmers or the timber industry. We've got nothing else. In our town that's it, and to put restrictions on farmers like it's going to be envisaged in the future, they'll be just leaving in droves and towns, small towns, will be closing in droves. That's something that this commission has got to consider. All through this, small communities haven't been considered. They've been wiped off the map at a rapid rate. 14 months down the line and we haven't got a decision.

MR UNDERWOOD: I think that it was pointed out that we've got a little town of about 100 people and we employ 20 of them, so if we do lose our forest industries, these towns will just die and disappear.

DR BYRON: You've been very articulate about telling us what the problem is. What do you think is the solution? What sort of thing would enable a go-forward from where we are today?

MR MATTHEWS: I believe the thing to really make things go forward would be to hand the forest to the Forestry Commission and let them get on with their job.

DR BYRON: One of the comments that I was going to make about the written submission is it seems that the government has got itself a bit - well, I won't say - - -

MS ANDREWS: Turn the cameras off and you can say what you want.

DR BYRON: Yes. On the one hand, you know, State Forests is supposed to be responsible for managing the forests.

MS ANDREWS: But they're not.

DR BYRON: Then on top of that you put National Parks that are responsible for managing all flora and fauna, so you've got two different agencies.

MS ANDREWS: Running one resource.

DR BYRON: Under two different sets of rules. The question is which set of rules takes precedence? That's basically a formula for getting yourself bogged down, I think.

MS ANDREWS: Yes, that's what's happening. I cannot see - the waste of money - Why do two government departments have to run one resource? If Forestry hasn't got the knowledge or the integrity or the know-how to run its own backyard, well, they should start a new agency and combine National Parks and Wildlife and State Forests. It is an absolute waste of money. When I say to you that we haven't seen a

National Parks and Wildlife officer for 35 years, does that tell you something? But if we did something wrong, it would be their act that would come down on us jolly quickly; but you don't see them. It's just an absolute waste of resource and our money, our taxpayers' money, because in the end that's who's paying for it. I know Forestry don't actually get funding, they have to run on their own financial resources, if I'm correct. Is that correct?

MR UNDERWOOD: That's correct.

MS ANDREWS: National Parks and Wildlife are funded but State Forestry has to run on its own resources, own financial thing; but otherwise we're adding to the coffers of National Parks and Wildlife. Why do we need two government agencies to run one resource? Why isn't there some interaction between the two? Why don't they have swap-overs? I don't know what the answer is, but somebody is wasting a hell of a lot of money over one resource.

DR BYRON: Yes, and, as you say, it's been locked down for a long time.

MS ANDREWS: And it is bogged down in red tape, because through this assessment - and I'm only an ordinary mother than runs an ordinary business and I've been thrown into this assessment, had to learn a lot, quick - there's angst between the two agencies and we're stuck in the middle. They don't like each other, to put it plainly, and I found that out pretty quick; but in the meantime, communities like mine are stuck in the middle. For two years we've been stuck in the middle. How do ordinary people like Roy and Tom and me get out of this?

MR UNDERWOOD: My answer to your question is I think there should be more industry and local input to any decisions that are going to affect anybody's region and work and everything else. I think that these acts are put together with absolutely no input from the people it's going to hurt. I think that that should be a priority, to get people to take part in formulating these things.

DR BYRON: That's one of the things that we talked about in our draft report, the argument that the people who live in the area have got the detailed local knowledge and they've also got the incentive to get it right because they have to live there.

MR UNDERWOOD: That's right.

DR BYRON: But if you look at the regional native veg management committees, not just in this state but in all the states, in many cases they have a lot of members of the committee who don't live in the region. Have you had a look at the new legislation in this state that's going to set up these catchment management authorities? Does that give you any confidence or hope that the decisions are going

to be much more regionally based and better informed with better local knowledge?

MR UNDERWOOD: The problem we have with that, I think, is that - - -

MS ANDREWS: We want to know who's going to be in them.

MR UNDERWOOD: - - - we don't know who is going to elect the people that are on the catchment committees. We're a bit afraid that these things can be stacked pretty easily and we've got a very strong lobby group against us in all the green movements. We can mention the green movements, can't we? That's a worry as far as we're concerned, and we hope to get as many people as we can on there to make sure that the local is heard.

MS ANDREWS: The CMAs, unless we get true and honest regional people that know about the area and are very knowledgeable about the area, we're going to be bogged down again. If the CMAs don't do what the act says, they aren't going to work. They've got to be truly - and honest in who they select for these CMAs. That will be the catchcry. When we can see the list of who's on these CMAs, then I'll be able to give you an answer. But I can tell you something. In our Bruce option, which was 27 stakeholders in the Brigalow, we came up with the Bruce option with a management committee similar to the CMAs. This was before CMAs were even - we're going back 14 months, our option.

In our option was a committee of local people for the forestry that would include the greens, industry, forestry, National Parks and Wildlife. You've got to get that core element that know what they're talking about. You know, in our industry they probably think I'm going to say the bloody old log carter - but that is the man that has got the knowledge up here. He has got the knowledge in his hands. He knows. He mightn't be very good at writing a letter or articulating it himself, but that knowledge can't be bought. They're the kind of people that they need on the CMAs, these farmers with years and years of knowledge that have run their farms in the best ways. If we get those kinds of people on these CMAs, we'll be happy. But I can tell you something: I don't think so.

MR MATTHEWS: Yes, I'd like to back what Heather says there. I started in the timber industry in 1962 and of course Tom has been in the game for a lot longer than I have. Tom Underwood would know more about the endangered species and more about the forest than all the other people that have all the say and what to do and that make all the regulations; and it's a pity that we don't have the likes of Tom Underwood on one of these committees to make the regulations.

PROF MUSGRAVE: Have you put any thought into the mechanism by which membership of these committees might be determined? They're ministerial

appointees. This is the intention, isn't it?

MS ANDREWS: The native vege ones, I think there's a lot of thought - and some of the other presentation people that are in these rooms, I wouldn't like to overstep their boundaries on how the CMAs were set up. Like I said, I have some knowledge but there's more expertise, people in this room that would probably be able to talk about the workings of the CMAs better than me at this stage, and I hope they will.

PROF MUSGRAVE: But my question was really, have you thought about how the representation might be determined, if it is to be - - -

MS ANDREWS: For the CMAs?

PROF MUSGRAVE: For the CMAs, yes.

MR UNDERWOOD: We realise it's going to be government appointments, all the people who are on there. We can throw as many things as we like at the thing, which we have; but there's still no surety that things won't go against us as far as the composition of the committee.

DR BYRON: Yes.

MS ANDREWS: Well, see, I've heard two stories. I heard it first that the bureaucrats would be picking the chairman and then the chairman would pick the seven board members. Then I heard no, that the bureaucrats were going to pick the seven board members. I also heard out of all the people that have put in applications, 80 per cent were green, 20 per cent were not. If that figure is right, we've had it. We've got to have some guarantee that these CMAs will be a broadscale overall of the region's people, otherwise you're going to have the same as what happened with the native veg committees. They were all stacked with greens.

PROF MUSGRAVE: Skills based people?

MS ANDREWS: We want skills, we want people within industry. We don't want just farmers on these CMAs because these regions aren't just made up of farmers, especially our region. You've got one of the biggest forest areas in New South Wales. The Narrabri - can I just ask somebody, how far does the Narrabri one run? The Namoi one is ours.

DR BYRON: I think we can pass over that point. That's fine.

MS ANDREWS: It runs a quite diverse area, so good luck to them if they're going to get a wide - because we need a wide diversity of people on these CMAs. We just

don't want just farmers. We don't want just civic people. We have to have, we want people involved in communities. There's a lot of small communities, there's a lot of large communities, and how they're going to get the group of people - I've been to meetings and they say they're going to find them. Well, the right people? Good luck.

PROF MUSGRAVE: I gather from what you said that you're not in favour of people from outside the region being a member of the CMA?

MR UNDERWOOD: No.

MS ANDREWS: The CMAs, that's what they state, that you have to be a member within the region to be on that committee. If you're in the Castlereagh area, you have to reside in that area to be on that committee. It's not like the vegetation ones where they just put you - we knew some greens from Sydney were on the Walgett board. What knowledge would they have? None. Is this going to happen a second time?

You know, when you have people that have guaranteed incomes - I'm being really quite - I don't want to be rude here; but have guaranteed incomes, can travel and do whatever they want and they haven't got businesses to tie them down, they've got one ideology which is a certain colour, they've got plenty of time to go and join these boards and do things, but what about people that run businesses - it's really hard. And you get these boards stacked with a certain kind of colour, and that's what's happening. That's what happened with your veg committees and that's what'll happen with these CMA committees. We are just not getting a fair shake-out in the community. Jobs for the boys, it's called, and we're not one of them.

PROF MUSGRAVE: Some people say that we're not doing a very good job of the creation of regional committees for natural resource management, like the CMAs. There are people who feel that we have to learn a lot more about how to constitute them, how to draw up their terms of reference, how to determine their membership, how to get that membership onto the committee. Do you have direct elections? Should they be ministerial appointees? A possibility that occurs to me is that before the membership is decided by the minister, the wider community in the region is consulted as to the characteristics that are desirable in the membership. What sort of skills should be on that committee, in the opinion of the community in the region - in an abstract way; not just in terms of people, but in terms of skills? Then the minister has to decide to accept that advice or not, hopefully in a transparent way, and then could proceed to - if he does accept the recommendation of the wider community - make appointments in accordance with the determination of such skills. Does that sort of thinking appeal to you?

MS ANDREWS: It has, because like I said, Tom and I were stakeholders on the

South Brigalow bioregion for all that time. We learnt a lot. There were a lot of stakeholders from apiarists to mining, CWA. It was a bright - I think the Brigalow assessment was done right but, like you said, not with the right bureaucrats sitting there, not really knowing. It was more a facilitated assessment. Facilitators can be swayed right or left, can't they? If they're for one colour or the other, they can try and manoeuvre you around into what that facilitation is supposed to be.

That's what happened with the Brigalow bioregion. They had that set up. They were on the right track. We did everything that was asked of us as community members and these were community members just taken from industry. You had a broadscale of knowledge. If we'd advertised for the group that was in the South Brigalow bioregion, we wouldn't have got a better group. They just came together and to come up with an option like they did was just unbelievable.

PROF MUSGRAVE: This is the - - -

MS ANDREWS: The South Brigalow bioregion assessment.

MR UNDERWOOD: We formed a stakeholders group.

MS ANDREWS: We were stakeholders.

PROF MUSGRAVE: You refer to - what is it, the Bruce option?

MS ANDREWS: Yes, that was - - -

PROF MUSGRAVE: Is that what you're talking about?

MS ANDREWS: Yes.

PROF MUSGRAVE: Could you just expand on that.

MS ANDREWS: I haven't got the bookwork here, but it was an option put together out of 26 of the 27 stakeholders and they put this option forward to government after a year of negotiation.

PROF MUSGRAVE: This was independent of the draft regional vegetation and land - - -

MS ANDREWS: Yes, this was even before the draft came to fruition. The Bruce option has been with government for 15 months. This is well before CMAs and it was the same proposal, more or less, as the CMAs.

MR UNDERWOOD: I think that basically the state government put us all together, with members of - like, I represented the industry, Heather represented the small communities. We had all these other different people on there - and the green groups - and the government really expected us to come up with one option. Now, 27 of us on there decided that we all formulated the one option that we thought would work for the whole bioregion, and of course the greens then decided that that was the wrong option. So they went against us so nothing ever happened about the Bruce option, but we still - I think that basically the thing is that people think we're not conservation minded. I mean, nobody that lives off the land or anything that grows on the land wants to destroy it because, after all, we're all dependent on it for everything we do.

So we formulated this option that we thought would be absolutely the best for the whole area, and particularly the forest, where we'd form a local committee with the State Forests and our committee - local committee with our local knowledge - should get better management into the forest. People that had other interests decided that they'd do the same thing and we considered it to be a very good option but - I think any government that decides that if they're going to have something to do with the environment and expect us and the greens to come to the one conclusion has got its head in the sand.

PROF MUSGRAVE: Yes. The way in which decisions are made on the committees seems to be a problem. I understand that with the regional vegetation committees at least the requirement was that the decisions be ones of unanimity; there be consensus.

MR UNDERWOOD: Yes.

PROF MUSGRAVE: Which means in effect that any one person has a veto.

MS ANDREWS: This word "consensus" - I thought that consensus was the majority but, like Tom was saying, we were told all through the 18 months that we had to come to a consensus and we had to work really hard to get this option to the table. We got it to the table but we found that State Forests had an option, Western Conservation had an option, National Parks and Wildlife had an option, state government had an option. We went through 18 months of sheer hell and even after the last day, 10 October, they were standing in options, after we'd had - we'd had greens from outside coming in and putting in options, after we'd worked for two years at the table.

MR UNDERWOOD: Somebody would put one in and then the other ones would put another one in, so it was just a great galloping - - -

MS ANDREWS: A waste of \$20 million, an absolute waste - of your money, mind you. And it's still climbing.

MR MATTHEWS: If I might add in the Bruce option, there was 180,000 hectares set aside for national parks, which was pretty generous, I thought.

MS ANDREWS: It was only 3 per cent less than the green option.

PROF MUSGRAVE: Yes. Could we talk a little bit about your situation, your industry. I don't understand it fully. I have just a few questions and then, in your answers, you can describe the nature of your business to me. When you're talking about the short-term licences, the section 120 licences, does that relate to logging on public land only or all land - public-owned - - -

MR UNDERWOOD: Yes.

PROF MUSGRAVE: I gathered that from your submissions.

MR UNDERWOOD: You need a special licence taken out by State Forest.

MS ANDREWS: And National Parks and Wildlife are the custodians of that licence.

PROF MUSGRAVE: Yes, and they are licences issued to people who do the logging.

MR UNDERWOOD: Yes.

MS ANDREWS: But as you'll notice in our submission, it's only under temporary licence. This was a licence set up temporarily while the assessment was on.

PROF MUSGRAVE: I see, yes.

DR BYRON: And it's still temporary.

MS ANDREWS: It's still temporary.

MR UNDERWOOD: And, of course, we're getting more temporary every day. We have 18 people working in our sawmills and - - -

PROF MUSGRAVE: Yes, there's a degree of uncertainty facing you.

MR MATTHEWS: Exactly. It would have devastating effects on our little town;

hospital, schools, shops - right through.

MS ANDREWS: This how we're trying to say that it starts at the big end with us, because we're working under these licences now, and it is going to go down through the communities. In the end the farmers will be stuck under these licences and - at least we had some working knowledge from hand down and hand down to work under the - what knowledge are these farmers going to have under these acts? What kind of money are they going to have to have these threatened species surveys? We're trying to say to you that this is going to go down the line.

DR BYRON: A lot of people have already said to us that the legislation is just so complicated that - - -

MS ANDREWS: The people that wrote it can't even do it.

DR BYRON: When the land-holder gets out of bed in the morning there are hundreds of pieces of legislation that he's supposed to know before he decides what he can do during the day. As you say, it simply becomes unworkable.

MS ANDREWS: The same with the OH and S situation. I'll just throw this in. We work in the highest graders of safety. Our insurance company says to us, "Every time you have some kind of incident, you've got to report it." I said, "You better put in an instant line to me because I'll be ringing you every five minutes." That's the kind of thing you've got to deal with all the time. There's no rationale between what happens in the city and what happens here, because there's a saying in the bush industry, "The coast sneezes and we get the cold."

PROF MUSGRAVE: Yes. Your logging is selective logging, I gather.

MR UNDERWOOD: Yes.

PROF MUSGRAVE: But you're logging an open savanna.

MS ANDREWS: No.

PROF MUSGRAVE: Scattered trees.

MS ANDREWS: No.

MR UNDERWOOD: No, it's very, very heavily timbered.

PROF MUSGRAVE: It is very heavily timbered?

MS ANDREWS: It's called the Pilliga scrub.

PROF MUSGRAVE: You're talking about the Pilliga?

MR UNDERWOOD: Yes. We're all based in the Pilliga.

MS ANDREWS: Except Roy's on private property at the moment.

PROF MUSGRAVE: You're logging private land at the moment.

MR MATTHEWS: Private property, because of the section 120.

MS ANDREWS: Assessment.

PROF MUSGRAVE: The licences and the uncertainty that you're talking about relate to logging of public land.

MR MATTHEWS: Yes.

PROF MUSGRAVE: Do you face similar difficulties in relation to logging private land?

MS ANDREWS: Yes, we do.

MR MATTHEWS: Yes, I feel the section 120 could flow on to private property.

PROF MUSGRAVE: But it doesn't at the moment.

MR MATTHEWS: Not at the moment.

PROF MUSGRAVE: That's really what I wanted to clarify. Technically you're engaging in selective logging and the forest is essentially unimpaired by that selected logging.

MR MATTHEWS: That's correct, yes.

PROF MUSGRAVE: Right, but the short-term licences and the associated uncertainty relates to public land. You do have access to private land for your industry, but you're concerned that the licensing system will extend to it as well.

MS ANDREWS: Well, it will now, with your native vege licence. As soon as this Native Vege Act is up and running - - -

PROF MUSGRAVE: There may - yes.

MS ANDREWS: The on-farm forestry will be null and void; it will be gone. It will be finished, non-existent. There will be no on-farm forestry, according to the act.

PROF MUSGRAVE: Except for regrowth, I assume, which doesn't give you timber, the sort of timber you want.

MR MATTHEWS: No, and if you can get it passed, it will probably be too costly.

PROF MUSGRAVE: I see, okay. Thanks for that. That greatly helps my understanding of the situation.

MS ANDREWS: That's how I interpret the act. If somebody thinks that I'm wrong, can they say? I just interpret the act that when the native vege bill comes in, there will be no on-farm forestry. You don't think so? That was my interpretation only.

DR BYRON: Okay.

MS ANDREWS: There will be no commercial collecting of firewood, which is my industry, on private property once the act comes in. I've already had 50 farmers ring me and say, "What am I going to do, Heather, through the drought? That's the only way that I've made a living - is through commercial firewood off my property. What do I do when this bill comes in?" I said, "I've got no answers for you." We've got 203 private property firewood collectors within the Balranald region that are on private property at the moment, firewood collectors. This bill will just absolutely finish their businesses in five seconds - this act.

PROF MUSGRAVE: I just have a last question before I give Brian a go. What is a cluster initiative? I don't understand that term.

MR UNDERWOOD: Actually it's just everybody clustering together to create other industries between ourselves. We're already what we would call clustering. We're selling through other people, through other mills. I mean, all our export - all my export anyway - goes through the big mill in Baradine, because we feel that by getting together we can create - - -

PROF MUSGRAVE: Getting benefits from collaboration.

MR UNDERWOOD: Yes, big benefits from selling - - -

PROF MUSGRAVE: Okay, I understand that.

MS ANDREWS: Tom's product is some - - -

MR UNDERWOOD: We export to Japan and America - - -

PROF MUSGRAVE: Yes. I understand the significance of the export industry, too.

MR UNDERWOOD: Basically what we're trying to say here, with our cost to the State Forests, is that any cypress forest, without a certain amount of thinning of some description, ties itself up into being just a wasteland.

PROF MUSGRAVE: We've seen instances of this.

MR UNDERWOOD: That's the point that we're trying to say.

PROF MUSGRAVE: Yes, we understand that very well.

MR UNDERWOOD: The money that should be spent for the health of the forest is being spent on - - -

PROF MUSGRAVE: Yes, we understand that.

DR FISHER: You made a point earlier about silviculture and the lack of activity with silviculture. So your issue about thinning is the silviculture issue - - -

MR UNDERWOOD: That's exactly what I mean.

MS ANDREWS: The thinning is called silviculture. That isn't happening while the assessment was on because State Forests had to go in to do surveys for the section 120, and that took the silviculture teams into those surveys and silviculture has been non-existent for the last 18 months..

MR UNDERWOOD: State Forests has something like 30 people tied up in doing nothing but the surveys. In our opinion, a lot of those people should be paid by somebody else and let Forestry then put those 30 people into the silvicultural work that needs to be done and needs to be done badly, which they just haven't got the funds for.

DR FISHER: Why is it under the section 120 licences that the ironbark activity, I presume, is precluded from Pilliga but the cypress activity is continuing?

MR UNDERWOOD: They change the rules and regulations and they shift the

goalposts far too far. We have to leave six trees per hectare of the best size that we would normally be allowed to take. We're not allowed to take anything bigger than 50 centimetres breast height over bark, nothing below 30 centimetres breast height over bark. We've got to leave six between 40 and 50 centimetres per hectare. There are probably only seven trees per hectare in a lot of areas. Why leave any, when there are probably 500 trees from 30 down; there could be 1000 trees - from 30 down to seedlings. It would be like the grazier selling 10 per cent of his lambs a month old, and then putting the rest out in the paddock to grow old and die.

DR FISHER: But there has been no similar restriction with respect to cypress.

MR UNDERWOOD: Well, we have had restrictions, because we are also into that - leave the biggest trees. We have to leave six of the biggest trees per hectare, which has some impact but not as much as with Roy's, because the forest is predominantly cypress. So we still have stands that we can log under those restrictions, and do it quite comfortably.

DR FISHER: So effectively, then, in some sense this has been discriminatory against a certain component of the industry, rather than across the board, so there are some equity issues here with respect to the way in which the licences are impacting.

MS ANDREWS: The survey works are still impacting on the cypress industry. What is happening with the Brigalow is they've put moratoriums on compartments. You know what that means: they've locked them up away from the industry, which is supposed to be another temporary thing that has gone on for 15 months and made it even harder for the cypress industry because the Forestry can't give us that wide, broad rotation that the cypress is used to having. It's making the resource smaller. Instead of having a wide range, like a cattle graze, and do the right thing, we're now down into a little box where it's not being very good towards the environment at all. This is the greens' own choice.

MR MATTHEWS: Over 50 per cent of the Pilliga is under moratorium, and most of the moratorium area is the areas that haven't been logged, and the areas that have been logged are getting put under moratorium.

DR FISHER: When you look at the areas that haven't been logged and compare them with the areas that have been, are there significant changes in the ecology in those two parts of the forest?

MR UNDERWOOD: In cypress there certainly is. They work in rotations, and the rotation goes down until probably what they call the overstorey removal, which then lets the younger ones come up and grow, and the trees that are left behind sort of range - always some big ones, those six per hectare, but a lot of smaller ones, which

then take off and grow. But we work normally in about 20-year rotations. The logs that we're in now, most of those blocks have been logged in the last 20 years, so we're going back into blocks where we shouldn't be probably and where we wouldn't want to go back into them at this stage, but we're forced to go back in them. We're logging in compartment to compartment to compartment, instead of in the mosaic we normally log where there's no impact in one area. The moratorium is forcing us to do things that we don't really want to do.

DR FISHER: Effectively, it's causing intensification of the forestry operation, the logging operation, in compartments that you wouldn't normally be in.

MR UNDERWOOD: The logging operation remains the same really, but it's closing us into too small an area - our marking systems and things. Forestry mark every log I take, which is basically two in the forest. That's remaining the same but we're just pushed into too tight an area.

MS ANDREWS: As far as biodiversity and what's going on, as a young girl I came to Gwabegar when I was 13, and to see a koala bear was a rarity. My parents owned the hotel at Gwabegar, and the whole town would come and have a look at this koala bear because you never saw koala bears. Now every household in Gwabegar has got a koala bear. We're seeing species that we've never seen before: masked owl, they're everywhere; eagles. The boys come home and say, "We saw this today, we saw that today." Just the talk from contractors of what they're seeing out there, somebody has got to be doing something right. We've got 20,000 koala bears at the last count. If the industry was that bad, we wouldn't have a count of 20,000.

MR UNDERWOOD: If the pine is allowed to lock itself up, all that biodiversity that has been created over these many many years is just going to disappear, because there will be no ground cover whatsoever.

PROF MUSGRAVE: I was just going to ask you if, in the absence of logging - I guess you would in the cypress anyhow - you would lose the ground cover, grass and so on.

MR UNDERWOOD: Yes.

PROF MUSGRAVE: And so increase vulnerability to soil erosion.

MR UNDERWOOD: It does. Also there's nothing - none of the native animals can feed.

MS ANDREWS: I'll give you an example, and the boys will laugh because I'm always talking about this: I went to a conference that the Home Heating Association

had in Sydney, and a professor stood up to tell everybody about what was endangered within a region. He put up a map and it showed the bioregion. I thought this is interesting. His name was Dr Barry Traill and he had that many letters on the end of his name. He was talking about how extinct the grey-crowned babbler was within this map region that he showed. His whole presentation was on the grey-crowned babbler, and I thought, I wonder if that's our grey-crowned babbler. As it happened, I had my bird map with me, and I looked it up, and within my region the grey-crowned babbler is very common and it is breeding.

Now, there's a doctor, some scientist doctor, with all these names, giving this presentation to 200 people on a falsity. If I hadn't stood up and said, "Gee, Dr Barry Traill, I've got a good news story for you. Here's my bird pamphlet. Here's the grey-crowned babbler," those 200 people would have believed everything he said. These are the kinds of things that we've got to put up with in the country. If somebody with six names behind it tells them down in the city it's right, it's right, but it's not necessarily so, as the saying goes.

DR FISHER: Neil, I have one last question. Over what period of time does a cypress forest lock-up, to use your terminology?

MR UNDERWOOD: Scientifically, I can't say, but certainly since the 1950s and the 70s. Cypress growers, when we get a very heavy flood, get a great regrowth of cypress. It's a woody weed really. Those two periods locked a lot of the Pilliga up at that time, and there are a lot of areas now that - - -

PROF MUSGRAVE: That was in the 50s floods?

MR UNDERWOOD: Yes, 50s and 70s. We got those two growth periods that are in the forest now. Some of it is as thick as the hairs on a dog's back. There's absolutely nothing. I can take you to places where we've logged on one side of the road and there's quite a good grass cover and there are a lot of different plants - and mostly weeds, I suppose; I don't know much about that - and there's plenty of fodder there for any of the animals. On the other side of the road where it hasn't been logged, there's just absolutely nothing.

MS ANDREWS: It sterilises the ground.

MR UNDERWOOD: That's the cypress means of protecting itself against fire. They're very fire prone, so he doesn't let anything grow underneath him, if he can avoid it. He locks himself up. That's sort of been in the last 30 years that these areas have locked up. When I first started to work in the forest - that was 50 years ago - the forest was fairly open and there was very little regrowth because the flush of growth they got was probably in the 1900s or late 1800s, and they were the logs that

we were logging at that particular time. Then we got the 50s floods and away it went again, and the 70s did it again. So it has locked itself up in that last 30 years.

DR BYRON: I'm not sure what we can do for you, in the sense that, as we've been saying, a lot depends on how this new state legislation comes out and how it's actually put into practice. In terms of our report, we can't attempt to tell the New South Wales state government how it has to do things, but I think we'll be able to point out to them the consequences of doing things one way as opposed to another.

The issues that you've been talking about are very acute in your area, but they're not that different from a lot of other areas. We had a presentation yesterday morning, talking about the private native forestry on the north coast. They're worried about many similar things, as you probably know. It's not really any consolation to know that there are other people in similar situations - that you're not Robinson Crusoe. But we'll think very seriously about all the issues that you've raised there and see what we can do with it. Thank you very much for coming and for sharing with us your experiences, especially having been on the assessment program for so long and being able to tell us how it works from the inside. Is there anything that you want to say in the way of wrapping up?

MR UNDERWOOD: No. I'll just say thank you very much. It's nice to get somebody to listen to us.

PROF MUSGRAVE: Have you looked at the draft report?

MS ANDREWS: Yes.

PROF MUSGRAVE: It's very thick and intimidating.

MR UNDERWOOD: Yes.

PROF MUSGRAVE: If you'd look at just the overview in the front and then you can dig into it, if there's some specific detail that you want. But we'd be very grateful if you could just glance at it and if you've got any reaction to any particular points, that would help us.

MR UNDERWOOD: We certainly will. Thank you very much.

DR BYRON: Thank you very much for coming here.

MR REYNOLDS: Thank you for sparing the time. My name is Charles Reynolds and I'm from Narrabri. My reasons for seeking to address you today are that, having read this document - and it's not as intimidating as it looks initially when you get into it, and I have to congratulate you on that point - I was disturbed to find that, between the two groups - that is, those who work for the public sector, and where the previous speaker comes from - and myself, and I'm a farmer, the language we use is very much in the bureaucracy-type language. So I read it in some detail and then looked at what it didn't say rather than what it did say.

To put it very simply, I sent you another submission that was a little bit on the hurried side and which you have. What I'm going to do now is try to explain where I'm coming from in that regard. The first thing I did was go to the World Book dictionary to define "theft" and "fuzzy science". The World Book defines "theft" as an act of stealing, an incident of stealing, or something taken, and "fuzzy science" as blurred, indistinct or, as in this photography, too fuzzy for me to identify the people who are in it.

With science, the person wanting the information does the research of the particular science matter and then goes to their peers in the scrutiny process to see whether it stands up and, if it stands up, it can then be called science as a proven document, or whatever the case may be. But in New South Wales we have a person in a government department writing a list of statements that the department then calls "internal" and therefore they're not for public scrutiny; hence, they never have to stand the scientific test and, despite any weaknesses, they are used to interfere with other people's lives and the environment.

Some environmentalists go about it from a different angle. As to their claim of the amount of clearing in New South Wales per year, if it were accurate they would have run out of land in New South Wales years ago. There are trees out there and on private land; I saw them this morning when I was coming to Dubbo. The message I get from people in the environmental movement is that they want everything to remain the same forever - in other words, there's no movement of birth, life or death. They never accept that the things they use to survive come from the raw form - whether that be agriculture, mining, forestry, or all three. They never seem to draw that line. This suggests to me that they have not come to terms with their own mortality and do not understand that the world operates on birth, life and death. That applies to the animal kingdom, all our plant life - different processes but the same result.

On the other hand, most farmers are green because, if they are not, the farm does not produce, they are bankrupted and removed from the land. It's a very simple

process. There are a number of farms that are a mess, and this has come about for a number of reasons, such as "get rich quick" - and most of us have encountered some of those schemes at some stage and, in the farming sector, they are normally city financially based - and being conned by fuzzy science, some of which comes out of government departments. One that comes readily to mind was one that said, "Get big or get out," and there was a whole, "That looks small," in comparison with the reasons why you were supposed to do it. Most of those who did it are now ex-farmers.

Money lenders are an issue that has to be addressed. I have had a number of ex-farmers admit that they got into debt and were told what to do by their creditors to avoid being sold up. To illustrate this, I will relate what happened to my late father at around Christmas 1966. After two years of drought, he believed he needed \$2000 to get the two farms back into full production. He went to his local bank manager for this money. He was refused and was told that bank policy at that time was not to lend money on stock or dryland farming but he could have \$400 per acre if he were to remove every tree and develop the two properties for irrigation; he refused. Over \$1 million would have been very tempting to some. It's the donkey and the carrot.

As to SEPP 46, what follows is an act of theft: (1) it takes value from your deed and it puts cost on the land-holder in two ways - the land that they pay for but now cannot get an income from, as in restrictions, regulations, et cetera; (2) a higher cost to run the farm because there is less income but more outgoings. The land-holder is left with the shire rates, Rural Land Protection Board rates, maintenance of fencing and control of weeds and feral animals at his cost on land on which he cannot achieve possible sustainable production. The whole thing has been tipped out of balance.

The Native Vegetation Bill of 2003 is to pass over from about 90 per cent of the cost to the rural population of less than 4 per cent. The bill sets up CMAs and a system that cannot work. Because the state is divided into 13 areas, there are many farms that from one side to the other, on a one square kilometre basis, have 30 soil type changes. Each type has to be managed in a very different way to its neighbour if it is to have biodiversity. This is the latest example of how the environment is not being cared for.

I could go on for some time on this subject, but I won't. In closing, I will sum up with a statement that I heard from a lady who was extremely upset by a Sydney environmentalist: "I'll stop cutting down your trees when you stop polluting my ocean." I must add that her language was more colourful in that the family business used mainly waste left over by others in their business. I think from that, the easiest way to go forward is to take questions.

DR BYRON: Thank you very much. Many of the points that you've just made about the effects of SEPP 46 and so on are points that, as you know, we've dwelt on in the report. Many land-holders have said to us that it would have been kinder if the government had simply taken their property outright rather than leave them to continue to pay the rates and the Pastures Protection Board and be responsible for weeds, ferals and fire protection and not be able to get any beneficial use of it. At least if the government had taken it outright, they still wouldn't have all those recurrent costs.

MR REYNOLDS: That's true.

DR BYRON: There's a double sting in it, in a sense. The issue of equity, in that some land-holders got subsidies or tax concessions to get all the trees off their property but they're not affected by native vegetation controls or biodiversity legislation at all now, it seems extremely ironic that those who have been "doing the right thing" are the ones who now find themselves most ensnared in the regulations. We've had advice from a number of lawyers about this issue of the taking of property, and I was rereading some of it this morning. The High Court has repeatedly said that the state governments have the power to take property without any compensation, whether it's just or unjust.

MR REYNOLDS: I'm aware of that.

DR BYRON: Yes. That surprises me, I must say, because I thought that the courts were there to protect citizens.

MR REYNOLDS: That's questionable at times.

DR BYRON: Yes. Rather than dwell on the problems, in the draft report we've tried to think about solutions and how to go forward. If I had to summarise this in terms that my mother-in-law would readily understand, if you want the country well looked after, somebody has to have incentives to look after it. Somebody is going to have look after it. Now, whether the government buys the land and puts in national park rangers to manage it, or whether it makes some sort of arrangement with the current landowners to do it, it has to be voluntary. It has to be willing. It has to be land-holders looking after the country because they want to do it and not because they have a gun at their head. Would you agree with that?

MR REYNOLDS: I would agree with that, and there's a fairly simple solution.

DR BYRON: And that fairly simple solution is?

MR REYNOLDS: Well, it comes back to the incentive. I would hate to think how

many millions - if not billions - had been wasted on this whole issue not only in New South Wales but around the Commonwealth at this point in time. One of the previous three mentioned the fact that if we throw half a million or a million at it, we expect it to go away; life is not like that. I have a real problem with the idea that if you were destructive and went in and clear-felled everything, as in total bulldozing, or the only shadow on this farm is the one electric light pole, you should walk away scot-free. You did that purely on economic grounds with no regard to the environment or what you were handing on to the next generation, or anything else.

If the government had gone about it from a totally different perspective, it would probably at that stage have only been a matter of, "We want biodiversity," and define what it meant by diversity - and keep it all on one page of A4, not a volume - if you fall into that criteria your shire rates, say, would equal X; if you don't but have made some attempt you fall into XY; and, if you've gone the other road, you're going to have to go XYZ. You then have a financial reasoning in the business plan to say, "Well, I'd better not do that, because that's going to cost me every year," whatever the figure is. Over a period of time, they would get what they wanted.

The other thing that they have ignored is they talk about little colonies of endangered species. If those farming communities where those species are breeding are so terrible, why are they still there? Probably the biggest mistake is the increase in the national parks because what it has done, whether intentionally or not, is put a huge parcel of land in the hands of very few people in terms of who are making the decisions that's far too diverse. So, you get situations where bushfires break out and firefighters can't get in because the fire trails have been deliberately closed. Now, they may have had a reason for doing that, but it certainly wasn't fire protection. If we want biodiversity, burning it or trying to get into the Guinness Book of Records for the biggest barbecue is not the way to go about it.

The whole thing comes down to dictatorship or control, as in, "You will do this. You will do that," in an area where just the sheer tyranny of distance makes it damn near impossible to do. Had they gone down the incentive path, they would have probably got what they wanted from millions rather than billions. If you look at the CMA we're supposed to be getting. Mainly because of my wife's influence, I tend to do some long-term calculus - as its likely costs. It's not actually a business plan. It's what's likely to happen.

In the Namoi, which I'm part of - it runs out of New England, Nundle; it ends at Walgett, where the Namoi runs into the Darling. I would hate to think of the ecological damage, soil erosion, general disaster that you would get if you were to have a group of people - I don't care how well meaning they were - telling the farming community what they could do or not do in that strip of dirt. It takes in a big hunk of the Pilliga scrub - as in drains into the Namoi. Boggabri, which is halfway

between Narrabri and Gunnedah - you get a totally different soil type change, but again you get run-off out of the Pilliga scrub to one of the - it's a fairly small catchment area, where the soil type falls back onto the Pilliga scrub side of it, and you only go a short distance and you're basically into black river flat-type country. But when you get up to Nundle, you're in fairly hilly country and you've got things like angle of slope, wash, to name but a minute part of the problems you have.

They call it regional. I personally don't believe it can be done unless it's local, and probably in a given community - and I'll use Narrabri as I know it the best - the Namoi River where it runs through is virtually the divide between the Pilliga scrub-type soils, in broad terms, and the black soil plains on the northern side. It's all one community, but the diversity of what you can do with it, what you should never attempt to do with it, is massive.

If you take it from another angle - and again I'm being personal here on my own experiences; the original submission that I sent into you - I was looking at it from the point of view of: "What's this darn bit of legislation going to cost me?" The equation I used was simple. My father had come up with a rotation of 18 years to get the best value out of the ground for the least inputs without damaging the ground. Ten years. So what I simply did: looked at what I had to put in of fertiliser, labour costs and the bottom line, and over an 18-year period it works out at 80,000.

You know, that's just on one small piece of it, and if you look at it on a wider scale, I find it very easy to understand the survey that the Moree Shire Council had done, and I think it was UNE - I'm not sure on that point - the actual cost of what flowed from SEPP 46 ran into millions. Now, that's a very small piece of New South Wales, which brings me to the point. I'm wondering what is the real agenda. Is it the environment, is it that no-one lives west of the Great Divide? Just where do they think they're going?

DR BYRON: I don't know.

MR REYNOLDS: No, but they're the sort of issues.

DR BYRON: Yes. I think we've also made the point that just on the scale and diversity and complexity of Australian landscapes, anybody who thinks you can run such a large area out of an office in Canberra or Sydney is - - -

MR REYNOLDS: Impossible.

DR BYRON: Yes, exactly, and I was saying yesterday in the hearings that our market economy is based on the premise that people who own property not only have the knowledge about what it can be used for, but also have the incentive to try and

get the management right because, if they don't, the value of the property goes down and they suffer.

MR REYNOLDS: That's right.

DR BYRON: So under what conditions does it make sense for governments to tell the owners of property to do something different than the owner sees in his own interest?

MR REYNOLDS: I personally would put that simply as this. Soil erosion should be avoided virtually at all costs because of what flows from it, our river water quality, et cetera; the destruction of the land for further use. I would go back to my point about the biodiversity requirement rather than trying to police - and that's been the approach - I mean, the department had more inspectors than we have per head of population, as in the farming community, than we have police officers from the New South Wales community, and I found that a very interesting statistic, because the thing is, with it, it wouldn't matter if you had three to one, it probably still wouldn't work, but if you had an incentive it becomes self-policing in that the person on that land is looking for the financial rewards for doing the right thing, so therefore is going to do the right thing, have it assessed so that they get the financial benefit, which really comes down - that if it's valuable, it's got a dollar value, and in some respects the easiest way to do that is to have an incentive. If you meet certain criteria, you qualify, and if you don't, you don't. It's as simple as that.

DR BYRON: Specify the outcomes, the results that you want.

MR REYNOLDS: Yes, in simple terms, keep them short. That's one of the problems that the farming community has and I have in terms that a lengthy report might have a lot of useful stuff in it, but do we have time to sit down and read it? If it's short and brief it will get read and it will be complied with, particularly if there's an incentive. The big stick approach has never worked, and you can go back to the Roman Empire, how it destroyed itself on that one, and every society since. When it becomes over-governed, things fall to pieces.

DR BYRON: Just what I was going to say.

DR FISHER: Mr Reynolds, I think you've made some very good points and I think the incentive point is brought out perhaps, as you said, a bit too bureaucratically in our report.

MR REYNOLDS: Yes.

DR FISHER: We certainly appreciate the fact that you have read the report. When

you made the comment that you thought we'd been a bit too bureaucratic, was that a comment about the content or the language of the document?

MR REYNOLDS: A mixture of both but, in particular, the thickness.

DR FISHER: The size, okay. So really what you're counselling us about is our presentation - - -

MR REYNOLDS: Presentation, to the point, boom boom boom, and that's it.

DR FISHER: Okay.

MR REYNOLDS: I probably should have told you earlier, I'm a fifth-generation Australian. My family have either been military or farmers or both. I fall in the category of both. A spade's a spade. If I say no and you don't understand, what don't you understand? "Yes" is a little bit more complicated. It's three syllables, and that's where I'm coming from when I say it's too - it goes on and on and on. You get a farmer that's been up since daybreak, comes in and eats his evening meal when it's too dark to go on. Is he going to pick up something like that, to spend the next X number of hours to plough through over the next couple of nights? No way. And then you people lose the benefit of the feedback because - "Oh, I'm not going to get involved in that."

My original submission was prompted not because of your request for information or input but rather the attitude of my fellow farmer in the general area, and that was simply "bloody bureaucrats, they'll write what they want, and we haven't got time to read it."

DR FISHER: I think that's very valuable feedback.

MR REYNOLDS: But I think this is where that comes from. When you actually get into it, it's not bad. (1), the print is big enough to be read quickly, particularly with someone with sore eyes. A lot of things that come from government-type agencies is in fine print both sides, and you really have to want to read it to actually read it and understand it. In that area it's good, but it's far too big.

PROF MUSGRAVE: Thank you.

DR BYRON: Point taken.

PROF MUSGRAVE: Thank you for that. As a self-employed person I will endeavour to influence my bureaucratic colleagues to be - - -

MR REYNOLDS: What's the degree of success rate, though?

PROF MUSGRAVE: Thanks also for drawing our attention to the fact that the question of trust is not raised.

MR REYNOLDS: Yes, it's not there any more.

PROF MUSGRAVE: That is a very important point, and I must admit that in our travels around the nation this despair of the erosion of trust has been voiced frequently, and so we should make sure that that is mentioned. Talking about spades, the spade you wielded I don't understand, so I'll ask you to explain. No, I haven't told you what the spade is yet, and that relates to the regional involvement of catchment management authorities and your pessimism in relation to them, and you said that the solution to this problem of I presume getting an input into the management of resources by the people who own the land pertaining to those resources can't be regional, it must be local.

MR REYNOLDS: And very local.

PROF MUSGRAVE: We, in the report, have certainly suggested there should be a greater emphasis on such regional/community management without providing any specific prescription as to what form this should take, so I'm going to be totally unfair and ask you to give us a prescription.

MR REYNOLDS: I'll start with a couple of points that you made. Firstly, you have a situation here in New South Wales where it's direction from the top, that is - and I'll go back to the current legislation that's yet to be proclaimed, as in the CMA. If you look at them and what we've seen of the legislation, and we haven't yet seen the devil in the regulations, so I'm talking a little bit out of context here, but when you get the same people writing regulations who wrote the last set of regulations, and in this case we're talking about three or four sets of regulations of the group of legislation, you've really got to suspect they're still of a very similar mind or a similar style or a similar way of doing things. I don't see the CMA as being anything more than really a rubber stamp for what Sydney wants, so it won't have a regional input in terms of the regulations and what they can and can't do.

PROF MUSGRAVE: So (1) they should have greater independence of Sydney.

MR REYNOLDS: They should be totally independent or very close to it. It would work far better if you had in the act what they could and couldn't do, rather than regulations. The reason for that is a regulation can be changed by the minister or whoever at the stroke of a pen. With the level of trust that's out there, nobody, or very very few, would take up an option that you halfway to what you thought were

the goalposts, someone came along with a crane, grabbed them, moved them around 30 metres down the field. Moving goalposts: that's what regulations are.

And with the distrust that's down there, everybody will just sit back - "I wonder where they're going to move the goalposts to." Then they'll wait and see, and there is no end to that while ever you've got the distrust. If you look at some of these land care groups, getting back onto the very local side of it, some of them are probably too big to be 100 per cent effective, as in the area that they represent. You've got a fairly large percentage of the farmers in the area - "I haven't got time."

The real problem comes back to the fact - and I'll use an example that I know is accurate, as in it's home. When I left school, a three-bag wheat crop and you made the award wage. To cut even, two years ago, I'm on 17. Same product, same market, but that's the difference between the cost input and the income when you get down to that bottom line; that's the difference - to actually get that balance. That's where you've got to be really local to understand those differences. From that I'll ask you to ask me another question to where you want me to go from there.

PROF MUSGRAVE: Yes. How do we find local? You, I think, put your finger on the difficulty when you referred to some land care groups being too big.

MR REYNOLDS: Yes.

PROF MUSGRAVE: So what you seem to be saying is - - -

MR REYNOLDS: Local has to be a soil type.

PROF MUSGRAVE: On the basis of the soil type.

MR REYNOLDS: No more than three soil types, because you've then got a group of people - even if it only be a group of two or three - that are dealing with the one list of problems. I could go home today and move across any particular paddock you might like to designate, and because I know that piece of ground so well I can tell you where, if you did a chemical analysis on that soil, you would get the change from that sample to the next sample.

PROF MUSGRAVE: So the second point - independence is the first point and the second point is a group that is not so large that it encompasses an unacceptably high degree of soil heterogeneity.

MR REYNOLDS: That's right, yes.

PROF MUSGRAVE: If you'll excuse the bureaucratic language.

MR REYNOLDS: No, I'll accept that. I spent 21 years in the military; I'm used to it.

PROF MUSGRAVE: You can take it, yes. Okay. Can you proceed from there?

MR REYNOLDS: Well, I'll put it this way: It's a situation where, if you go down this particular road of where legislation has led it, which leads to your question - it's difficult. It's difficult because you've got bureaucracy governing, as in regulations, as you come down to different people. That's why I went down the road of making my recommendation of XY and XYZ. You're taking the need for bureaucracy largely out of it. You're putting the onus back on the operator of that piece of dirt. If they want their financial incentive, they do the work, or they don't get it, but the community gets their desired environment.

PROF MUSGRAVE: Yes, but I think we're as one on that. I think there's no need for us to dwell on that very long. I think we're all one happy family in relation to that. I will ask you a further question then. If you were to have such local input into resource management as you've suggested, that implies a very large number of groups, doesn't it?

MR REYNOLDS: It does.

PROF MUSGRAVE: How do we manage that?

MR REYNOLDS: That's why I suggested things like rates, like shire rates, rural lands protection board rates and these sorts of things. Probably best done through the rural lands protection board because that's their area, as in looking after land. They are not real big - although some of them are fairly large, they are not big by definition against these proposed CMA areas. If you, as a land-holder, want 10 per cent knocked off your rates, you've got to meet this criteria. If you don't, you pay the bill.

PROF MUSGRAVE: If we had a shire CEO or general manager here, he wouldn't like to hear you say that.

MR REYNOLDS: He would go ballistic.

PROF MUSGRAVE: Yes, so how are we going to bridge the revenue gap that you are supposed to - - -

MR REYNOLDS: I would suggest a fraction of this money that is being thrown around on this environmental issue, could be used to bridge that gap and the

government of the day would have a very huge change bag left over by comparison.

PROF MUSGRAVE: Yes.

MR REYNOLDS: Because this has been going on now for nearly a decade in that light; various departments have thrown millions at it and it's achieved nothing. Even if it worked out a little bit dearer - and by that I'm talking in millions - if you're achieving something it's a long way better value than if you've spent your money and haven't achieved.

PROF MUSGRAVE: A concern I have is that - I sometimes get a feeling that the community, the wider community, is trying to achieve its goals in relation to natural resource management on the cheap for them - - -

MR REYNOLDS: That's right.

PROF MUSGRAVE: - - - and at substantial cost for landowners.

MR REYNOLDS: That's correct.

PROF MUSGRAVE: Let's be devilish and suggest that.

MR REYNOLDS: You are getting very close to the truth.

PROF MUSGRAVE: Now, I have a feeling that just manipulating the rate burden for the landowner won't be enough, that the costs that are involved in adequate resource management to achieve the community's objectives, would require more - a lot more money to provide the incentives, the necessary incentives, than mere manipulation of the rate bill. Do you agree or not?

MR REYNOLDS: I used the rates as an - - -

PROF MUSGRAVE: As an example.

MR REYNOLDS: - - - illustration of where I'm coming from.

PROF MUSGRAVE: Righto.

MR REYNOLDS: Yes, you are right that the total bill would be much larger. I go back to the tidy towns system, as a means of trying to explain where I'm coming from.

PROF MUSGRAVE: Yes, sure.

MR REYNOLDS: The towns that are successful, as in winning those various awards, need a fairly large community commitment, because you only need one untidy front yard or backyard and everybody else's effort counts for nothing. If the financial incentive was there, in that sort of way, over time - and it would take probably a decade to get this running, given the level of distrust that is out there at the moment - the thing would become the community spirit. We would be going backwards in time to where if you came from so-and-so, you identified with that location.

PROF MUSGRAVE: You're bringing us back to the trust issue again, are you?

MR REYNOLDS: Yes, it comes back to trust. But without that trust nothing is really achievable. It's the same thing as Tom Underwood said about the forest. It's got to be back on the - the people on the ground are the ones that have got to make that decision. All the government should have done in the first place was pulled up a very small percentage of people that were doing the wrong thing - there's no two ways about that - every industry has its cowboys. But I have a real problem with the idea that the guilty go free and the innocent pay the price, because those who have actually tried to do the right thing for generations are now the ones carrying the can.

PROF MUSGRAVE: Okay. Thanks very much for explaining your spade to me a little further. I understand a lot more and I don't think I'll ask for any more explanation.

DR BYRON: Thanks. I've lost it. I thought I had a good question for you.

MR REYNOLDS: I'll be around if you want to ask it later.

DR BYRON: I have got it. It was with regard to Warren's suggestion that the people who live in cities want to see the countryside managed a certain way and the costs of doing that fall on - not all land-holders, but a small subset of land-holders.

MR REYNOLDS: Yes.

DR BYRON: One of the things that we tried to put in our report is that if you ask people who live in cities in Sydney, Melbourne, Brisbane and Canberra, or whatever, "How much biodiversity conservation do you think there should be out there in the bush, given that you don't have to pay a penny towards it?" the answer will be, you know, "Heaps."

MR REYNOLDS: Yes.

DR BYRON: We know that there are costs in managing for conservation and biodiversity. Somebody is going to have to pay those costs. At the moment the costs are falling on a small subset of the land-holders. Now, if those costs were made very clear, very visible, so that for example the state government says in their annual budget, "We are going to set aside X million dollars, X hundred million dollars, to try and get conservation biodiversity, management, landscape or whatever, out there in rural areas," the people who live in the cities would then know how much they're spending on conservation.

MR REYNOLDS: Yes.

DR BYRON: Some of them might think it's not enough; some of them might think "This is terrific, we'll have double that," but at least they know that they're paying. They know that there is a cost and they're paying for it. They can make informed decisions whether they want more or less.

MR REYNOLDS: Yes.

DR BYRON: At the moment the costs are invisible, except to the small number of people - - -

MR REYNOLDS: That's correct.

DR BYRON: - - - who are wearing it all. So part of our thinking is that rather than - it's like the question of "How much beer would you drink if it was free?" The answer is - - -

MR REYNOLDS: Depends how hot it is.

DR BYRON: The answer is a lot more than if you have to pay a couple of bucks a glass. So there are a lot of people who have been getting a free ride in the sense that they haven't had to put their pockets to pay the taxes to pay for this. If we can devise a system whereby it becomes very clear that it costs the taxpayers of this state X hundred million every year to do this, this and this, people can say, "Yes, that's terrific. We're happy to pay for that, or we're willing to pay more or less." It's a question of making it visible, rather than having those costs hidden and buried somewhere.

MR REYNOLDS: The whole emphasis right from SEPP 46 has been to hide those costs, you know, in terms of the larger population areas. If you look at it from an environmental point of view, I would say in New South Wales the County of Cumberland, it would be the biggest disaster area as far as the environment is concerned, that we've got in New South Wales. You know, you look around Sydney

- I know people down there from my army days who are proud of the fact that in their little parkland three or four blocks from where they live, have a - singular - native bush growing in it. To them that is a pretty big thing. Probably to protect that bush they would willingly put their hands fairly deep in their own personal pocket.

But there is a concept out there - I'll be politically correct and not say really what I feel like saying in this - but there's a group of people out there who are unemployed. As an employer I wouldn't employ them, I'll also say that, in a lot of cases, who have too much time on their hands and spend a lot of time dreaming up something to do and don't worry about the facts - you know, the amount of misinformation. One that comes readily to mind is in the last year X number of football fields were cleared. As I said, New South Wales ran out of land to clear years ago; purely if you multiply it out on a square measure, it just doesn't fit. You don't have to get down to - you know - hard, cold, what area - where is this done? New South Wales just doesn't have the land mass over a period of years to fit it.

A lot of city people, because they don't live in an open space environment, areas say other than a football field don't mean an awful lot to them in terms of measure so they accept it. They say, "That's so many square metres. That's how much I need - how many square kilometres in New South Wales?" They don't get down to that point. That's where a lot of the misinformation comes from. They get an idea in general terms but never really look for what is actual fact, for rhetoric, and that's what it is; it's only rhetoric, you know. I think a lot of them are doing it out of boredom, to be quite honest.

DR BYRON: I don't know that we'll get very far in sort of trying to figure out what people's motivations are.

MR REYNOLDS: I realise that, but that's where I think it's coming from.

DR BYRON: Yes, okay. I think we probably need to move on. Are there any other final parting comments?

MR REYNOLDS: No, other than to thank you for your time.

DR BYRON: Thank you very much.

MR REYNOLDS: And I'll look forward to - - -

DR BYRON: A much shorter report.

MR REYNOLDS: Yes, a much shorter report and much more to the point. I'd like to be able to read it within the hour and understand it.

DR BYRON: Okay, thank you very much.

MR REYNOLDS: Thank you.

DR BYRON: I think we've got time for morning tea, a smoko. We'll resume at 11.30 with Jim Edwards and Doug Arnott if they're here. Thank you very much.

DR BYRON: Thank you very much, ladies and gentlemen, if we can resume. Mr Edwards, Mr Arnott and anybody else who's coming with you, just make yourselves comfortable there. If each of you can introduce yourselves into the microphone for the transcript record, then tell us whatever you want to tell us.

MR STANTON: My name is Richard Stanton. I'm the chairman of Merriwa District Council and the New South Wales Farmers Association.

MR YOUNG: My name is Rod Young. I was at your hearing at Moree and I'll only back up what these people have said. I will have something to say on the submission that was put in from Robert Goodworth. He unfortunately can't be here today for family reasons, but I will just hang back and let the local people put their case and then I'll just back it up and summarise for a finish.

MR EDWARDS: My name is James Edwards. I am deputy chairman of the Mudgee-Merriwa Rural Lands Protection Board and past president of the Merriwa Pastures Protection Board. I have substantial land-holdings on the Liverpool Ranges and Merriwa.

MR ARNOTT: I'm Douglas Arnott. I'm a farmer from the Coolah area. I have a farm on the Liverpool Range. I'm also chairman of the Coolah branch of the New South Wales Farmers.

DR BYRON: Who wants to start?

MR ARNOTT: I'll start if you like. Basically my reason for coming here was to express to the committee the problems we're facing with the act as it now stands. My situation is, I have a two and a half thousand hectare property of hilly country in the Liverpool Range. Our number one issue in that country is weed control. We face a number of invasive weeds including St John's wort, Bathurst burr, star thistles, saffron thistle, Paterson's curse, blackberry and sweetbriar. It's quite a problem. It's a reasonably high rainfall area, so we do face weed issues. They're our number one issue.

The act as it now stands is seriously inhibiting our ability to control these weeds. A control strategy for the weeds that we can do is number one, putting in improved pastures. You can implement grazing pressure and timing of grazing to control the weeds. You have different classes of livestock to suit your pastures and grazing outcomes. There are biological controls that work to varying degrees and also chemical spray.

Spraying is a difficult option, given the terrain where the farm is situated. It's very steep terrain and there's a vertical difference from the top to the bottom of the

property of about 400 metres, so it's pretty steep country and difficult to manage. Spraying is an option but it's very difficult to gain access to a lot of the weeds, very expensive because you're using a lot of manpower and it's a recurring thing. You won't just kill the weeds in one hit, so it's a very expensive option.

Other costs of weeds - obviously for any farmer there's lost production. In our case with St John's wort our management is restricted because we can't put livestock in there at certain times of the year when the plants are flowering heavily, due to the photosensitisation that occurs with livestock. We've got also the cost of the chemical used. The chemical we have to use to get rid of St John's wort, being our number one weed, is a very expensive chemical. That's an issue, and labour costs to do it, and also the OH and S issues involved with men spraying down those sorts of areas is certainly a problem and I can only see it becoming more of an issue as OH and S issues become more important.

From a local level, the only way we can manage our weeds is - there's no one magic cure-all, it's a combination of factors like most things. The basis for us getting on top of our weeds in hilly country - your number one factor is, you've got to have decent pasture in there to compete with it. To put a pasture in effectively in hilly country, the only way to do it is by aeroplane, spraying out the country and seeding by air, which we have done to great effect in our country. This can be done in our area. Our soils are pretty stable, so you're not having huge erosions problems.

In terms of the act where you're not allowed - in the past we've done it on hill country and it's proved very effective. Now with I think it's 18 degrees, if your country is greater than 18 degrees, you're not allowed to spray it is one thing in the act. I think Rod would know more about that than me, but in hilly country we're being restricted in spraying and also, with native vegetation issues, we can't spray out these weed dominated pastures and put in an improved pasture. As a management tool if we do put in an improved pasture, we can then compete with the restricted weeds and cut down paddocks, use stock better to manage the weeds and basically, in essence, cut down the time spent using chemicals, manpower, everything - chasing around hills, chasing around weeds - and use livestock and pasture to combat these problems we have.

Basically, in terms of the spraying option for pasture establishment, we can establish a pasture by air. I've worked out the cost, between \$150 and \$170 per hectare. To spray that country out with a chemical - the best chemical for, say, St John's wort would cost us \$146 a hectare in chemical alone to do that. That's not counting labour or anything, so in terms of the costs option, the improved pasture is by far and away the most effective way to go, and it's onto country that's become dominated by weeds. If we don't do anything, we'll just lose our production from it. Improved pasture also has the effect of - your productivity can be greatly improved

and in terms of gaining back your \$150 to \$170 per hectare establishment cost, well, you gain that back in three to four years.

I've got photos here of my property. My grandfather originally did some pasture establishment work in the 1950s. That pasture is still there today, so it's a very long-term option. The pastures are still fantastic. I've got photos here where - we've got a pasture that was put in in 1953 and next door on the property it's dominated by St John's wort. This pasture still remains pretty well weed free. It's the pastures that are the key to our productivity on our country. If we get restricted in the pasture work we can do, we're going to face an uphill battle to combat weeds. It's not one I can see that's going to be financially viable. That, to me, is the essence of me staying viable as a farmer and continuing in farming. That's why I'm here today, to put those views forward and try to get us being able to use aerial agriculture to combat weeds in a variety of situations.

DR BYRON: There are laws, aren't there, that require you to control these weeds?

MR ARNOTT: Yes. It's a catch-22.

DR BYRON: Somehow or other the government has got itself in a situation where there are two lots of laws that are contradictory: one that says you've got to get rid of the weeds, another that says you can't get rid of the weeds in a way that's - - -

MR ARNOTT: Cost-effective. Yes. For me to get rid of the weeds as they are, I think I'd go broke pretty quickly just for the cost of the chemicals that are effective against the weeds that we have and the manpower to do it. It's just not financially viable, so we're facing a situation where we're trying to get rid of our weeds on one hand so we're not breaking the law in that regard; but to get rid of the weeds, you'd have to break the law to have an effective outcome.

DR BYRON: Can you just explain a bit more? Is it purely the slope control or is there some sort of remnant native veg or seedling or something that somebody is afraid would be destroyed by the aerial agriculture.

MR ARNOTT: There are. There's certainly timber we've left on the place. Like most, I presume, managers, my father and grandfather left a good amount of timber on the property that would be a concern; but in the past where aerial agriculture has been done, it certainly will brown off the leaves of timber, but 96 per cent of it or something will come back. And we get regrowth as well, so there's certainly a small issue with timber being sprayed. I think in terms of these weeds, St John's wort in particular, it's such an invasive weed it's taken out vast tracts of land and just dominated it and it's dominated the native grasses as well.

DR BYRON: I guess I'm trying to get at, what reason would I be given if I asked someone why these controls have been put on you? They would say that it's to prevent soil erosion?

MR EDWARDS: That's a very good question.

DR BYRON: Is it because they've made a general rule that applies across the whole state.

MR ARNOTT: I would think so, yes.

DR BYRON: That doesn't happen to make sense on your particular property?

MR ARNOTT: Exactly, yes. I think certainly in some hilly country there are definitely issues there not to spray out, given the erodibility of soils; but as we face it in my area of the Liverpool Range, we're not facing great erosion problems. We've got soils that will stick together. Years ago we did some work and we did cop a very heavy storm in our pasture establishment phase - four inches in a night - and there was very little run-off. I've got photos here of gullies and things now that have had the pasture in them and they're in great shape. There's a good perennial species throughout on road cuttings and things and they've established - there's a lot less erosion now with that pasture in there than there would be with wort and saffron thistle and what's the remnant native vegetation which is slowly being dominated by the introduced weed species.

DR FISHER: What pasture species are you introducing?

MR ARNOTT: Phalaris, clovers, fescue and cocksfoot.

DR FISHER: And it's only above 18 degrees that you're concerned? Is that - - -

MR ARNOTT: I think the native vegetation is also an issue for people for spraying out, if they're going to spray out a certain component of native vegetation. That pasture works in our area. I think it affects all people. My situation is that I'm on hilly country so a lot of it in my particular situation is 18 degrees, but for other people it wouldn't be. So I think that would certainly be a factor for them.

DR FISHER: It's the combination of a range of constraints that are concerning you.

MR ARNOTT: Yes.

PROF MUSGRAVE: Thanks, Doug. I didn't quite understand, and I may have misunderstood what you said, but did you say that the regulations will restrict your

pasture work on this sloped country?

MR ARNOTT: Yes.

PROF MUSGRAVE: How is that? I can see how they would restrict your spraying, because they think you might kill trees, but your pasture - - -

MR ARNOTT: To establish a pasture effectively, you have to reduce the competition by spraying.

PROF MUSGRAVE: You'd put Roundup on it.

MR ARNOTT: Yes.

PROF MUSGRAVE: I thought you were spraying it, just splitting the fertiliser and seed.

MR ARNOTT: No.

PROF MUSGRAVE: I understand that. I wonder if I can go away from your immediate situation but link it to what I want to talk about. When we were talking to Charles, before we had the tea break, we were talking about these local units that might be involved in resource management. I was pushing him to talk a little bit about what he was thinking about that, and I think he suggested that an appropriate local unit in New South Wales would be the lands protection boards. I think that was what was said. I wonder, Jim, whether you've got any reaction to what he said. Did you hear him say that?

MR STANTON: Charles, who was speaking earlier, thought that rural lands protection boards could probably best monitor these situations.

MR EDWARDS: Yes, there's no question that, in my opinion, eventually the rural lands protection boards will control weeds in New South Wales. I think it's only a matter of time. In my opinion, weeds are the biggest problem facing rural Australia. The rural lands protection boards are only half keen to take it on, because there's a massive funding there, and it's going to be a case of user pays. If we take it away from the county council or whatever, we're going to have to employ a lot more staff but, in our board, we're building buildings and chemical sheds. We believe that it will inevitably happen, and probably very shortly, because the weed situation is totally out of hand under the present administration. It's ad hoc. It's just bad, and it is, in my opinion, the worst problem facing New South Wales agriculture without doubt. It makes rabbits look like a little - - -

PROF MUSGRAVE: Yes, I think Charles had something of a wider responsibility for the boards than just weeds. I think he had in mind a role in relation to a whole gamut of resource management problems - trees, native veg, biodiversity and vegetation. As you say, the boards would need to be adequately resourced to do that job.

MR STANTON: Yes.

PROF MUSGRAVE: But it would certainly seem to me that, in relation to Doug's situation, if the board did have that responsibility, it would be someone you could talk to.

MR STANTON: It's people locally who understand the local conditions, and there's no use someone from far away doing a blanket approach on an area because, for me, it changes five or 10 kilometres down the road, and it has to be someone or a committee on a local scale, otherwise they just don't understand the issues or the management concepts involved.

PROF MUSGRAVE: Yes, building on the history of the boards. They have certain executive responsibilities, don't they? They can give approvals or enforce regulations and so on. One could naturally extrapolate then to the regulations under the new act that's coming out that there's no reason why, in the first instance, we couldn't contemplate a local body, such as the boards, being given the responsibility for the implementation of regulations, providing they were adequately resourced.

MR EDWARDS: Absolutely. It is inevitable, but there is tremendous pressure against it because of the costing - unless we are compensated - because there is a huge cost involved.

PROF MUSGRAVE: Yes, and I understand that but, as has been mentioned already this morning, there's reason to suspect that the community is trying to get the sort of environmental biodiversity outcomes that it wants on the cheap, or at the farmer's expense. So, let us assume that, rather than the farmer paying the cost, it's paid in other ways. We did discuss incentive payments, and the boards could be involved in that. I'm very interested in your response to that line of thinking. It's very helpful.

MR EDWARDS: I'm deaf and I'm very inarticulate, so you'll have to bear with me. My family has been in the Liverpool Ranges since 1845. I suppose that, hopefully, you successfully pick up a bit of knowledge along the line. We bought a lot of my property in 1940, at the end of the war. It was about five miles across the top of the Liverpool Ranges, and it was covered in Darling pea, which kills sheep and cattle by destroying their nervous system. With the advent of aerial pasture improvement, that

problem disappeared and, instead of running wethers up there, we now run fat lambs. We produce a huge number of veal calves there and it's amazingly productive. We're finding now that, with the build-up of nitrogen through the fertiliser, we are creating a bull grass problem, or poa grass, I think Rod calls it, and we have a thousand acres of this impossible bull grass which we're not allowed to burn or spray any more, so we have huge production losses in some paddocks. It doesn't happen in every paddock but, in certain aspects, it does.

In the Carr Springs area, the Goodworth family has been dealing with bull grass for 100 years. They burn every autumn and the stock grazes the new growth. Burning never killed one bull grass; it never killed one plant - and Rod can tell you all about it. They cannot burn, and that was an integral tool of managing their property. As I say, there has been a huge increase in bull grass, and we have had a substantial stock rate decline. Because we run a lot of sheep, we have a lot of sheep camps, so we've got Bathurst burr and we have another problem with blueberry nightshade, which is causing us enormous problems. Physically, we cannot spray it any other way than by air, but we can't unless we get special dispensation. That is proving a very great problem to us and, at times, it is poisonous so we're losing quite a few stock from it.

We'd like to establish improved pastures where the poa grass is, as Doug does, and we have done some, but we now find we can't. One of the other problems is that the poa grass grows about that high and we have a huge feral pig problem. We have a lot of aerial shoots and people are up there all the time, every weekend of the year, but you can't find the pigs in the bull grass, particularly the young ones, because they're getting this protection, and they are a huge problem for us.

I don't have a lot to say, except that, as I get older, I find all these regulations we have forced upon us very disconcerting and terribly frustrating. I keep wondering, "What am I doing here? Why am I here?" To me, that's sad, because we are all conservationists at heart, or at least most people are, and we do care about the land. When you've created something and have created unbelievable productivity and you find you can't press on to the next step, it's very sad.

DR BYRON: I think what you've said is another example of the sort of thing we've been hearing all over the country from people who find that they can't do sensible land management practices any more because of some statewide rules that were probably written for a different purpose or with something else in mind and who have been caught in the trap that was set for someone else.

MR EDWARDS: Absolutely.

DR BYRON: It comes back to what we were talking about with Charles earlier,

that you can't make blanket rules from any state capital and apply them over such an extremely diverse country. What's the answer to that? I guess we've been thinking along the lines of having much more local say in what the rules are, rather than having them all made from Canberra, Sydney, Melbourne, or whatever.

MR EDWARDS: Absolutely. The other problem is that we have this fear that the government wants to create a corridor along the Liverpool Ranges for animals. I have a seven-mile frontage on top of the Liverpool Range, so you can imagine how it would affect my operation. I thought that, when you owned something, you owned it and, having improved it and spent a fortune on fertiliser and refencing and whatever, it's frustrating having this fear. I'm sure Rod Young will go into what's happening a bit further.

DR BYRON: What would this wildlife corridor be for? Is that a serious probability?

MR EDWARDS: It was a very serious probability a year ago. It seems to have died down a little bit. They want to make a corridor from Coonabarabran up into the Scone Tops, basically. Isn't that right, Rod?

MR YOUNG: That's pretty right, yes.

PROF MUSGRAVE: I just might comment that the thrust of our draft report, or implicit in it, is the thinking that if the state wanted to have the environmental advantages of such a wildlife corridor, it should ask a local body to develop a proposal as to how it could be done. Of course, that local body has an incentive to ensure that it's done in a way that minimises any adverse consequences for the local land-holders. We don't have that possibility today.

MR EDWARDS: No. The other thing, of course, is that under the proposals they will tell us what stock we can run in this country, and that will be theirs, not ours, and that's not the way I envisaged things, I must say.

PROF MUSGRAVE: In polite company, what we do call bull grass? What is it?

MR EDWARDS: It's very like snow grass. Rod here call is poa grass.

DR BYRON: Poa tusca.

MR EDWARDS: Poa tusca, yes, and it grows about that high. It gets so thick that this last year, before the drought, we couldn't muster our sheep out of the paddocks. We could not get them out because we couldn't get the through the grass, so we had to burn tracks, illegally, through to get them out.

MR YOUNG: It's a local name.

PROF MUSGRAVE: Yes, I can see that, but I hadn't been in the locality lately.

DR BYRON: Because it's a native plant, you can't burn it, even though burning doesn't kill it.

MR EDWARDS: Yes, and it's spreading like the plague.

DR FISHER: Mr Edwards, can you just outline for us why you can't spray deadly nightshade?

MR EDWARDS: I have, before these - but we find it terribly hard to find a chemical to spray it. I've stopped looking now and I've just got to live with it - I did it with Roundup. But it's like wild potato - it has tubers - and it's like St John's Wort: you can spray it and kill it but, in two or three years' time, up she shoots again, and blueberry nightshade is much the same in that it has these tubers and is very hard to kill. In time, there will be a chemical that will kill it, and I'm sure there probably is now - Starane will probably kill it now - but we can't get onto it because we're not allowed to do it.

DR FISHER: But I don't quite understand. Why aren't you allowed to do it?

MR EDWARDS: Because you can't spray Bathurst burrs, let alone up on the sheep camps. I had a fellow from Murrurundi last week. He's not allowed to get helicopters in to spray his sheep camps on the range for Bathurst burrs.

DR BYRON: It's the aerial problem again.

MR EDWARDS: Aerial.

DR FISHER: Right. Is that because of overspray? I just don't understand this. We have a bunch of legislation in New South Wales that requires you to get rid of noxious weeds. Correct?

MR EDWARDS: Yes.

DR FISHER: Can you explain to me in words of less than one syllable why you feel that you're not allowed to spray a Bathurst burr?

MR YOUNG: I can probably answer that best. The DLWC recognises burning and spraying of chemical on the native vegetation - they classify that as clearing, so

therefore they don't allow the aerial spraying of anything on the native vegetation.

DR FISHER: So this is about overspraying, is it?

MR YOUNG: No, it's not. Down at Carr Springs they've got a practice of spraying the sheep camps where the Bathurst burr is concentrated with MCPA, which is a fairly soft chemical, and it doesn't kill the grass; it only kills the Bathurst burr, which is an introduced species and it's not killing the native vegetation. But DLWC says, "No, it's spraying of the native vegetation, so therefore you can't do it." So they have been effectively stopped from using any chemical on the native vegetation.

DR FISHER: This is hard for me to understand.

MR YOUNG: It's hard for everybody to understand, except the DLWC.

DR FISHER: If you spray something, you're targeting a noxious weed.

MR YOUNG: Yes.

DR FISHER: You spray it. You don't affect anything else.

MR YOUNG: Yes.

DR FISHER: Then how does anybody even determine that you sprayed the other thing? I just don't understand this. This just does not make any sense to me.

MR YOUNG: Well, you need to talk to DLWC, or DIPNR as they're now called. They don't seem to be able to explain it either. But there have been cases in the range where the land-holders have been stopped. Down at Carr Springs, they burn the poa, then they spray their Bathurst burrs on the sheep camps. In the submission that Robert Goodworth has put in, they have been doing those two practices - well, burning for many years and spraying in recent years - and they've been using helicopters so that they can actually get in under the timber so that the timber isn't affected; only the Bathurst burr. But DLWC have come in and ruled it out, and they are now going through the process of consent and it's taken them 12 to 18 months.

I was talking to Robert on the phone just the other day, and he has now at long last got started on the process. It's terribly slow. It took the local DLWC at Muswellbrook, I think, the best part of 10 months to even get a form out to him and to get the process started. In the meantime, they haven't been able to burn their poa; they're getting a huge increase in the fire hazard on that steep country, and it's not country that you can burn around in the ute and get a mob of sheep out of a paddock in 10 minutes; it will take you half a day and a damn good dog to muster one side of

a mountain - so they're insuring regularly now all their fences and their livestock because they know if there is a fire there's no way they'll get their stock out.

And they've been stopped from spraying their Bathurst burr on these sheep camps. They can't get up there with four-wheel drive vehicles - it's too steep - and it's totally impractical to cut them with a hoe. The only way they can get up there is on horseback and their idea is, they spray them with the helicopters and then they go up with a hoe on horseback and mop up what's left. They're in superfine wool-growing country and, if a superfine wool clip is full of Bathurst burr, you can forget about it. Their entire viability and day-to-day management is being affected because spraying and burning is considered clearing under the act.

I would imagine, if you read the latest Native Vegetation Act, which is coming in - it's supposed not to be coming in now until 31 May - the actual part which describes what is classified as "clearing" is virtually almost copied out of the old Native Vegetation and Conservation Act. So the same rules will apply. That is the problem. Despite the fact that they're using a selective chemical that will only affect the weed that they're chasing, they are still being prevented from doing it.

DR FISHER: This just defies logic to me, and I just don't understand, if you spray something that is targeted as a noxious weed and you're not affecting anything else, how the relevant department can even become involved. That's bizarre. Do you know which department? Is it the same department that administers the requirement with respect to noxious weeds that prevents you from knocking noxious weeds over, or is it another department in New South Wales.

MR YOUNG: No, it's DIPNR that has stopped the spraying and the burning, and I think in Jim's case, Bathurst burr is a noxious weed in the Merriwa Shire.

MR EDWARDS: Yes.

MR YOUNG: And it's currently under the local government control. So you've got one bureaucracy telling you you've got to control your weed and you've got the other bureaucracy telling you you've got to do it all with a hoe. That's basically what it amounts to.

DR FISHER: They're effectively saying that you're not going to control it, aren't they?

MR YOUNG: Yes, that's right.

DR FISHER: Because it's not practical.

MR YOUNG: Yes.

DR FISHER: The bull grass story: I presume that sooner or later this is going to burn. Is that correct?

MR YOUNG: That's right. Down in the Carr Springs area, according to Robert Goodworth, it's built up into a very big fire hazard. They used to burn it in segments each year - one neighbour would burn a bit and the neighbour next to him would burn a little bit adjoining, and so on - and they'd keep the fire hazard down. But it's now got to such a build-up that none of them, even if they had permission to burn - according to Robert they'd be very wary of burning because it's going to be so dangerous. Is that right, Jim?

MR EDWARDS: Yes.

DR FISHER: Has the relevant department explained to land-holders who is going to pay for the consequences of that?

MR YOUNG: Just to explain where I'm coming from: I'm an executive councillor in New South Wales Farmers and I'm currently on the Resource and Conservation Management Committee of the association. I felt that it has been my job to try to coordinate these people to get something done about their problem, because not only does it affect the Liverpool Range, it will affect all protected land, and that will extend both to the north and southern tablelands as well. So it's a major problem, if we can't overcome it.

Just to fill in a few gaps, you've got to understand that the native grasses on their own are incapable of competing against the invasive weeds. I'd be correct in saying that, wouldn't I? Okay, the burning and spraying is considered to be clearing of native veg under the act, so they've got to go down the path that Doug has gone and introduce the improved pasture. From an environmental point of view, you will probably find a lot of the native grasses will still be there, but you're introducing more palatable improved pasture, you're increasing the ground cover at the same time as increasing productivity, but you're increasing ground cover which is going to improve the water quality, which inevitably ends up in either the Hunter River or the Darling system, depending on which side of the range they're on.

This really falls in line with what the new act is all about. In the new act - no doubt you people know more about it than I will - the Natural Resources Commission is going to set targets based on water quality, biodiversity, salinity and soil degradation. If they want an increase in water quality, surely to hell better ground coverage on the steep protected land in every catchment would have to be an improvement. So it's time that commonsense dictated that if we cannot control our

weeds and get decent ground cover with the native vegetation that's there, maybe we've got to go down the path that we get better ground coverage by introduced species and all told we end up with a better environmental and social and economic outcome.

This new act is supposed to be based on social, economic and environmental factors, and it's only just recently that DIPNR has now put out draft regulations which are going to be negotiated by various parties, such as the Farmers Association and environmental groups, and those regulations will attempt to make the new act more workable. Only just the other day there were negotiations in Sydney, and the environmental side of things was heavily mentioned and the social and economic factors didn't even get a mention. My concern is that only lip service is going to be paid to the social and economic factors.

But that will come back to how the make-up of the CMAs will end up. If we can manage to get reasonable representation from our areas in these management authorities, maybe we might manage to do something a bit more with it than what we did with the old act. For instance, there is provision in the act that local people in a certain locality will be able to set themselves up in a group that will be able to lobby their representative on the CMA. In this case, for instance, Richard has nominated for the Hunter catchment, and these people on the eastern side of the Liverpool Range with this particular problem would have to get their act together and inform Richard and he would have to influence the CMA. If all works well, that will be fine. But you've still got the nitty-gritty of the act there that says that burning and spraying is considered as clearing of native vegetation.

DR BYRON: I think you hit the nail on the head when you said, if you try and focus on getting the best environmental, economic and social outcomes, it takes you away from trying to make a list of everything that you can do and you cannot do in trying to be prescriptive.

MR YOUNG: Yes.

DR BYRON: If you focus on the outcomes, if it said basically, "You can do what you like on your land as long as you don't cause this much soil erosion or turbidity in the water coming off your property," and it's up to you to then - you're giving the people on the ground with the local knowledge the incentive to get it right, and you're allowing some flexibility for people to try new and different things. You don't even have to define whether burning or spraying or something else legally constitutes clearing or not.

Once you start going into all those sorts of definitions, you create all these anomalies and aberrations, because there's always some place where the definition

doesn't make sense.

MR YOUNG: Yes. I've just said here, "The acts need to be practical and be locally applied, not a blanket approach," which is basically what you're saying.

DR BYRON: Yes.

MR YOUNG: That's terrifically hard to get over at bureaucratic and political level.

PROF MUSGRAVE: It seems to me, Rod, that if you're going to get the local input to the development of ways of meeting the standards sent by the Natural Resource Commission, you've got to get down below the level of the CMA.

MR YOUNG: Definitely.

PROF MUSGRAVE: Catchment management authorities, who are covering pretty big areas.

MR YOUNG: Yes, huge areas.

PROF MUSGRAVE: Is there any indication to your mind that the people involved in drafting the bill on who will be responsible for drafting the regulations have learnt anything from the experience of the last 10 years in planning of water management acts, the regional vegetation management plans - sorry, the water management plans and the regional vegetation management plans? There is a lot of bad experience out there with those, isn't there?

MR YOUNG: To answer it abruptly, no, I don't think they have. The point is you get a set-up where you have people like New South Wales farmers on one side of the table and the environmental groups on the other side of the table, and you've got a government that takes a political line and sits on the fence in the middle, and plays one lot off against the other and we don't get anywhere. I think that's basically the problem at the present moment. I don't really know what the answer is.

At the end of the day, from what I can see of this new act, the people on public land - they're really getting targeted because they can't dodge around it, as the Pilliga people were telling you this morning. The people on private land, we can, to a certain extent. For instance, I'm inclined to think that very few land-holders will be prepared to sign a property vegetation plan. I think they will just refuse to have anything to do with the system, and we'll have CMAs set up there, we'll have staff on the CMA, we'll have seven representatives and they'll all be sitting there with no customers. It's going to be a real stalemate, in my opinion. I don't really know just how it will be overcome.

I might be cynical and some of the people - if we get the right people in on a CMA maybe we might be able to make it work, but I think a lot of land-holders just will not - we are very conservative-type people and we will not be prepared to sign on the dotted line.

PROF MUSGRAVE: So there's no indication that thought has been given to the way in which the CMAs might go about their job? I know that there's provision for them to have a budget and I know that there is provision for them to appoint staff but, as the thrust of our conversations this morning is suggesting, the CMAs may be not an appropriate body. They are too high a level themselves; they cover too big an area; there needs to be even further devolution to local areas if you're going to get plans of action which reflect the local complexities and difficulties.

MR YOUNG: That's right. You've got - take, for instance, the Central West CMA, takes in the catchment of Castlereagh, Macquarie and Bogan - and it will extend from up above Mudgee and Rylstone out to about Wilcannia. It's a huge area and you're going to have seven representatives. If those seven representatives were going to be able to travel around and talk to small groups, like people on the Liverpool Range and then people out at Wilcannia and another mob up behind Mudgee somewhere, about entirely different subjects, they're going to have to be pretty dedicated sort of people and they'd never have any time at home to earn themselves a living.

You're just as likely to get some of those people on the CMAs who will have a pretty one-track mind of what they want to do, and they won't care about all the other issues. So, yes, it remains to be seen; it's conjecture. I suppose that's what I'd call it.

PROF MUSGRAVE: It's a bit of a worry, isn't it?

MR YOUNG: Yes.

MR STANTON: The Hunter catchment goes from Taree to Gosford and up to these guys on the top of the range, so you've got tourism at one end and broadscale agriculture on the other.

PROF MUSGRAVE: Yes. My view of this - and it's not as long-formed as I'd like it to be - is that it is fine to have the catchment authorities and I think that is a positive step, but if they don't consider devolution of some of their responsibilities, say, in the case of water going into the Hunter from the Liverpool Ranges, that there is an appropriate local entity that can provide the input into the planning process that the CMA would find it very difficult to do. In other words, it devolves some of its responsibility down to the local level.

MR YOUNG: If I could, I'd just like to present a few points of Robert Goodworth's submission. As I've already said, their basic problem is the prevention by the Native Vegetation Conservation Act of the burning and the spraying. A compliance officer ruled that the burn was land clearing and so he realised he would have to go to consent, and he applied for consent on 22 May 2003 and I know - I think he finally got the form in about January, just after Christmas, and he started on it. So that's what, seven or eight months, just for the local bloke to get him the form. That shows quick they move.

On the less sloping land down in the valley he wanted to Rotowipe the tussock - that is, it's a machine that applies - it's a sort of inter-roller drum and it applies Roundup on tall, growing tussock, but it doesn't spray Roundup on the actual undergrowth. So, in other words, he was going to selectively spray the tussock and still leave any, say, young rye-grass or clover or young stuff coming along underneath, and introduce a mixture of a more palatable native and introduced species to try and lift his pasture. Now, that was on country that is able to be driven over, like by a tractor or a ute, so even there, because there's native vegetation, he still has to go through the consent process.

He says, "The problem basically is we are attempting to manage the more productive native species along with the introduced species to create a more sustainable long-term pasture mix." Basically what Doug has been telling you about.

However, the NVC Act restricts any management or balance. In the meantime, the complexity of legislation and the paperwork involved is affecting the conduct of the local DLWC staff. If we are prevented from doing burning or spraying on the protected land areas, our viability of long-term production will be seriously undermined. The local DLWC staff seem to change their tune as they interpret the environmental legislation.

One such officer reports the sighting of a koala in the area in 1964 and it must be right, because it's on his computer. He uses this information to further impede our progress. I have never seen one koala in the area. It is obvious that these people have the environmental clout at their disposal to virtually put us out of business. I also wonder just how much collusion there is between DLWC and NPWS.

No doubt you must read hundreds of these, but just to quickly fill you in on what has happened to him, he has a small occupational permit lease that's been taken for national park on top of the range and after a lot of hoo-ha he has got access through a narrow virtual laneway.

PROF MUSGRAVE: He spoke to us, didn't he - - -

MR YOUNG: Right. This situation has created in the area a problem with people wanting to buy properties, in that they are concerned at just what interest the NPWS have in further extending their national park along the range. A Pitt Street farmer wanted to buy a property just down the range a bit, so he asked the local estate agent he was dealing with to go and make inquiries. So the estate agent went to the Scone NPWS office late one afternoon, when only a junior officer was on duty. Anyway, he trotted out and gave him this map and it's obvious that NPWS are interested in buying all of Robert Goodworth's property so that they can have road access to the occupational permit lease and they're also interested in buying some of the higher portions of adjoining properties. Jim, would you comment on that?

MR EDWARDS: Yes, well, it's getting very close to me. They also have taken a great interest in reserves, stock reserves anywhere in the Liverpool Range, because that's one thing they can get their hands on very quickly. But it seems to me that they are really keen to get a corridor through to the ranges, I'm absolutely certain of it.

MR YOUNG: On the point of the corridors and the national parks and threatened species, what you need to realise is that while ever threatened species are separate to the conduct of the CMAs, the Threatened Species Act will override whatever the CMAs come up with. So we're not going to be any further in front than what we were with the old act. As far as the corridors are concerned, from a practical point of view those corridors are already there; they've been there all the time. They will always be there.

There would be a huge amount of wildlife on the Liverpool Range in that not arable, steep country. I've seen it myself. There are areas of grass trees and what's called dry rainforest and these people have been there for over a century and a half and it's still there. So it's still there because their management is not affecting it, so I can't see any practical reason why those sort of things have to be protected, when they're existing in the practical day-to-day management. But the problem always seems to be with NPWS that they cannot keep their influence within their boundary. They start to affect the next-door neighbour and the next-door neighbour. With the present government policy of - I think the last budget, or two or three budgets ago it was 45 million a year being allocated to NPWS to buy private land for national park. This process will continue and the influence of NPWS, while ever they can influence with collusion with agencies like DIPNR, they can influence what's going to happen to the next-door properties, it's going to continue to affect the management and the land value of those properties next door to national parks, which is a major problem and it has a wearing-down effect. I think that just about covers what I want to say.

DR BYRON: Could I just come back to the poa grass again. There's no suggestion at any time that this is in any way rare or endangered or of great ecological significance, or anything like that. I'm just trying to figure out why they're so terribly concerned about conserving it.

MR EDWARDS: I suspect their main liking of it is that it holds the country together. I suspect that is the reason, because it's - but my observation is that is not totally correct because where you get a lot of poa grass you also get a lot of landslides, for some reason. It seems to be if you get a wet year you have huge landslides, so I'm not sure that they're correct in their ideas. I can't think of any reason why you'd want to keep it. I cannot think of one reason, other than that it is - - -

DR BYRON: It's got an Australian passport. It's a native plant.

MR EDWARDS: Yes. It's sort of got worse, that's the problem. We've made it worse by building the nitrogen up in the - we've created a problem and now we've got to live with it.

MR YOUNG: I think it's really come to the stage that people on both sides of the argument have to realise that the environmental argument goes beyond native vegetation. We've got to look after the land; we've got to keep the ground cover there and, if native vegetation can't do it, we've got to go to introduced species. Until the people on the other side of the argument recognise that, we're not going to get anywhere basically.

DR BYRON: If you can get good ground cover that protects water quality and, at the same time, makes an economically viable farming proposition, then you're better off than having something that - - -

MR YOUNG: Yes, and I'm quite sure the local biodiversity will still eat it. I can assure you emus and kangaroos eat wheat.

DR BYRON: Yes. Anything else?

PROF MUSGRAVE: I think we could go on for a long time, but I think we've done what we can this morning.

DR BYRON: Yes, okay. Do any of you gentlemen want to make any sort of final concluding remarks to wrap up?

MR EDWARDS: One fear I have is that on all - I know on my place the

government or CALM, as they call themselves, have a lot of leases that we don't actually own. We pay rent on them. I pay about \$6000 a year rent on them. You know, they're everywhere, these little - I'm not sure what they are. The most obscure places and it's always been a worry to me personally that that is going to make their corridor easier, because there are so many of these permits. You would have a lot, wouldn't you?

MR STANTON: Occupational permits.

MR EDWARDS: Occupational permits.

DR BYRON: Short-term leases, yes.

MR EDWARDS: Yes, and you might find that you've got a huge big rock on top of the range, a rock about half a mile long and suddenly there's a lease beside it. You wouldn't know why it was there, but it's there, you know. It's becoming very - you used to be able to convert them to freehold, but I don't think you can now.

MR STANTON: Chairman, could I just make one brief point: I'm trained as a property valuer and I'm very conscious - I worked in the city for a lot of my life. When land is taken in a city environment, just the corner of a piece of land, often that's all that is taken. But, as we all know, if a big slab of a property is taken the remanent, the remaining parcel, is often changed in character totally to the point where the government take the lot. I know you're not really in the business of compensation, but you're in the business of looking at productivity.

What concerns me is that as these various bureaucracies nibble away at what can be done on a piece of land, they actually affect the remainder. It's not just the effect on these fellows' high country, but if they're reduced in what they can do up there, maybe the value of what they have down here has fallen as well. In fact, we haven't heard the full thing about Goodworth, because what they did when they removed his occupational lease and said he couldn't move from one side to the other, it actually destroyed the business totally and he would have just have to sell it. They gave him - apparently they've given him access under pressure, in the end.

So I just want to make the point that I think the productivity - you've got to look at the loss of productivity on the land that is affected, but it's most important that the effect on the balance be considered. Really, when these measures are brought in there ought to be some panel, commission or inquiry or some body that can look at the total effect. Now, the purpose of saying this is obviously that compensation should be paid, which brings me to the big point, which really is that if the people in general, if the whole community - and that's largely city people - want the farming community to change the environment to their likes in the city, well,

then they should pay for it.

That may not be your role, but I think when you look at the damage that some of these regulations bring in, it is costing farmers money and it may actually reduce the whole value of their asset. I think that's fundamental to the whole discussion. Thank you.

DR BYRON: Thank you very much. You have summarised it very nicely. On that note I'd like to thank you all very much for making the effort to get here, and for the written input, too.

DR BYRON: We have now got Alan and Shirley Hall.

MR HALL: Thank you for inviting us to participate. I'm in a lucky position. A lot of the speakers before me have trod on the ground that I've been, especially the last speaker. A lot of the ground has been covered. It's refreshing to see three gentlemen taking notice of what is being said for once. In my submission, there is a lack of definite proposals in this thing. There is a lack of definite proposals to compensate land-holders for the loss of production and their land, and we feel that if the community takes land for conservation then the compensation should be paid at the same rate as current land values and used within the criteria, as in the towns and cities, where factories have to be relocated for something else to progress, eg new roadways. We've had a fellow in our house that is talking about - in Brisbane, they're going to put another bridge over the river and they've got to shift their factory, and there's a whole list of things that's going to happen.

The second one is the regrowth control of gumsuckers and pine trees. Pine trees cause land degradation. The topsoil washes away and grasses do not grow under them. The topsoil ends up in the rivers and some in the major water storages. We feel there should be no restrictions on clearing trees that cause the loss of topsoil and erosion. The third one is farmers' terms of trade. Well, the gentleman that came from Narrabri touched on that one. Farmers' terms of trade are generally falling every year. We feel that if the farmers' capacity to earn is diminished then we should be compensated. The wider community loses when there is loss on the land, and every dollar a farmer earns has a snowball effect. Cut a landowner's income and you cut the income to the towns. That's pretty obvious too.

We feel the only way to get this operating is to educate the people. Education by the authorities who want to run a vegetation committee - should set up farms to demonstrate to the public how to run and look after the land. They should also have to make this farm be a productive and paying proposition. Lead by example. At the end of the day, the farmers own their land and they have built it up from nothing with their own resources, without any help from the government. The wider community has benefited from the produce produced from the land and the export income earned by the produce for many years. If the country is locked up that the farmers own and use, then their ability to continue to help maintain the Australian way of life will be lost. Thank you. Any questions on that? I've got a few to add on to some of the other people that have been before me.

DR BYRON: Yes, I have got a few reactions to that. Do you want to continue or do you want me to respond to - - -

MR HALL: I'd rather deal with this. I've got some here that I've written down, so I won't forget them.

DR BYRON: Okay. On the terms of trade, I think we have acknowledged the fact that farmers' terms of trade have been declining for a long time. The only way that farmers have been able to continue to be viable is through technology improvements.

MR HALL: That's right.

DR BYRON: One of the things that we pointed out is that, in all the states that we've looked at, the way the native veg controls have been implemented is actually stopping farmers from adopting new technologies which they need to keep them viable.

MR HALL: Well, there are two ways a farmer stays viable. He increases production or he cuts costs. There are only two means he's got at his disposal, or they look for some other market, which is sometimes fairly iffy.

DR BYRON: Yes. The first point you made about the definite proposals to compensate land-holders - I think that's one of the most central things in this whole exercise. We've spoken to lots of highly qualified lawyers about this and what nearly all of them have told us is that the law is very clear that says the state government doesn't have to provide compensation. The Commonwealth government - if they take land, they have to provide compensation on just terms. That's written into the Constitution, but there aren't things like that written into the state. Apparently, according to the lawyers, state doesn't have to pay compensation.

You and I might think that that's completely unfair and unreasonable, but that's what the lawyers are saying. We're taking a slightly different track on that and saying, "Well, even if you don't have to, maybe you should anyway, because ultimately if you want to get the land well managed you're going to have to rely on the land-holder and you're not going to get a good constructive long-term relationship with the land-holder if you start by - - -"

MR HALL: Stealing his land.

DR BYRON: You said it, not me. Yes, even if the law is perfectly clear that the states don't have to pay compensation, maybe it would be smarter if they did. Maybe it would also be smarter, if they want farmers to in some way change what they're doing - to do a bit more of this and a bit less of that - I'm sure some people might do that, if offered the right sorts of inducements. What they've been doing up till now, it seems to me, has been to try and force land-holders to do things at their own expense and, not surprisingly, many land-holders have told us that they're not happy about that and are resisting it. I appreciate why it seems quite obvious to you and to many other people that compensation is fundamental in this whole debate.

MR HALL: Yes. I've read most things on this. Years ago it was written up in The Land Newspaper, I think, that if they didn't compensate for their encroachment on private land they may as well forget the job. It won't work.

DR BYRON: That's right. Forget about the legal technicalities. If you think practically, ultimately the people who live on the land are going to determine how the land is looked after. You know, when you talk about the state government setting up demonstration farms to show the rest of us how it should be done - I think the Russians tried that too, and I don't know that the state farms were such a good demonstration of viability and good ecological land management either.

MR HALL: Yes.

DR BYRON: I thought you had a bit of tongue in cheek there.

MR HALL: No. In that point, there was a whole heap of SGS demonstrations set up through the rainfall country and they worked very well on sustainable grazing systems.

DR BYRON: But who were they run by?

MR HALL: Mostly by the Department of Agriculture and people that - well, where I am out at the Tamworth Research Station. They were fenced up and run and they did actually work. They only run for three years, I think. Most of them are gone now, but they worked and they demonstrated what could be done very well. The farmer was involved too, because they were using farmland. I think they might have leased it off him.

DR BYRON: I'll take that back then.

MR HALL: The point was they were imaging the erosion and they had traps to - all the water had run through and it left the silt behind and they can actually measure what was leaving - the silt that was leaving the land. They were quite good demonstrations, and they worked and they could measure everything.

DR BYRON: Yes, I've seen those experiments. Do either of you gentlemen want to respond to the issues that Alan has raised so far?

PROF MUSGRAVE: Just perhaps to remark, in relation to these last points, that across the country we've had people observe that there's been a reduction in the old style agricultural extension service and an expansion in the number of people in the field who are trained in environmental matters, but not in agricultural matters, and

that this is a significant cause of a breakdown in communication between the agencies involved in vegetation and biodiversity regulation and the farm community. Would you agree with that?

MR HALL: Yes, I would agree with that. The agencies - we have a land care group. It counts about 40,000-odd acres. Three shires. It's all high country or most of all high country and mostly timbered country. As far as I was aware about four or five years ago, the agencies were told they couldn't speak to one person alone. They had to get a group together and the only way you could get a group together is through a land care. It's very hard to get a day when those people aren't involved in something. I mean, one guy teaches SGS. That's sustainable grazing. He does that on a commercial basis for the department. He does come for days. If you have a day, he'll come there and appear there. It might be with, say, the Armidale sheep and wool officer or something like that. I think they're told not to just come out and talk to one person, because there's not enough - you know, the knowledge has not been spread wide enough. They've also disappeared for some reason.

There was a good - the lady was called a range land officer in Armidale district. She used to range from the Queensland border to just behind the hills there. I've been at meetings there and seen her there. I just don't know what her role was, but the last day she was employed by the department and she got where I was, her employment had been terminated. She had about 100 farmers there talking to her. That's pointless, when she had the farmers eating out of her hand and conveying good knowledge.

DR BYRON: You've got some other points you wanted to raise?

MR HALL: Out of the first lady and two gentlemen that talked, they were wondering why the pine trees - there was a difference where they'd cut the things and where they hadn't. I did a nine-day holistic management course in our house. Our lounge room is about half the size of this and we had 22 people there for nine days. There's a thing called a carbon cycle. If the region excludes animals or something out of the environment, the carbon cycle is slowed down. It doesn't completely disappear but it's slowed down and that stuff has got to be returned to the soil, that material on the ground, very slowly. If the carbon cycle is broken, apparently to the holistic management people, that's one of the very important systems. Now, where the trees were cut and where they weren't - where they weren't the carbon cycle had been slowed down that much. It's not the return. It's not going round fast enough.

The build-up of animals in the last speaker's - well, you've got to control these animals. Once, I mean, the aborigines used them in the food chain. That's quite simple. I mean, we don't do anything with them, virtually, if we can help it. Well, the fire control and once you fence something off, lightning is going to light it up for

you eventually. It might take a few years but eventually it's going to happen. In the storms we've just had at Gunnedah there's two lightning strikes out of our - we could see them off out through the window in the kitchen. They were straight to the ground. They would have been fires, if there hadn't been a shower of rain beforehand and that was in rough country, too. Fortunately I was watching to see the smoke didn't start, but it didn't.

Yes, the CMA areas, in my opinion they've always been too big. 13 across New South Wales. Come on. As far as I'm concerned the shire would be too big, because as the one gentleman before us said the soil types vary that much. Like, I sent a submission into the first of you people. I didn't go to Moree and I still say there's plenty of people in the community, ex-officers from the department, retired officers from forestry. They've all got the knowledge and they're very good at pointing it out. Those are the people you need. I can remember, we had a retired forester out at the Gunnedah area, come out one day just to have a look around. The first thing he said when he got out of the car, we showed him a stand of pine trees.

He said, "They're locked up. Is that 100 yards away?" He said, "They need milling immediately." Well, they're still standing there. Then he pointed out how he could tell. He said, "These trees need putting on a six-metre grid, then they will continue to grow. When they're locked up, trees have got total - they can't get enough moisture so they stop growing. They stay alive but that's all they do and they don't get any bigger. You see, once you put them on a six-metre grid then they'll start to grow again and that's right across the country. I mean, forestry is having problems with that one themselves and I don't think they've got it solved yet, either because the regrowth is coming up under the trees.

I think people from Pilliga know what I'm talking about. And the wildlife corridors - well, they're still there and they will probably stay there. I've got plenty of them. I don't intend touching them but I don't want to hand them over to the department, either. I'm on the buffer zone of the South Brigalow biodiversity region. They don't even come on to the place but they forgot to tell everybody they had a 20 kilometre buffer zone right around the thing and we're in that. I don't know what that means. We're not in the Brigalow thing itself but we're in the buffer zone between that and the next one, obviously.

DR BYRON: I don't know what that means.

MR HALL: No, neither do I. That's about it, if you haven't got any more questions but, I mean, the previous speakers covered a lot of it.

DR BYRON: Yes.

MR HALL: I mean, the gentleman from Narrabri, he did it very well. I'd put this together while I was wool classing in the shed on Friday, so it was pretty rough.

DR BYRON: It's a good place to think clearly.

MR HALL: Yes, it's not a very good place when there's 500 fleeces coming at you. And on top of that, the people from Baradine - that's how far we've got to go for shearers now because there's none in Gunnedah that aren't tied up, but there's plenty of young guys that have to go that far from Baradine to get work and have to go further than that. Because we used the same ones in the Manilla shire on another place we were involved in and that place has got pine trees on it. It's on serpentine soil, or some of it's serpentine, underneath it. A lot of that soil can keep it down there, I guess, because they just had 11 inches in three weeks on that block. You know, I guess that's where some of the soil is and nobody seems to want to do anything about it, instead of coming out, cut the lot down and get the grass to grow and that's the only way to cure it. Then they say, "Cut the pine trees." You'd have to cut every one because you get rid of the seed bank so it doesn't happen again.

DR BYRON: Thank you very much for making the effort to come here and thank you for persevering and having a look at that big, fat report in front of you. We will try and make the next one a lot shorter and clearer.

MR HALL: Yes. Well, I only went through the New South Wales section. I didn't enter the other states because it's none of my business. Thanks for listening and thanks for trying to do something with it. Yes.

DR BYRON: I think we should adjourn for lunch and resume at 2 o'clock with the representative from Brewarrina Regional Vegetation Committee. Thank you.

(Luncheon adjournment)

DR BYRON: Thank you much, ladies and gentlemen. We can resume the public hearing. Our next presentation, including audiovisual aids, is from Brewarrina Regional Vegetation Committee. Karen, if you'd like to just take us through the presentation and then we can have a bit of discussion after that.

MS KNEIPP: Yes, that's fine.

DR BYRON: And thanks for coming.

MS KNEIPP: Thank you. My name is Karen Kneipp and actually I was executive officer for the Brewarrina Regional Vegetation Committee, which is now dissolved with the new act that's come into place within New South Wales. I'm just going to run through who the committee is and then some of the major outcomes that the committee came up with in terms of developing a regional vegetation management plan, and also one of the major initiatives that addresses many of the issues I think the commission is looking at, so I'll just run through my presentation and probably have some questions after that.

That's the map of the area, the last one. It's approximately 1.9 million hectares and it borders Queensland, Narran River and Marra Creek. It's a semi-arid landscape and, as most of you know, with variability in seasons, et cetera. The predominant land use is grazing and we've only got about 3 per cent development in the area, so we're looking at an area that's predominantly native vegetation, and the 98 figure for conservation was 1.2 per cent, which has actually gone up a fair bit since that time, with national parks, et cetera, in those areas.

PROF MUSGRAVE: Sorry, what exactly does development mean in this context?

MS KNEIPP: Cleared for cropping.

PROF MUSGRAVE: Cleared for cropping?

MS KNEIPP: Yes, it's mainly dryland cropping. There's a little bit of cotton around the town itself but - - -

PROF MUSGRAVE: And then conservation. What's conservation?

MS KNEIPP: Conservation is - the committee actually came up with a strict definition of conservation, which doesn't include grazing, only for conservation purposes, and most of the area that fit under that at the moment are national parks.

PROF MUSGRAVE: I see.

MS KNEIPP: But when we plan future conservation, they've actually defined it, and it is pretty strict. It's a fairly low-key definition but we think it was a good one, and that's what other communities have difficulty doing, and other people have had difficulty in actually defining what conservation is.

PROF MUSGRAVE: Thank you.

MS KNEIPP: And, as most people would know, the regional veg committee was set up under the Native Vegetation Conservation Act, which will soon be no longer. The committee consists of New South Wales farmers representatives, Nature Conservation Council reps, ecological society, rural interests, DIPNR, National Parks and Wildlife Service, local government and Aboriginal interests, so there's a wide variety of stakeholders represented on the committee.

Some of the major outcomes of the Regional Vegetation Management Plan was that it would provide a way of making informed decisions with clear guidelines. A lot of the criticism of the current procedures was that people didn't really know what the guidelines were, and it kept changing, and what the committee wanted to do was come up with a plan that was very transparent and wrote down in the plan what the guidelines were, what you were able to do, what you weren't able to do, so it made things a little bit clearer for people when managing their properties. It engendered trust and gave responsibility for native management to all stakeholders, so I guess one of the major things of the plan was that it wasn't an area that's been cleared legally.

It's not like some of the central west areas. It's an area that's been maintained for native veg and mainly for grazing. We wanted to have some sort of trust and responsibility shared between the government and the land-holders, rather than having pure regulation. They aimed to re-establish communication between land-holders and the broader community, so I guess the committee felt there was a big gap between land-holders out near Brewarrina and people within Sydney, and they thought that needed to become closer together.

They recognised the need for more extension work in the region relating to native vegetation management, so instead of having - I guess the way things are heading now with regulation, there is no-one out there to actually help land-holders now and give information to people. The regulations are there. They're going, "Don't do this, don't do that." But I guess a lot of the positives happened, and advancement in the attitudes towards conservation happened when there was a lot of people out there on the ground helping people with advice and information about native veg, rather than telling them what they can and can't do. That's one of the big things as well.

Simplified native vegetation management for land-holders and other stakeholders: that was also part of making it clear, so it was open for everyone to see, not just land-holders, so the broader community could have a look at how vegetation would be managed within the Brewarrina region. It identified and promoted the significance and value of native vegetation; it also identified areas in the landscape that were of high conservation value, and also the importance of managing vegetation across the landscape, not just in those conservation areas but looking at the positive side of things as well, and so it set priority areas for conservation; for example, riparian areas and high conservation value for Aboriginal interests as well.

We set targets for conservation and limits for development, so there was a conservation target of 20 per cent for the region, and I'll talk later about how we were going to achieve that, because looking at it overall it doesn't look realistic, but we came up with some different ideas for that. And a development limit across the region on 20 per cent: there were also limits below that for veg communities and there were also areas set aside that were maybe capable of development and some areas that weren't, so it probably wasn't likely to get to a 20 per cent development, anyway, of a natural accord, but that limit was there.

We developed exemptions appropriate for the region, including thinning exemptions for some species. I'm not sure whether you're aware of some of the problems in the Brewarrina region with coolabah buck box. Its regeneration is just incredible and it's coming up very thick and it needs to be thinned out in some areas, and that's ecological reasons as well, so we've come up with some guidelines for thinning, and it's pretty detailed and we actually went through a lot with National Parks and other people in making it consistent with koalas, things like that, so there was a lot of work that went into that, and extra provisions for that.

A plan to adopt the code of practice for managing scrub dominated landscapes: you're probably not aware, but there was a code of practice in place to manage those landscapes and clear species where they dominate the landscape.

PROF MUSGRAVE: Where did the code of practice come from?

MS KNEIPP: That was being developed by a woody weeds task force in conjunction with the Department of Land and Water Conservation, and I've just been in a meeting today talking about how that's now changing to a regulation under the new act, so it will be there in some form, but very different. And then what happened to the plan in the committee: the draft plan went for public comment. The plan was amended and submitted to the DG for approval. It was legally drafted by a PC, so it went through all the legal hoops.

Before the election - it was sort of before Christmas time, I think - it was December 2002 - the politicians decided it needed a longer period of consideration and that was interpreted as meaning after the election it may go through. Last year the committee was dissolved and the plan put on the shelf basically at this stage, so I guess all these things came up but the new processes and the change of regulations means that it's going to go around again and we have to do a new planning process, new legal drafting of all these regulations.

One of the main initiatives the Brewarrina Regional Vegetation Committee has come up with and it's been presented to many politicians, including the Prime Minister and other people, is enterprise based conservation. As I talked about before, we set a conservation target of 20 per cent, and we didn't think that was realistic I guess for the land-holders to take responsibility for all that, and it should be shared between the community and land-holders, so we broke that up a bit and said that 5 per cent would be public conservation and national parks, et cetera; 5 per cent would be what we were calling a duty of care, so something that land-holders would want to put away at their own costs, something that was particularly special in that area. Then 10 per cent would be enterprise based conservation so the land-holder would be getting some return for managing for conservation, so the public would recognise the cost of conservation as competing enterprise to the land-holder, and that they may receive economic payments of comparable value to the existing land use, maybe on a DSE rate; that's a dry sheep equivalents - what we use. I'm not sure whether you're aware - using the (indistinct)

The community actually came up with a draft investment proposal for this, which is probably something far down the track, but something we're trying to get out there for people to think about, and I'll run through that with you. So things that address equity issues and return for capital value on the land, sharing the cost of conservation between the broader community and the land-holder is a long-term investment base and it's a commercial financial basis rather than just giving handouts, as we've seen with a lot of incentives and things. We've been giving money out but we don't get long-term benefits from that. We don't have long-term conservation. I guess it's difficult to see some of the outcomes from that - later on down the track, maybe 10, 20 years' time.

This is just part of the rationale which I talked about in terms of the 20 per cent and why we came about doing this - equity issues, et cetera - to meet the 10 per cent conservation. The main thing was establishing conservation as land use, so you saw that as competing to grazing on one of your properties and you actually did - you know, you managed it as well. You didn't just set it aside and say, "Yes, that's conserved." You actually have to actively manage and do feral animal control, et cetera. It's alternative industry, so you're not just relying on grazing in the western division, which is a big issue, particularly going through the drought. We've seen

that as a huge issue.

There's potential for additional market based returns in the future, such as carbon, biodiversity credits. The process for this which we see as the draft investment proposal - but there's a lot of work to be done on this, and this is just one way we thought we may be able to achieve it. So the current land use right, which is grazing, was purchased from the land-holder so the crown would purchase the grazing rights from the lessee. The purchase price is based on current grazing land value. Then the payment is made in terms of conservation bonds. Rather than giving them the money, the money would go into a managed conservation fund and they would receive conservation bonds for that.

And then the government would guarantee a payment of commercial rate on the conservation bonds, say 8 per cent above the government bond rate. The land-holder manages the conservation area to agreed standards, so you would have to sign a contract that you would take care of the ferals, you would burn if necessary, you would make sure your fencing is right and you'd get rid of weeds, et cetera. So the government could also have access to that money, so if they have put the money aside and invested it in the conservation fund, they could also borrow it back for infrastructure, et cetera, and use that money. There's potential for other private investors to enter into the system; limited government investment required. Ten years accruing 1 per cent per year results in 10 per cent conservation land use.

Some of the potential problems: the bonds are return limited; initial government commitment is limited, which is one of the huge issues of government putting in a huge amount and then I guess having that long-term commitment for the land-holder to receive that return, because someone would have to put some sort of security to the fund if the fund went bust or something. The conservation areas could be mismanaged; you might not be getting the outcomes that you want. But if you didn't manage it to your agreed standard, you wouldn't get all the returns. You would only get a percentage of that or you wouldn't get any if you weren't managing it properly.

Initial set-up costs are quite huge, and just even us looking at that, we need so much more input in terms of economics and finding out more about this and how it would work. It's a huge thing to do initially, and set it up. Limited government support again and loss of capital value, which had to be addressed in actually purchasing the property, I guess the concerns of that being on your title as well.

Just an example we've got: say the land-holder puts aside 1200 hectares of the property, the land value is \$100 a hectare, \$120,000. Conservation bonds are issued to the land-holder and stapled to the title; something that is sold with the property. Return is guaranteed at 8 per cent per year, so that's \$9600 a year in drought-proof

returns, so you're getting that whether you're in a drought or not. And the conservation land use is commercialised, so it's part of your overall enterprise.

This is a little diagram that goes through some of the issues and where it goes, but someone else did that for me. It's a little bit confusing. There's so much work to do on it, but I guess we're saying we need to look at some of the alternatives rather than going down our traditional incentive bases and doing something in the short term and giving so much money that maybe with limited investment you could actually have a long-term fund that would work for everybody and having long-term conservation and long-term income for land-holders in some way. And just other mechanisms could be loan investment proposals or tax incentives. Any questions?

PROF MUSGRAVE: So, in effect, these various proposals for payment for conservation services was a proposal on that land.

MS KNEIPPP: Yes. Yes, it was part of the plan that we proposed that this was the one way of achieving our conservation target. If the government wanted to go further with it that was up to, I guess, them. It was the only way that we see realistically achieving our 20 per cent target of conservation. We needed something other than, you know, saying, "Land-holder, please go and conserve," and the incentives, or current incentives, weren't enough and even future incentives probably - they aren't viable in an area that's struggling with the grazing as it is. If you took out another 10 per cent of their enterprise they just wouldn't be viable. So we needed some sort of option like this that could have off-reserve conservation happening over the landscape rather than just concentrating in national parks, using some of the money to have off-reserve conservation.

DR BYRON: Did you get feedback from anyone in government on whether they liked the idea?

MS KNEIPPP: It was all, "Yes, that sounds nice," but no commitment to go any further with it. John Anderson, yes, said, "Yes, that's great," and that just - yes, didn't come back with very much. We sort of kept feeling that we haven't done - I've been away overseas for the last four and a half months, so I haven't done anything with it. Very little has happened in that time that I've been away, for probably the last six months. We've been busy with the change of regulation and everything that's happening at the moment. I think it's difficult to get it across and also I think people are just scared of the long-term commitment. The government is, anyway.

DR BYRON: Yet the government is wanting land-holders to make long-term commitments.

MS KNEIPPP: Yes, exactly.

DR BYRON: There's a certain - - -

MS KNEIPP: If the community wants conservation and wants the land-holders to go into long-term commitment in conservation, then they have to be willing to make that long-term commitment within the community in putting taxes or something aside for that as well. You know, still we had that the land-holder would be putting in part of it so we had that 5 per cent conservation that would be on the land-holder's behalf, that then there would be 10 per cent. It was this form of conservation.

DR BYRON: I have lots of questions about both content and process. I'm just wondering which ones to go with first.

MS KNEIPP: There are lots of flaws in it at the moment, sir. I'm not an economist, by any means. I was trying to work out this was a little bit in limbo and we did want to go further with getting some economic help on how to develop it further.

DR BYRON: As you say, at the moment this proposal, even though people sound like they agree, is all in limbo.

MS KNEIPP: Yes.

DR BYRON: I think you said that you are going to have to go back to another round and do it all over again under the new rules. Do you think there will be difficulty in getting volunteers from the community to go through the detailed lengthy process again after having put so much time and effort into coming up with this one and then see it in the bin or on the shelf?

MS KNEIPP: Yes. I guess in terms of the planning, how we're going through catchment management authorities rather than regional vegetation plans, so I think some of our committee will not be keen to go back again. It's going to be a bigger area and probably a lot of our information will actually feed into their planning. Also, in terms of the enterprise based conservation out in the - actually, people taking it up, we have a pilot program running just looking at actually the land-holders' work and what sort of payments they'd want. West 2000 Plus is but a pilot program at the moment and some of the difficulties with that was going out and looking at - people just didn't trust the government. Even for - like this is only a short-term one, a pilot program for five years, they were just, "Oh, you know. If you put that on my lease or do something with it, I'm really concerned that they're not going to take it off. I won't get any more money but they'll keep that there permanently," and there were some real concerns about that.

DR BYRON: Yes. I can imagine. The other process issue that occurred to me was

that you mentioned that the committee, as it was set up, was representative of interest groups. One of the alternative ways is to have committees that are sort of skill based, rather than representative. Do you have any thoughts on that?

MS KNEIPP: I guess the skills were there in terms of some of the agency people did have the skills. If we needed more advice we'd get the information from somewhere else, I think. It's nice to have the skills but, really, you need people locally. If you've got the people locally that have the skills and know the issues, then that works well; but when you've got people who are skilled but they have - those skills don't actually relate to the area. I mean, somewhere in Sydney is very different to looking at areas around Brewarrina and just not even realising that it's actually, you know, that's native veg. It's open. Really that's the natural grassland. It has not been cleared. People have trouble even realising that. We'd get some experts out and they'd go, "Oh my God, this has all been cleared." "No, it's native grassland and we're actually trying to protect that. That's one of our most valuable things and that's one of our conservation priorities." Yet they would see that as cleared land. So yes, the skills have to be appropriate to the area, so that's important.

DR BYRON: Absolutely. We were reminded yesterday in Sydney that there seems to be a sort of tree bias in our report. We'll have to keep telling ourselves that we're looking at all native vegetation.

MS KNEIPP: Yes.

DR BYRON: We have seen areas in Victoria where the most endangered ecosystem is native grasslands and yet there were some government officials who tried to force people to plant trees on rare and endangered native grasslands.

MS KNEIPP: Yes. It sometimes just isn't appropriate. Yes - kanga paw shrub lands and things like that are really important, too, and they just sort of get forgotten in the process, as well. The issue is, too, we're looking at - we have something like the koala that is so protected and we went through so much of that, but there's all these other little nocturnal mammals and stuff. No-one seems to worry about or seems to know about them. The research just isn't done in the semi-arid areas within New South Wales. We just don't have people out there doing the research and knowing enough about it. They might say, "Yes. It's endangered," but they just don't know. The information needs to be there in order to make the decisions.

PROF MUSGRAVE: This must be unusual amongst the plans that were being developed, in the sense that it came to some closure.

MS KNEIPP: Consensus agreement, yes, and it was there. Yes, people were very happy with it and we took it out to the community. It went out on public exhibition

and the community was quite happy with it. They were impressed with what we had done.

PROF MUSGRAVE: The green representatives were comfortable with it?

MS KNEIPP: Yes. Particularly the Nature Conservation Council was really supportive, particularly of any price based conservation, backing that up. They were really good and very happy with the process. It was nice, but it was unfortunate that ours was probably one of the most successful plans and just the plans didn't happen because of unsuccessful areas, I guess, as well. It's a little bit different a process, too, because comparing the west - ours is a wholly western division plan whereas the other ones - there was no other western division plans. A lot of it was half and half, and I guess the western division land-holders are used to some sort of regulation and, I guess, we were working from a base of 97 per cent native vegetation.

It's a little bit different trying to claw back remnant areas and stopping clearing. We were allowing something. We had the luxury of starting from the base and working, "Okay, we want this area protected. We want this." You know, maybe allow some development here and having the limits for that, though, and we were sorting out where it was most appropriate. It would be nice if, I guess, all areas could have done that - done that 100 years ago; done the planning that we are wanting to do with our area.

PROF MUSGRAVE: The "being shelved" - I got the impression from what you said that there was perhaps some initial caution in Sydney in response to the plan because of its relatively radical nature, particularly the proposal for funding and then, I guess, it got caught up in the general shelving - - -

MS KNEIPP: Yes, just the general, "We need to change the act," and making the change from regional native vegetation management plans and going to catchment management authorities. It was a general political shift, I think, and the timing was bad in terms of the election. I mean, it probably would have got up but then this still would have changed the processes anyway. Hopefully, the planning information that we've got and some of the things that we've looked at will be adopted by the planning happening in the catchment authorities; because we worked with the catchment management board and they were very supportive of what we were doing as well. It was consistent with the targets. I mean, it was statewide. It was consistent with the catchment board's targets, as well.

PROF MUSGRAVE: You weren't here this morning, were you?

MS KNEIPP: No.

PROF MUSGRAVE: We had quite a lot of discussion about the catchment management authorities. The important thrust of this was that they are big and encompassed very heterogeneous areas as a result and could we expect them to be effective because of that? There was some suggestion that maybe they should be in the nature of some sort of centralised coordinating entity and they should devolve some of the responsibilities down to community groups within their defined area, charged with the responsibility to plan for their area.

MS KNEIPP: Yes. I think it's going to be very difficult. I mean, we found it difficult in our areas, trying to know the whole area and some people weren't game to speak at the southern end because they don't know the northern flood plains area and the southern Cobar peneplain is very different, in terms of the vegetation and everything else there. So it is going to be very difficult and when we were talking about what would happen with our plan, talking, I guess, internally at that stage, we were looking at maybe within the planning that was happening with the catchment management authorities, they would break that up geographically as well and, you know, look at areas that were similar. So maybe the Brewarrina area would be one that would be different, and the eastern side of the western catchment and then the far west side and the central part of it would make up different plans. Hopefully they will separate those issues a little bit.

PROF MUSGRAVE: You can see how a catchment management authority could develop a set of broad principles as to the nature of the plan, say, the incentive proposal that you have there. That's a general principle that they could then pass down to a smaller committee living in a smaller area.

MS KNEIPP: I mean, some of the planning issues depend on the tools you've got as well. Some areas have different availabilities of mapping, different information. You need to plan for them differently, as you would, because we got the vegetation mapping, which was great but some of the areas west of us don't have veg mapping, so you are using land system mapping and stuff like that. So the way that you plan for that has to be different and the targets and limits would be based on different things.

PROF MUSGRAVE: It would seem that the catchment management authorities might perhaps operate on a basis of devolution, but also they might need to be pretty pragmatic about how they go about it.

MS KNEIPP: Yes, that's right.

PROF MUSGRAVE: Yes. Thanks very much for that.

DR BYRON: If I can just have one more question, do you know whether yours was

the only one of the regional veg management committees that came up with explicit funding for the practice of conservation? Did any of the other regional - - -

MS KNEIPP: I think some others had some ideas. There was, I think, one in the south that was looking at some of the tendering processes but I think we were much stronger in actually including it in our targets. We would have to have that as our 10 per cent. We were a little bit stronger in that, but then in the end it doesn't become part of the legal plan anyway. There were two parts to the plan, so you had the regulatory part and the advisory part and that couldn't be put in the regulatory section because, basically, the government doesn't see that as part of the community's role. That was something we were trying to push outside the committee probably more than we were through the regional vegetational management plan process.

DR BYRON: But basically you had come down to a very similar position to what we have in the draft report, that if the land-holders are being asked to provide additional conservation services, apart from what they do because it makes sense on their own property, it needs to be externally funded. They can't be expected to do it all off their own bat.

MS KNEIPP: Yes, and all stakeholders agreed in that philosophy.

DR BYRON: I bet.

MS KNEIPP: It was good to see. Hopefully the government does the same.

DR BYRON: Most of the national environmental NGOs agreed with us on that in the draft report, too, but they at least now are conceding that somebody is going to have to pay as it shouldn't all be imposed entirely on a small number of land-holders.

MS KNEIPP: That's right. I'm totally agreeable.

DR FISHER: Did you calculate the expected total cost of the level of conservation that you had decided on in your plan?

MS KNEIPP: We did. I don't have it with me right now. I can't even remember what it was. I haven't looked at it in over six months, but it wasn't that expensive when you are looking at what you're going to get out of it. I guess if you're looking in terms of the Brewarrina area, the grazing bay was a lot less than if you're looking on the east coast, but somewhere like the western division actually works. I think I've got some figures in the bag, actually. We were looking at - what was it last month? We have some of the figures in here. That was looking at 1200 hectares. I think it was about \$10 million or something like that.

DR FISHER: \$10 million for Brewarrina. So that's \$10 million that you wanted in the fund.

MS KNEIPP: Yes.

PROF MUSGRAVE: That is in a lump sum?

MS KNEIPP: Yes. I should get those figures for you.

DR FISHER: So this mechanism - it would be a lump sum so the Treasury would be agreeing - yes, in the way treasuries do - to allocation of a lump sum in a particular year's budget which could go into a trust fund of some nature.

MS KNEIPP: But that would be a continual amount, so whatever - that's achieved conservation, basically. It wouldn't have to be in one year, though. You could do it, spread it - because this is voluntary conservation, so you're not going to have everybody come on board at once. This could happen over, you know, 20 years.

PROF MUSGRAVE: I think treasuries don't mind having something done and tied up in a year. They don't like long-term commitments to funds, so going over several electoral cycles.

MS KNEIPP: I guess there would have to be some sort of backing for the fund itself, if the fund wasn't perpetuating enough return - because we're looking at, you know, people would borrow from that fund. The fund would have to make money out of interest itself. If that wasn't making enough to pay the land-holders for the conservation bonds, then there would need to be some way of making that up.

PROF MUSGRAVE: It's a challenging proposal.

MS KNEIPP: I guess Treasury would not be - yes, there needs to be some way of working that out, how that would be done. I don't know whether you have private industry involved in that as well. I'm not sure. It's a good start, I thought.

DR BYRON: It's an alternative model to, say, the Victorian Bush Tender where there's a budget allocation every year to sign up new people and it's presupposed to having a capital fund which - I think the idea of being very innovative and looking outside the box, so trying to think of creative new mechanisms for actually paying for this conservation and making it clear to everyone how much society as a whole is paying and what we're getting for it, and then we can start saying, "Well, that's terrific. We want more of this," or, "Hey, maybe we're paying too much for what we're getting." But at the moment we don't know how much we're paying because the costs are all hidden somewhere.

MS KNEIPP: That's right, and you don't know what you're getting, either. It's really hard to measure what outcomes are coming from it.

DR BYRON: Is there anything else you wanted to say in the way of wrapping up?

MS KNEIPP: No. I'll just grab the information for you. You might be able to take that with you. The main thing is, I guess, having those equity issues addressed and sharing the responsibility between land-holders and the government so it's not always about the land-holders putting in something. They've put in a lot to date and we really have to think about some alternative options like this one. It will need a lot more work and commitment from the government, I think.

PROF MUSGRAVE: You shone quite a bit of light down the tunnel. That's good.

MS KNEIPP: Thank you. We've actually got the figures here for the western division. It would be \$96 million for the western division, for 10 per cent under this scheme. These are some more brochures.

DR BYRON: Thank you very much for that.

DR BYRON: Okay, just tell us your name for the record.

MR COOK: Clyde Cook from Nyngan, farmer and grazier there. That previous girl, it was interesting to see that they put their native vegetation plan forward to the government and got to gazettal stage, no different to the North Lachlan-Bogan veg committee, exactly the same place. It seems to me that all these veg committees got to nearly the same place and the government squashed them. That seems questionable to me.

The other thing is, you asked that girl about the veg committees, about, "Do you think that - those who served on those committees, how many would serve on them again?" I think, as an observer at the North Lachlan veg committees from day one and I attended nearly every meeting of that committee as an observer, the farmers that served on those committees by the end of it had aged probably 10 years more than what they had in reality; and had had, excuse the language, an absolute gutful of hitting their heads against brick walls - that was, against government-stacked committees. I don't think any one of them really wants to be on any other committee that's been set up by a government body.

That's all I just wanted to say, because the CMA seems to me to be exactly the same way. As was said previously by a gentleman here, it's been set up basically by the same body as the veg committees, and the farmers really can see it. As an observer - they don't want to be on it. We need somebody on there, but no-one really wants to be on it because it takes up a lot of their time and they've got a business to run at home. It's a little bit like the gentleman said about the book, the thickness of the book: a farmer gets up at daybreak. He comes home in the lights of his vehicle and knocks off. By the time he has his evening meal, he really doesn't want to pick up a book that size, and he really doesn't want to go through all this garbage set by bureaucracy, so he doesn't want to be on these committees; but I must admit, we have to have someone there. That was just a comment.

DR BYRON: Thank you very much for that. We can track back onto the program.

MR WESTON: I'm Peter Weston and I'm a sixth-generation farmer, not in our district but a sixth-generation Australian and my forebear was the first bloke to step ashore at the landing of the First Fleet. I'm pretty proud to say there were four generations of us on the same property when my father was alive here a couple of years ago, but I'm pretty concerned, if we are landed with regulations and legislation that we have in place, there won't be a future for my grandkids that are out there now. I've got six little grandson Westons out there and I don't think they've got a future in that unit if we remain with the status quo that we have.

I also was chairman of the North Lachlan-Bogan veg committee. It was a painful process. It was stacked with, we believe, people that were briefed how to obstruct the process so there wouldn't be an outcome. If we thought we were getting headway that didn't suit the powers that be, they dripped someone else in there to obstruct the process, and that was rather obvious and I am sure everyone will support that concept. It did happen.

We got a draft plan forward and it had legal scrutiny with the endorsement of the director-general and we corrected that to make it a legal instrument, but the past minister would not gazette it. The present minister said that he could if he had a few more amendments fixed up in the legislation, which went through in December. But we've got a new book of rules now, it's all going to go onto this catchment management authority and it's going to come up with a different outcome. All that resource, that investment, that's all out the window.

As Clyde said, it has eroded people's tolerance to be involved any more, which is a worry. The mischief, the dishonesty and the lies we got out of a lot of the bureaucratic part of the exercise has eroded that much trust, there's not many landowners any more want to have a partnership. That's a worry. We have to have a partnership for the damn thing to work. It's got to the stage where they were allowing access for mapping authority to map vegetation and it turned out they were using that as a vehicle to hinder people's management, so that got denied the department. I don't know how they're going to address that one. So it's just been a series, really, of obstructions right through the whole process.

We were quite prepared to contribute under our own cost and the wider community would take ownership of that - an agreement. I think we had the biggest number of submissions by any veg committee. There was 396. There was 96 per cent of submissions that came in endorsed that plan and said they'd take ownership and respect what it stood for, yet the department wouldn't take it any further.

I think what's happened now, the community said, "We can't tolerate this any longer, we've really got to work under exemptions as much as we can and try and

isolate ourselves from all this bloody stupidity." It's a point of survival. If we aren't allowed to manage in a sustainable way, our units will retract and we'll be a burden to society rather than a contributor, and we'll all finish up on bloody welfare and the units out there will revert to a sterile wasteland.

I think Dick Condon made a statement where he said forests, parks - national parks and wildlife areas and other wilderness areas, without intelligent suitable management will revert to a wasteland, and wilderness areas are going to do the same thing. There is a requirement for national resources to be managed and we really - I think everyone should challenge what we do and we should really pursue the long-term viability of - you know, we've got to take on board social, economic and environmental issues and we've got a credibility issue to address, and we've been denied that.

All the emphasis is on lock-up and tree canopy and in our region, where that is the big issue, they won't give reference to ground species. Grass cover is not an issue because they think it's a flexible thing, it'll go when the droughts come and it'll surface when it rains, but they won't - like, the greens won't accept that the landscape was open once - there's heaps and heaps of documentation. I've got - I'm a bit of a bowerbird, I collect all this information because we do own the whole overflow station and there's a fair bit of history attached to it. They used to shear 250,000 sheep there and in one year the Chinese gangs scrubbed 127,000 acres of regrowth pine that wasn't on the landscape.

I'll read you a couple of - this is a journalist who wrote this before - the 1900s. The country was always waterless most times, so there was no water there so there weren't many herbivores there permanently, they'd come out in a good season no doubt, and retract when it dried up.

A waterless waste has been converted into a good hospitable country -
and we get along a bit further:

When the country, now scrub, presented an appearance which was perfectly charming, a few good edible shrubs dotted the land and here and there on the ridges there were small belts of pine, the country was well grassed for there was room for all kinds of nutritious herbs to grow -

and we get down a bit further:

All the while the graceful pines were gradually sneaking from the ridges to the lowlands and now, when the seasons are not droughty, hold the place where grasses should be in abundance.

I put that together and presented it to the committee on one of our veg meetings. At the next meeting I had asked was there any response and who had read it. All the farmers had. All the department and the greens in the committee completely ignored it, didn't even want to discuss it. No doubt some read it, but they wouldn't want to own up to it. So if things weren't agreeing with their agenda, they wouldn't talk about it.

One of our major issues was - well, they wouldn't show any degree of honesty. All the past documentation and research into woody encroachment in the western part of the state - there's 22 million hectares when I did a report in the 1990s - that it's seriously affected, and the landscape is in decline. Every time you bring that up - and the issues are very relevant in our region, it's just relentless, it just happens all the time and we heard from presenters here this morning with the same problem - you couldn't get any discussion on that subject; they'd be mute.

Even when we were putting the plan together and we mentioned invasive scrubs - you know, the degradation caused by invasive scrub - there was a real hiccup, they had a mind blank. They just wouldn't accept it, they didn't think it should happen. The department in their wisdom sent two scientists, as they call themselves. There was the bloke called Oliver, Elridge and Wilson. They came out there and inspected an area and they spent about two hours and put together quite a thick report, where the canopy wasn't causing ground cover loss - and that's ridiculous, because that's been questioned by not only people in Australia, like the Geoff Cunninghams and the Dick Condons, but there was a report from a land resource manager in Uruguay, wrote over and questioned that it couldn't be correct, yet when I asked these blokes the day they were there, "What would happen if you put this report together and it doesn't suit your superior, what happens?" they said, "Well, they'll hand it back to us and we'll modify it until it does suit them." So, so much for a creditable scientific bloody finding. So we are expected to have a partnership with an agency who are full of this mischief. You can't blame landowners for being defensive and really not having an association or a partnership with them.

A few years ago the government's attitude was different. It was advisory. The department of ag and the old soil kind especially, a lot of the things that have happened on my farm I hold them really as a major vehicle why the progress has happened. They gave us the advisory tools to do what we've done. All of a sudden that's a no-go area, they don't want it done. I suppose we get a fair bit of exposure out there. I've probably had more development than most people have had in their units and it's been going on since 1962, and we get numerous buses out there from - we used to get them from the department. I'm denied that, because of what's happened, and that worries me.

I think what we need really is an advisory instrument in there somewhere where people are going to take that on board and we'll source the best management and practice to manage our resources, and I think that's what we should focus on.

Now, the terms of reference you blokes have got to work under also worries me. It's all on the public good of conservation and environmental outcome. There's no mention of the environmental damage that's been caused by an excessive canopy that's on the landscape, and we aren't isolated from this problem. It is overseas, in other nations just as bad, where you're out of balance, you get crowded by one species or it might be three species of invasive timbers that renders the country non-viable, nonproductive and in decline, and it only accelerates as it goes along.

You weren't there, Brian, but Neil and Warren were both out at a place near Tottenham and it was rather evident of the damage that's been done with no management, and that will happen right across the landscape if sensible management tools are denied people. We've had the department pursue, through consent, that we can thin area and maintain grazing viability. The only viable economic tool we really do have is development - clearing of the excess and trying to establish pastures back into the country, even if they'd be native, the better ones - if some bloke's got more acres that can support that. If a bloke's got less acres, he's really got to pursue cropping enterprise, because that's the only viable option they have.

But there's a lot of people out there still require the best management practice option of long rotations, that are up to 25 years in a rotation, so they can manage the regrowth that does come back. For a certain stage it's not an economic impact to them and, as long as they can keep it in an open state, well, the community in the district benefit from it, the state benefits from it and the environment benefits from it. But we should know we've got a responsibility to bear some cost for environmental and conservation needs, and most people do. I'm sure the awareness has accelerated where people are a lot more aware of it now than what they were even - a long time before regulation came in they were pursuing better green outcomes.

Now, another concern to most people in the district is that public estate has not been managed and it's in health decline - like, there's forests not being thinned and you've got saturation of young growth that will never come to anything, it's standing there like the hairs on a dog's back. I mentioned to a few people while we had a bite to eat here a half-hour ago - they wanted to run a car safari through one of the forests that join us - it's 25,000 acres.

Years ago it had the ability to run 2500 sheep - wethers - and they'd come out of it fat. That's retreated back to almost nil. It wouldn't have a yearly average production of running 100 wethers and you can't manage it. It's never had a viable

pine tree come out of it because it's too thick. My grandfather came to the district in 1880 and the pine trees came up in 1887, and they're that size probably in 1900 and they're still that size in 2004 and they won't be any bigger. But on top of that, there is a 20-foot gully through that landscape where they are, because there's no ground cover. The rainfall and the nutrients in that landscape aren't capable of supporting that density of timber.

We took a drive to this forest. We went for 97 K's. We had a job to get through the kangaroos to get there in our country. When we first got into the forest and got off the corner a bit, he said to me, "There's no kangaroos here." I said, "No, there's no birds either." He says, "You've got to be joking," and we drove for 97 K's and we saw one crow. That same instance I could repeat down where Neil and Warren were at Tottenham. We were in there once and went past the wildlife bloke there and he's telling us how groovy it was, and I said, "You can't even hear the birds chirping," and we shut up and you couldn't, where out in the open country where there are clumps and corridors and a good healthy landscape there's an acceleration of threatened species.

We never saw a superb parrot in that landscape 15 years ago. They're there by their hundreds. That's in an open landscape. We never saw the little corella and they're there by the hundreds. We'd rarely see a single pelican. I counted 24 yesterday in our front paddock. I'm sure the management, as a lot of people have said, with the koalas and what have you - they weren't in the landscape, and kangaroos weren't in our landscape when my grandfather went there. A sighting of a kangaroo was a real issue, and now they're almost unmanageable. We had to develop a system to try and manage them.

So really, under this legislation, the best management practice for the resources that we have to manage have been denied us. That's what we've got to really focus on, I think. Somehow or other there has to be some establishment with the authorities that want to regulate. I don't think they can regulate, because somehow or other people, their resilience to survive is pretty strong, and if they are denied other options to manage it, if it ever catches alight they won't put it and that will cause untold damage. I wouldn't like to see that happen.

The department's inconsistency and consent process and the time lag is quite unacceptable. We've got an example of a unit out there. They've allowed a family to take out individual trees across the landscape, and I encourage it because it's lending to better farm practice; yet another chap up the road, who's got 8000 acres of encroached timber, made an application to clear 600 acres to try and get some degree of drought control - grow a bit of oats and open it up a bit - he got denied complete involvement. He could not disturb a tree. You blokes saw that, too.

That area requires restoration, it requires thinning out, it requires something, rather than the way it is. He's captured; he's an old bachelor; his equity has gone. He's got no opportunity to even sell it to a neighbour or whatever, to have any retirement outlet. The equity issue they won't discuss. That was a real issue, and that wasn't a concern of theirs. The canopy and environmental - you know, the perceived outcomes they were pursuing was their big interest. It was a worry when Parks and Wildlife personnel - the bloke we had - wished to lock up 40 per cent of private land for conservation. It had to have access only for a bloke to walk in there and walk in the wilderness. You couldn't put a pushbike or a motorbike in there. You could farm 30 per cent and you could graze 30 per cent, and the 30 per cent you could farm, "You could flog it to death, it wouldn't matter, because you're going to do that anyway," - that was almost, I think, the statement that he made. That is an awful error of judgment on how that landscape should be managed. We're supposed to tolerate that and put up with it and be civil.

When you get to the equity part of it, I'm not a legal man - I have a bit of trouble with some of these legal blokes, I tell you - but a deed tenure: you blokes would have seen them; mostly the banks grab them when they go to mortgage and they hold possession and it's an all-powerful legal instrument. Well, here's one here. I've got a few of them; I think they're pretty well all similar. A lot of people probably don't have them in their possession - they're in the bank or the safe box - but this is one of the conditions of deed tenure. It's section D:

The lessee shall and will during the second year of the lease hereby granted commence to and thereafter clear the land of noxious weeds and scrub, except edible scrub, at the rate of not less than one-tenth of the whole area each year, so that the whole shall be cleared during the first 11 years of the lease and, after any land has been cleared or operated upon, the lessee shall keep it free from noxious weeds and scrub.

I don't know, I'm not a legal man, but I question, if that's a legal instrument and the government haven't recalled those and amended them, and it's got the governor's signature and seal on the damn thing, what does it mean? Is this a bunfighter, or does it hold some standing? Legislation has eroded the rights of farmers to pursue agriculture. In these deed tenures there's no direction of control of land use, and it's rather obvious that the government and the department are pursuing that agenda. They want control of land use. They want area that they can control farming practice, they question where the margins are and where the cut-off point should be so it's a no-go area past that, and they're pursuing this consent process that's in some countries so you can maintain a grazing productivity.

Practically, you can't. If you go down the line of a thinning process, you'll thin it out - it will probably cost you \$35 an acre. In five years' time you've got to do the

same thing again and it will probably be worse. It's hard to do it under saturation of - you can manually do it with an axe, and it's pretty hard to find these big gangs of Chinese that are willing to work for nothing when the goldfields fail. It's obvious to most people, and they are aware of it - that the government are after land-use control. I think economics should be the best land-use control. If you are managing a resource and you're not doing it sustainably, you're not going to survive, and there will be attrition of the blokes that try and farm or graze area that's not sustainable. He'll fall off the perch.

There are heaps of examples where chaps farm country a long way west of us, and they've got a system that works. They'll put a moisture probe in. If they haven't got 500 mil of moisture when it's sowing time, if they've got 495, it's a cut-off point. They don't attempt it. Most of those blokes never have a failure. They always have some return off that investment. Where people think you're in the cropping zone, I question that. Most of the units become too small and they're probably overfarmed perpetually, and your rotations aren't long enough, and your leakage becomes greater and you're going to accelerate a salinity problem, where it won't happen out west.

We had a very prominent agronomist from Condobolin - a chap called Paul Lucan; had tremendous renown; he's over in Ethiopia at the moment. He thinks he's got a commitment to help those people - and he said, "If you draw a line" - it was west of Ootha and west of Trangie and went right up on a diagonal across the state, west of there the efficiencies of farming were greater. Your utilisation of precipitation was better, there was less leakage, and the units were profitable, where inside of that a lot of units had to rely on outside work to subsidise their farm, and then always the farm will suffer because they haven't got enough work input in able to maintain it and what have you.

I think the Nyngan district, I know we're in a developing area, has proved itself as a very successful cereal growing area. There's a band there, very suitable, very arable, and it hasn't got the problems that are on the eastern side of the country. It's been the biggest receival wheat area in the state on one occasion and it's been close to it on a few other occasions. I think it's a lot more consistent than when you go north, because their season variation is not quite as great. Condobolin is another area. I'm making reference, if you don't mind, to the North Lachlan-Bogan region. Condobolin on a number of occasions has been the biggest wheat receival area in the state and it is really predated on a bit by an area that has a lot of other receival areas in that near vicinity, but most of the wheat grown in the Condobolin district is on the north side between the Lachlan and the Bogan, in that landscape.

You might have a few more questions to throw at me. We've had an act that we had to work under, but politics sort of overrode the act. We had government officers, and the government themselves, making reference to "no net loss", which

truly is a contradiction. If you allow excessive canopy to take the landscape, it will create a net loss; you'll have two or three species dominate the landscape and your hundreds of different ground variety species will disappear. I think there are a lot of contradictions in there that we have a problem with really. That's about it, I think. If you blokes want to let Doug have a go, then ask us both questions.

MR MENZIES: I think you ought to do questions before we get too far away from Peter.

MR WESTON: You can have a go at me, if you like.

DR BYRON: I haven't got too many questions for you, Peter, because what you said was pretty self-explanatory. I think it was pretty clear.

PROF MUSGRAVE: A number of people commenting on the fortunes of the vegetation management committees tended to describe the greens as being the obstacles, but you seem to be focusing on the agency representatives.

MR WESTON: Both. We believe that they were briefed to know how to obstruct the process because no outcome suited their agenda. If you work for four years under those situations, I'm sure that's a fact. I think the Brewarrina one is quite a bit different to ours. There's very little farming practice in the Brewarrina region, because you've got that northern influence with not much winter rainfall and the open country is natural grazing country. Some of the timbered areas up there are timbered scrub that really hasn't got much alternative if you take it off. The cost of taking it off and the productivity out of the unit doesn't warrant the cost of it.

It's similar to country in the region in the west of us, towards Byrock, Coolabah and Cobar. That was all open country when I was a kid. All the younger generation have gone mining. The old geriatrics are out there trying to manage, but it's closing them in and the landscape is in terrible decline. I don't know how you're going to address that. I think it needs government funding for restoration. I can't see the sense of walking away from it, and I can't see a viable opportunity for the owners of those units to invest and to be able to support that investment capital.

PROF MUSGRAVE: Thanks, Peter. I was interested in the difference between the Brewarrina experience and yours, and you've explained that.

MR WESTON: We've got a big area of country that hasn't been developed. Traditionally, it was grazing country and it was open country. These waves of regrowth and invasions have come there since 1950, but prior to then the rabbits took them out and, prior to 1864, when the country was settled, natural fire and indigenous fire took them out. The rabbits came through. Probably there was too

much stock on the landscape, and I admit that, and not knowing its capabilities was another problem, and I accept that as a reason why there has been some degradation. For example, the country at Tottenham was stock-heavy years and years ago, but it's just not capable of running stock now and it's a nuisance to manage: you put them in there, you can't muster the damn things and they die in fires.

The Mid Lachlan got gazetted - we've got a committee member, also chairman of the Mid Lachlan - and 90 per cent of the Mid Lachlan has been developed, so they picked an easy one to get up and running to start with. We extrapolated it almost word for word in our plan, straight over from one plan to the next, yet the department was critical of what it had approved, was the author of and put up as a plan that was gazetted. We put it in our plan, a similar landscape, but not as much country has been developed over the years because the units were bigger, it was open and wool was king. When I was a kid, every unit had a stationhand and was occupied with a homestead. Now, some have been absorbed, with eight going into one. There's not much employed labour out there because they can't afford it. The bigger properties have employed labour, but our communities are suffering.

We had three machinery dealerships in Nyngan, but they're gone, and I suppose communication is one factor. We are dependent on these communities, like they are on us, and we are an integrated, holistic group that we've got to try to maintain. We won't maintain them and we won't survive under this present legislation. It's as simple as that. My grandkids have got no future there.

MS KNEIPP: Can I just say something about the program? I guess one of the issues that was - - -

DR BYRON: Hang on. None of this will be on the transcript. It would probably be better if you came and sat down at a microphone, and then we will have a record of what you're saying.

MS KNEIPP: In response to the Brewarrina discussion, a lot of the issues were similar in terms of viability, and there is a great deal of pressure for development within the Brewarrina area because you know the line is moving west in terms of development, and Brewarrina is in that area. I guess the processes work differently in Brewarrina in the way we started things, and I guess the community make-up was a little different in terms of individuals. We set the goalposts, and straightaway we said, "What are your limits? What are both sides going to be happy with?" We set those targets and limits straight-up.

The community process also works a bit differently, because we didn't have the huge audiences that Nyngan had, which made it a bit difficult for some people to discuss the issues and work through things, and I guess people went to one corner

and stayed in that corner in terms of their views. Our process worked a little bit differently in that we discussed things and it worked one way and went the other way, but we ended up with a compromise that everyone was happy with. We ended up with a consensus-made plan which was very different to most other plans in the state. A question was asked about whether the plan was gazetted; no, it wasn't.

MR WESTON: I know Ed pretty well. He was at boarding college with my boys and I talk to him pretty frequently. Were you there for the full - - -

MS KNEIPP: I wasn't there for a few months at the start, but for most of the - - -

MR WESTON: Were you there when they had the Parks and Wildlife rep and he got warned off the - - -

MS KNEIPP: Yes.

MR WESTON: So you did have problems.

MS KNEIPP: Well, that was for only a very short time. We had a different representative when most of the decisions were made, which may have made a difference. Individuals on a committee sometimes make a difference.

MR WESTON: I think our region is a little bit different. There's a lot more invasive timber on the landscape that wasn't there and that shouldn't be there.

MS KNEIPP: You didn't have the western division in terms of the code of practice.

MR WESTON: No.

MS KNEIPP: It didn't suit you. The code of practice for scrub-dominated landscapes only applied to the western division, and we were coming up with thinning exemptions and stuff that were appropriate for the area as well that were outside the code of practice.

DR BYRON: I think we've established now where the key differences are, both in the technical issue and in the process.

MR WESTON: We set our targets right from the word go. At the second meeting the landowners expressed what we thought we could afford for conservation and environmental needs, but they didn't have a figure. They wouldn't tell us a figure, but they came up with these 30:40:30, 40:30:30 figures. You can't survive on that. No-one could survive on that, and that would be a vehicle for degradation.

DR BYRON: Can I just cut it off there, because I'd like to hear what Doug has to say. Thank you both very much for that. It helped clarify a lot.

MR MENZIES: Thanks, Neil. Because I'm not that great at thinking on my feet, I spent a bit of time at the kitchen table the other night and wrote something out. If everybody is in agreement, I'll read it without reading out the figures. My submission has a bit of opinion in there, and there's a reference at the end of it to the draft report by the Productivity Commission. Essentially, it's about the monetary cost.

At the south-western end of our property, Summerlea, we've got a 1600-hectare holding called Iona. I'll be using this property for my illustration, as it was purchased primarily for development and restoration and, of course, production. My family purchased the holding, Iona, in 1988 as an addition to the property, Summerlea, a holding that's been in our family for 107 years. My four children, aged from five to 11, are, in fact, the fifth generation of Menzies to live in the homestead we currently occupy. Iona was purchased for various reasons, one being its location - adjoining Summerlea. Another was that it had a significant amount of Pangee Creek country through it. That's significant, because Summerlea has no creek country. It is on the river, but it has no creek country.

Although the property was being invaded by regrowth, we considered that, in time, we had the opportunity to develop some of the property, as well as return the creek country to its former glory of open and dense woodlands, without the scourge of the regrowth. Seven years after purchasing Iona, and almost a hundred years after my family came to this particular area, the government decided it knew better than us and, with very significant changes in the rules, proceeded to throw a spanner in our plans for Iona and the rest of our land.

If our property plans were completed, an entire holding would have approximately 20 per cent managed native vegetation as woodlands, with the remaining land in a constant cropping-pasture rotation where, at any one time, there would probably be 15 to 20 per cent under native grasses at the end of the pasture phase anyway. Our plans for Iona, had we been left alone, would have resulted in 465 hectares, or about 29 per cent of that holding, preserved as healthy, managed native woodland, including approximately 145 hectares of heavily wooded creek country we intended to fence off from farming and livestock. We would have been very pleased to maintain it as our own private little national park, having properly managed noxious plants and feral animals.

Under the present environmental and land management rules, there is no way known our family is going to agree to remove any area of our holding totally from production. Rather than leave us to do our work, the government elected, after

pressure from environmental groups, to force us into its idea of environmental enhancement, which not only lacks knowledge but is completely devoid of incentives or compensation of any consequence. Since Federation, and as Peter pointed out, land-holders have been encouraged by governments and, in some cases, required to carry out land development. I appreciate the fact that, in some cases, we are seeing problems arising from previous activities. If the public really does want conservation, it should first understand the real effects of what it believes it wants. If, in the case of private land, the landowner is required to carry an inequitable portion of the public benefit cost, the public should pay for it.

In the last decade or so, the farming community has excelled in adopting better, more conservation-minded ideas and new and improved farming technologies. The Nyngan area has put forward two Central West conservation farmers of the year - the Carter and the Wass families, both with an 80 to 100-year history in the Nyngan district - as well as other finalists for the same award. As well as others, both families, including ours, now practise zero till conservation farming methods. For those unfamiliar with zero till farming, in short it means no stubble or ground cover burning. It means the only time a ground-digging implement enters the soil, bar controlling woody weeds or soil renovating, which is breaking soil compaction, is when the planter is used to plant a crop. It is as near to perfect farming as the current technology allows and, as technology moves forward, so will we.

The present situation will not see the long-term sustainability of conservation in the real world unless there is economic sustainability; everything else is doomed to failure, because it all needs to be paid for somehow. We do now and we always will see government based stamp duty and rates, for example, on a percentage of land value, both of which are based on the productive capacity of the rural land. The authors of native vegetation legislation in this country have consistently failed to recognise the basic rules a democratic community lives by. One of those rules is, if you can't afford to buy it, you can't take it and, if you take it without paying for it, then that's called theft. Not only has government taken landowners' equity and previously held development rights, it has continually failed to establish the value of what it is claiming and has repeatedly refused to accept the values or costs put forward by the landowners themselves.

Given that carbon credits don't even exist for rainfall zones such as the Nyngan area, one has to wonder what limited value the government or community places on the retention of woody weed infested scrub. I would suggest the value is so low as to be damaging politically for government to reveal it and still press on with the legislation. The current conservation laws, with inequitable or no compensation attached to them, I believe will see a continuing decline in productivity and financial sustainability and increasing levels of aggro between land-holders and regulatory bodies, to the point where cooperation may completely break down. One poor

scenario could see a bushfire start in a large area of scrub on a bad day and the local bushfire brigade members unwilling to attend the fire due to the possibility of the landowner getting the use of their paddocks again, because the wildfire might clean out all the scrub and timber - hardly an environmentally or socially sound prospect.

I have attached the set of figures that apply to our property, our operation and our situation and that illustrate the direct financial burden public good conservation measures place on my family. The figures are based on an average year, with average cattle and average grain prices - that's average for us. They show that, when the government took away our previously held right to develop our land, it imposed a gross cost on my family of \$114 per year for every hectare it interfered with - not to mention the environmental enhancement we would voluntarily carry out on the significant remaining areas. I won't go through the figures, although I am prepared to leave them for the public record; I just won't read them out here.

It must be remembered that, while the \$114 a hectare difference between the developed and undeveloped country does not take into account the development and some of farm machinery costs associated with developed land, the improvement in the net return to the land-holder I believe in our region would commonly be fourfold. The portion of the \$114 that does not go into the landowner's profit column gets spent largely back into the local economy. This is a contribution the woody weed encroached land scenario is in a very poor position to make. It is a contribution which, in fact, will decline over time.

In conclusion, having perused the Productivity Commission's draft report on the subject, I consider the findings of and the response by the commission to be sound and thought provoking. However, I have two points I would like to add to the draft findings.

Firstly, page 508 of the report talks about limitations on clearing and rates of clearing. The explosion of regrowth which occurs immediately after the removal of woody vegetation, including large, mature trees and the competition for available soil moisture they provide, I see as a major reason for not clearing the optimal amount of vegetation immediately. In the North Lachlan-Bogan region cultivation for at least two to three years is necessary to control the regrowth which occurs post-clearing. If a land-holder were to develop all the area they would eventually like to see done in one year, they would then necessarily be locked into cultivating that entire area for the following two to three years. Besides the fact that property income risk management would be severely compromised, demands for farm machinery over a short period may be difficult to meet.

Secondly, a perverse outcome both social and environmental is the creation of shooters' blocks. Some properties in and around the North Lachlan-Bogan region

have become almost entirely encroached by woody regrowth and are now so limited in their productive capacity - both pastoral and agricultural - that they have almost no legitimate farming value. With the development potential largely removed by legislation or regulation, an emerging interest in such properties is coming from recreational shooting groups, or syndicates from outside the region. These properties then lay abandoned for most of the time with only occasional visits from their recreational owners for shooters' trips. To date I know of no such properties purchased for the purpose of conservation or birdwatching.

DR BYRON: Thank you very much for that, Doug. It has reinforced a lot of the material that we have heard from other people in terms of the nature of the problem that's imposed by the way the regulations have been done in the past. You've also, in your comment on the draft report, helped explain something that we've been wondering about, that given the difference in return from cleared country versus uncleared country, why would you rush out and do it all tomorrow, or yesterday? Obviously there are logistic issues of the availability of machinery and so on, but from looking around it's quite clear that people don't rush out and do it all at once. They are doing it gradually over a long time period and you have helped clarify that for us, too.

MR MENZIES: We just need to be able to manage the progress - jump in boots and all. When Peter started developing his country, as he said in 1962, there was nothing to say in 1962 that by 1992 we'd have some whizzbang better way of doing it. It was cheaper to do, better for the environment, you know, just an all-round better way of doing it. But I really think - well, I didn't develop all my country straightaway and my father didn't either, mainly for the reason of the regrowth. When you take the competition for soil moisture away, by taking the big timber away, as thick as it might be, you'll just get a rash of new stuff.

DR BYRON: And that's got to be managed.

MR MENZIES: When you clear a paddock you've got to do it properly. You can't just clear it and then wait 15 years and go and do it again. You have to be able to keep it under control.

DR BYRON: Yes, thanks.

PROF MUSGRAVE: I haven't got any questions of Doug. I think, particularly in the context of our visit, that just rounds it off.

DR BYRON: It has been really helpful for us - while both of you two gentlemen have been talking - we can visualise what you're talking about because we've been there and we've seen it and we've got a fairly good picture of exactly what you mean.

I guess that's helped us to understand what you're saying, to have actually been out there on the ground.

MR WESTON: With your permission, I think the best management practice to manage these resources is not to - for two things: you don't overextend your borrowing ability or there will be attrition, and you work within the constraints of time and machinery, where what you've done is done properly and you're better off doing that properly, getting it productive and manageable, before you move on to the next bit, and suffer it for a while. But, you see, we've been captured by that. Like, it's not much good tearing it all down because you've got to redo it again. You've got that excess cost to go back in there. It's going to be worse next time than what it was. We've seen that happen.

I still have a bit of a hiccup, too, with a lot of these environmentalists having problems with foreigners. We're bloody foreigners, for living out loud. They have a hang-up with growing bloody lucerne and cereal crop. We've got to grow these natives, but some natives aren't very productive. It's not good practice to pursue things that aren't productive. If we aren't viable, we're not good conservation managers. It has got to be profitable before you can contribute to that. That's another factor we've got to put in the equation.

PROF MUSGRAVE: Could we just clarify the situation that's facing you. Under the existing rules - ie, developed country - you would have to reclear regrowth when it's less than 10 years old and that is too frequent - - -

MR WESTON: Too frequent for some.

PROF MUSGRAVE: It shortens the time of your rotation.

MR WESTON: It all depends on the circumstances. As people said this morning, conditions are so variable so that you'll have some landscape that is easy care and won't have the invasive effect, other country will have, and seasons will dominate that, too. You get a rain sequence and up it comes, and river flood plain country, the black box and the eucalyptus camaldulensis - the red river gum - will come up in abundance, and it needs to be managed.

PROF MUSGRAVE: With the new act, has that situation changed? Is the regrowth - - -

MR MENZIES: Yes, that's changed.

PROF MUSGRAVE: It has changed, hasn't it? What will be the situation then?

MR WESTON: We got 1990 cut-off in this new legislation.

PROF MUSGRAVE: Yes.

MR WESTON: Anything that comes up after that is deemed regrowth. Prior to that it's remnant.

PROF MUSGRAVE: Yes.

MR MENZIES: As I understand it, without a property vegetation plan, though, it still creeps forward. If you haven't done a plan, next year it's 1991; the year after it's 1992.

MS KNEIPP: No, that's not - - -

MR WESTON: What is not?

MS KNEIPP: It's only in 90 all what's agreed in a property vegetation plan.

MR MENZIES: I thought it was 1990 now; if you don't have a plan developed it stays at 10 years. If you have a property plan then it stays at 1990.

DR BYRON: We might have to wait and see what the detail is when it's out in a few months' time.

MR WESTON: Yes, people are defensive now because of all the distrust and the mischief has been thrown at us - and the deceit. We advocate a property plan and like our land care group, without regulation - at a workshop they all got a property plan without any need for all this. But now people really see that as a vehicle for control of land use and I don't know if people will agree to it. If it's used as a vehicle to restrict your income and viability, they won't take it on.

DR BYRON: Which comes back to the point that you and many other people have mentioned before, about trust and the breakdown of that.

MR WESTON: Yes. If we get people - I'm sure she won't mind me giving reference to who she is - Christine Jones; she was research officer with the old department and she did a terrible amount of work, a lot of good work on perennial grasses and their ability to stop leakages and the health of the landscape rather than the canopy.

MR MENZIES: Absorb carbon.

MR WESTON: Yes, and they've got the ability to absorb carbon and make - all the uses of precipitation. The department hierarchy didn't like what she was putting forward and she got grounded - and that stinks.

DR BYRON: I don't know if we can - - -

MR WESTON: You can't do anything, but that's what is out there.

DR BYRON: We can't go there.

MR WESTON: Can you blame us landowners for being defensive, when you know that goes on? I know that person pretty well.

DR BYRON: Yes.

MR WESTON: I've only met her because we've done presentations at the same venue and that, but I talk to her now and again. I think she had a stress problem, too. It got to her. She firmly believed in her findings and they were a credible work. It didn't suit them so it was no-go. I still will support - there are a lot of blokes still in those departments, terrific bloody contributors - terrific contributors - but they're getting grounded. They're getting drifted out of the system.

DR BYRON: Yes, okay. I guess one last question is the one that we keep coming back to: we've heard a lot about the problems and the causes of problems but what we're really trying to think about is solutions and how to go forward from here. Rather than sort of dwelling on sins that have been committed in the past, let's try and find a constructive way to proceed.

MR WESTON: Easy. If we could formulate some advisory group that sourced all the best management practices across the landscape and had an education base to get that information out to people, I'm sure people then - even for environmental and conservation requirements - would take that on board and take ownership of it and we'd have a quicker, better outcome.

A lot of other nations have tried heavy-handed regulatory regimes and they haven't worked. It was mentioned earlier the Russians tried it for 75 years and they started to starve; the Americans tried it and they were all shooting - shovelling and shutting up about it. The same thing is happening here. Blokes are defensive. They liked to make reference to the threatened species they have but they're mute; they won't mention it now because they know it could be used as a vehicle to render them really non-viable. It's as simple as that.

But you give us the resources to have advisory rather than regulatory agencies

in there to give us the opportunities and I'm sure it would work a lot better. We've still got to get the public estate responsible for their issues as well. They've got to be responsible.

DR BYRON: Yes, that's another huge issue, too.

MR WESTON: What about the urban issue? They are quite prepared to surrender the last 1 per cent of the Cumberland Plain to put houses on and they don't have to and that's okay. They will take all that vegetation out, or they are going to leave 3 per cent, aren't they - or some damn thing? And that will go, too. So don't blame farmers for being defensive.

DR BYRON: Okay. Are you finished?

MR WESTON: Yes.

DR BYRON: I think you've managed to just make your point there, Peter. Thank you very much for coming.

MR WESTON: Thank you.

MR MENZIES: Thank you for the opportunity.

DR BYRON: Is there anybody else in the room who would like to come and make a statement, or put something on the public record? Just come forward and introduce yourself for the transcript and give us your position.

MS TOMLINSON: Elizabeth Tomlinson. I'm a farmer from Narrabri. Just looking at the terms of reference today, it's quite interesting that there is one particular place here where it says, "The level of understanding of the relevant legislation and regulatory regimes among stakeholders" - I think today has illustrated there aren't any, or very little. There are people here who have actually read and studied the current acts for New South Wales; others who have probably heard media reports or whatever from neighbours. There is so little understanding of what actually are in those acts. So that's your answer to that bit; it's just very low.

DR BYRON: Because of the volume and the complexity?

MS TOMLINSON: I think it goes back to what has been said by a number of the farming community. We've got a stack this high. We can't leave the kitchen door without knowing what is there. Other people have said we need a lawyer in our hip pocket. We go out with the lights on and we come in with the lights on. The farming community cannot keep on top of the amount of legislation we're meant to keep on top of. This lot has come in and everybody is angry about the issue anyway. They're not going to sit down and read something that's going to stress them out even more. They're in a drought. Although there are many media reports saying the drought is over, "Now the drought is over and now you're recovering from the drought," there is a lot of New South Wales where the drought is still well and truly there. That's a major stress on people.

I think too that the government bodies - the departments - could introduce - and I would say this was federal and state - better avenues and better conduits to get information out to the people that their legislation is going to impact on. They're not very good at it.

DR BYRON: Maybe that should be two-way communication too - that they're listening as well as talking.

MS TOMLINSON: Well, this sort of thing is good. People are getting the opportunity to say what they - - -

DR BYRON: No, I mean that the authorities should be listening to what farmers have got to say rather than just telling them what they should do.

MS TOMLINSON: I think you can get authorities to listen, but do they hear? That's something I've said many times. I did mention at lunchtime there are a few

things that I've heard today - I wasn't going to speak today, but there are a few things that I'd like to raise in response to some of the things that have been said. One thing is I have done other things than be a farmer through my life. I've got various past lives, but I want to be a farmer. I enjoy being a farmer, and maybe I should be certified. I do not want to be paid any amount of government incentives to watch willy wagtails grow. I want to be able to farm the country that has been in my family for nearly 100 years. Generational farmers do not survive unless they're doing the right thing, and you've heard that already today.

Another point that I'd like to raise is the issue - I think, Neil, you were discussing it. This was the note I made as you were talking, "The trouble with using taxpayers' dollars is that it must be administered" - when you were talking about using government incentives and taxpayers' money - "and the expenditure of taxpayers' money must always be accountable." I don't have a problem with that. There must be accountability about expenditure of taxpayers' money, but if you're introducing new incentives - always follows more bureaucracy and more intrusion into rural lives and probably more red tape for us, and that little storm cloud is just getting bigger above that poor farmer's head.

I'm also involved in a steering committee that's looking into the impacts on farmers' lives and what causes stress on farmers that's being carried out under the auspices of the New South Wales Department of Health. What the research there has shown is the major impact on the health of our farming community in New South Wales of government legislation, not just in this area. That is having a major impact. I have an issue with the people who are meant to be our government really destroying the health of the men - mainly the men - of my community. I have a real problem with that.

One thing that came out in numerous workshops that we held as part of this project - the farmers were really distressed. Most of them were probably over 45, as farmers in New South Wales are anyway. I think the average age is 58. They had considered themselves as being law-abiding citizens, and I believe - and I'm biased, of course - we're probably, as a section, one of the most law-abiding groups and the conservatism of farmers probably plays into that, but this legislation impost is lowering their regard for the law. That's a polite way of putting it. The thing was what they were saying is most of them have children, say, 25 down years of age. Those children are sitting around the dining table hearing mum and dad. How are they going to grow up and what attitude are they going to have to the law? That concerns these fathers. They were saying that. They were concerned about the impact they were having on their own children, with their children's respect or lack thereof of the law.

The other thing that I will raise here too - you've asked on numerous occasions

for possible solutions. One I put forward about a year ago now was rather than have property vegetation plans, which - they were talking about having to go on a public register, regardless of whether it had incentives attached or not. I put the suggestion, well, why couldn't we have something like an affidavit? If I sign an affidavit and it's incorrect - I can get into terrible sorts of problems if I swear one incorrectly. If I do an affidavit saying - equivalent to what they're asking through the property veg plan and that goes into some sort of court register, like your birth certificate does, there has to be a legal reason for anyone to access that.

I cannot see why you cannot have a system like that. You've got a property vegetation plan and it will fit in with - because whether we like it or not, unless we get a change of government - it's the legislation we've got, but surely there should be things that can be done with what we've got to make them more palatable, so we're not destroying our community. They were basically my points on what I'd heard today.

DR BYRON: Thank you very much. If I gave you or anybody else the impression that I thought the answer to this problem is more bureaucracy, I should be taken out and shot, because I certainly didn't mean to say that.

MS TOMLINSON: No, it was the incentives and with incentives will come, whether we like it or not, I think, more bureaucracy, because they just love to build up their castles, I think.

DR BYRON: Thank you very much. Doug, come back.

MR MENZIES: Doug Menzies again. I've just been sitting there thinking about solutions. Peter pointed out one solution, and it's fairly straightforward. I actually think it's very straightforward too. The problems we encounter at home - and I'm sure most land-holders encounter similar problems. When we start to try and solve a problem, the simple things that we look at are what do we have and where are we? What are our alternatives? If we take this alternative, what's going to happen? If we take a different alternative, what's going to happen there?

As far as this woody regrowth and stuff we've got out there, the situation that we have is Joe Bloggs has tenure of it. Whether that's actual ownership, I don't think is all that important. He's got occupying tenure of it. Socially and economically, what's going to happen to him if he retains the woody vegetation? If we look at that one, that's pretty clear-cut. If we try and restrict his progress forward, then what we must do is provide a good reason for doing that. If we can't provide a good reason for doing that, then we essentially don't have a reason for restricting his way forward or we give him the best advice we can and let him make his own way forward. I really think, of the three options, the third one is the only one that we can seriously

consider.

I don't quite know how to expand on that, but I just think the solution is that simple. We look at what we have. We've got a couple of alternatives. Don't try and break it down and make it too complicated. If we look at each of the alternatives honestly, we'll probably find there are only one or two that are possibilities anyway. Whether that made any sense or not, I don't know, but - - -

PROF MUSGRAVE: Who's "we"? You said "we look at the alternatives". Who's the "we"? How organised?

MR MENZIES: I guess the "we" is the government or the whole community. I mean, when I'm trying to solve a problem on my place, then I look at the alternatives, because it's my problem. If the community perceives that we have an environmental problem, then it's the ones who perceive the problem that must look for the alternatives or look for a solution. If you don't see a problem, you've got no cause to look for a solution.

PROF MUSGRAVE: Yes. I'd suggest that we have to strive to get to a position where we can be pretty clear what we mean by "we" and what the process is.

MR MENZIES: Yes.

PROF MUSGRAVE: What are the organisations involved in doing this? We want to be efficient and we want to be fair in the way we go about this and, quite clearly, if we look back at our history of the management of our natural resources, we've done a really bad job in developing processes, particularly at the regional level, and we've got to think very hard about what form that "we" takes. I think an observation I'd have in relation to the area that you live in versus some of the other areas we've been to - I don't know if I can express this properly, but your problems seem to be based on a really ill-advised perception of the reality on the part of the administrators in Sydney. They just don't seem to get it, do they - the regrowth management issue - whereas in some of the other areas we have there are genuine ambitions that government has for the management of biodiversity and native vegetation in the area.

Their problem is they have a one size fits all solution, which they impose without proper communication or education or advice for the individuals. You feel that you would get rapidly to closure on the matter that would be acceptable to all parties if there was just a greater degree of communication - that the farmers were able to understand what that objective of the community was, it's a genuine objective and a warranted conclusion. It's the way they've dragged it about which is bad, whereas in your case it just seems to be a very poor perception and the objective does not seem to be appropriate. It's a more fundamental error.

MR MENZIES: I'd have to agree with that, yes. Thank you.

DR BYRON: Okay. Thanks very much, Doug. Is there anybody else who wants to put some evidence on the record? If not, all I'd like to say is thank you all very much for your participation, for your input, the suggestions, the constructive advice, the comments, the criticism. I think I can speak for my colleagues in saying that we've learnt a lot today. We found it extremely valuable. I know that many of you have come a long way to be here and you've all got other much more important things that you probably should be doing today instead of sitting here, but we certainly do appreciate it and we'll try and use the information and the ideas that you've given us as well as we can. With that, thank you. I'll declare the hearing closed and we'll resume next week in Albury. Thank you.

AT 3.55 PM THE INQUIRY WAS ADJOURNED ACCORDINGLY

INDEX

	<u>Page</u>
NEW SOUTH WALES FOREST PRODUCTS ASSOCIATION LTD CYPRESS AND IRONBARK DIVISION: HEATHER ANDREWS ROY MATTHEWS TOM UNDERWOOD	1206-1224
CHARLES REYNOLDS	1225-1239
DOUG ARNOTT JIM EDWARDS RICHARD STANTON ROD YOUNG	1240-1259
ALAN HALL SHIRLEY HALL	1260-1265
BREWARRINA REGIONAL VEGETATION COMMITTEE: KAREN KNEIPP	1266-1278
CLYDE COOK	1279-1279
DOUG MENZIES PETER WESTON	1280-1297
ELIZABETH TOMLINSON	1298-1302